

# Workforce Development and its Impact on Latinos in New York State

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According to the New York State Workforce Investment Board, “Between 1993 and 2005, while New York State’s total labor force grew by 10%, the number of minorities within it grew dramatically.” Latinos in the state’s labor force grew in numbers by 61% during this period compared to 22% for blacks and only 3% for non-Hispanic whites.<sup>1</sup> From these proportions it follows that workforce development efforts in the state should pay special attention to minority workers, especially Latinos. Therefore, in this report, we assess the degree to which available resources in this area are being used to service this group of workers.

Workforce Development is the process of identifying youth, adult, and dislocated workers in need of assistance to meet labor market needs. One of the key goals of workforce development is to produce a well-trained labor force that is able to make economies grow. To accomplish this goal, workforce development efforts assess the employability skills of individuals, provide appropriate training, and help place trainees in self-sufficient employment. In some cases, these efforts include follow-up services to ensure employment retention.

While workforce development services can be provided in a variety of ways, the delivery model established by the

Workforce Investment Act of 1998 consists of a one-stop delivery system that provides employment and training services from a central location, managed by a local Workforce Investment Board (WIB). In some cases, services are provided online. WIB members are appointed by local elected officials according to criteria set by the Governor of their state; the law mandates a majority of business representatives. In addition, the boards must include representatives of education providers, labor organizations, community based organizations, economic development agencies, and “One-Stop” partners. At the state level, a separate WIB develops a statewide plan that is submitted to the top labor official in the state. This plan is supposed to include provisions for services to populations such as low-income individuals, individuals training for nontraditional employment, as well as individuals with multiple barriers to employment such as older individuals and individuals with disabilities.

The law established three service categories, although services are not necessarily provided in the sequence outlined here. All adults, age 18 or older, are eligible to receive “core services,” which include job search and placement assistance (including career counseling), labor market information (which identifies job vacancies; skills needed for in-demand jobs; and local, regional, and national employment trends), initial assessment of skills and needs, information about available services, and follow-up services to help customers keep their jobs once they are placed.

<sup>1</sup> New York State Workforce Investment Board, “Two-Years of the Strategic Five-Year State Plan for Title I of the Workforce Investment Act and Wagner-Peyser Act, July 1, 2007-June 30, 2009,” p. 24. <http://www.labor.state.ny.us/workforcenypartners/swibs.shtm> <Accessed June 2009> “Latino” and “Hispanic” can be used interchangeably. We prefer the term “Latino” and we use “Hispanic” only when it is a term of art such as “non-Hispanic whites” and/or when the source we cite uses that particular label.



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The second category of “intensive services” encompasses services to unemployed individuals who have been unable to obtain jobs through core services and those who are employed but need additional training services to reach self-sufficiency. Intensive services include more comprehensive assessments than those provided through core services, development of individual employment plans, group and individual counseling, case management, and short-term pre-vocational services.

The third category, “training services,” applies to workers unable to find jobs after receiving intensive services. These services must be directly linked to existing job opportunities and include occupational skills training, on-the-job training, entrepreneurial training, skill upgrading, job readiness training, and adult education and literacy activities in conjunction with other training.<sup>2</sup>

One important provision of the law that is relevant to Latinos is that if adult funds are limited in one area, available funds must be targeted with priority to public assistance and low-income clients. The law also authorizes support services such as transportation, child and dependent care, as well as the provision of needs-related payments to allow participants to remain in training.

Because workforce development efforts in New York are variegated, we examine not just WIBs and One-Stop Centers but also the Workforce Development Institute, the New York City Consortium for Worker Education, the Department of Economic Development, and the Empire State Development Corporation. Even though only WIBs and One-Stop Centers are Workforce Investment Act programs, all of these entities have a significant amount of resources at their disposal that are directly or indirectly related to workforce development efforts in the state. In 2006-2007, their combined total budget was \$938,946,791 (see Table 1).<sup>3</sup>

## Latinos in New York

In 2002, the Latino population in the United States was estimated at 37.4 million or 13.3% of the total. Of those, about 14%, or 5.2 million, were in the Northeast. New York State is home to about three million of the Latinos that live in the Northeast or about 60% of the total in the region.

<sup>2</sup> The description of WIB composition, responsibilities, and services is from U.S. Department of Labor, Employment and Training Administration, *Workforce Investment Act of 1998*, September 1998.

<sup>3</sup> We use the 2006-2007 budgets for illustrative purposes. Due to differences in reporting, budgets were available for all the entities examined here only for that period.

**TABLE 1: NEW YORK STATE WORKFORCE DEVELOPMENT SPENDING 2006-2007**

ORGANIZATION NAME	BUDGET
Workforce Investment Boards (WIBs)	\$149,826,927
Workforce Development Institute (WDI)	\$2,520,519
New York City Consortium for Workers (NYCCWE)	\$25,011,445
Department of Economic Development	\$43,329,900
Empire State Development Corporation	\$718,258,000
<b>TOTAL</b>	<b>\$938,946,791</b>
<small>Table compiled using information from the Consortium for Worker Education, “990 Form filed for Consortium for Worker Education,” The Internal Revenue Service (IRS), 2006. <a href="http://www.guidestar.org">www.guidestar.org</a> &lt;Accessed June 2009&gt;; New York State Assembly, 2006-2007 Executive Budget; New York State Department of Labor, “PY 2006 Local Workforce Investment Areas’ Funding Allocations.” <a href="http://www.labor.state.ny.us/workforcenypartners/lwia.shtm">http://www.labor.state.ny.us/workforcenypartners/lwia.shtm</a> &lt;Accessed June 2009&gt;; The Workforce Development Institute, “990 Form filed for WDI,” The Internal Revenue Service (IRS), 2006. <a href="http://www.guidestar.org">www.guidestar.org</a> &lt;Accessed June 2009&gt;</small>	

Nationally, the majority of Latinos are Mexican or Mexican American but in the Northeast and in New York the majority are Puerto Rican, followed by Dominicans and Mexicans. Where are Latinos from? Nationally, 40% were estimated to be foreign-born in 2002 but according to the 2000 census, which offers the actual count, in New York the proportion was 66%. These percentages, of course, do not include Puerto Ricans.

What is their socioeconomic status at the national level? They are economically disadvantaged, with 74% earning under \$35K a year (in 2001) and 21% living under the poverty level, compared to 46% and 8% respectively for non-Hispanic whites. They also have less access to economic opportunities. In 2002, 8% were unemployed compared to 5% for non-Hispanic whites. In 1999, their per capita income was \$12,111; this was a little over half of the per capita income of non-Hispanic whites (\$23,918).

What is the picture in New York? In the state, 56% of Latino households earn less than \$35K a year compared to 37% for non-Hispanic whites; 28% are under the poverty level compared to 10% for non-Hispanic whites; and 12% of those in the labor force are unemployed compared to only 5% for non-Hispanic whites. In New York, the per capita income of Latinos in 1999 was \$12,789 compared to \$28,391 for non-Hispanic whites.

These statewide statistics are dismal but the picture changes depending on where you look in the state. Latinos in Nassau County have higher incomes and lower unemployment rates

than Latinos in New York City. Latinos in Western New York fare poorly compared to Latinos from everywhere else in the state. In Albany, Latinos generally have a higher education, have the highest incomes, and are part of the managerial-professional workforce. Their unemployment rate, however, is high and their numbers in state agencies are low. In 2008, they were 13% of the statewide labor force but only 4% of the state workforce.<sup>4</sup>

In sum, Latinos in New York State are not just a growing segment of the labor force. In addition, their socioeconomic disadvantage is paired with an extremely high unemployment rate. Because of their demographic importance and their socioeconomic status, the degree to which the fate of Latinos is directly linked to the fate of the state's economy is high. Presently, they are a prime candidate for workforce development services. To what degree are these services targeted to their needs? In the following sections we describe the entities that provide direct and indirect workforce development services in the state, the level of resources they manage, and the share, if any, of those resources that is used to service Latino needs.

A key aspect of the 1998 Workforce Investment Act is its intent to establish a customer-focused system that allows workers to easily access information and services, empowers them to obtain the training they need, and ensures that workforce development programs meet their expectations. Such is the intent of the law. Implementation is a different matter. As the sections that follow suggest, in New York State this focus must be sharpened to track services provided to Latinos. There is no question that services are being provided and efforts are yielding results; but without a focus on how and to what extent Latinos are being served, it is impossible to know for sure how effectively resources are being used and the state is not fully accountable for meeting their needs.

## Workforce Investment Boards (WIBs)

The New York State Workforce Investment Board (WIB) was established after the passage of the Workforce Investment Act of 1998 (WIA).<sup>5</sup> The WIA was passed to “reform Federal job training programs and create a new,

comprehensive workforce investment system.”<sup>6</sup> The Act also requires states to set up a Workforce Investment Board in order to qualify for funding under section 127 or 132 of the act or to receive funding under the Wagner-Peyser Act.<sup>7</sup> Under the WIA, states are asked to outline a 5-year strategy for a statewide workforce investment system which is to be overseen and implemented by the statewide and local WIBs.<sup>8</sup> The New York WIB “determines strategic priorities, identifies high-growth industries, develops a workforce investment budget, and establishes local workforce investment areas across the state.”<sup>9</sup> The Board has 41 members and includes the following four subcommittees; Emerging Worker; Skills Standards, Assessments and Credentials; Local Board Liaison; and System Integration.<sup>10</sup> The New York State Department of Labor oversees funding allocations for WIBs, as well as certification of local WIBs.

Currently, New York State is divided into 33 workforce areas; local WIBs are charged with the task of overseeing workforce development in the designated workforce areas. A function of the local WIBs is to “determine how many One-Stop Career Centers are needed in their area, where they will be located, and how they will be operated.”<sup>11</sup> There are 81 One-Stop Career Centers across the state.<sup>12</sup> Each center provides career counseling, resume-writing and interview advice, career workshops, connections to training opportunities, access to computers and fax machines, and support services for job fairs.<sup>13</sup> Centers also maintain a directory of local job training and placement resources along with information about job counseling. The Workforce Investment Act provides federal funding under the condition that workforce-related services target adult, dislocated worker, and youth populations.<sup>14</sup>

6 U.S. Department of Labor, Office of Inspector General, “New York’s One-Stop Readiness Under the Workforce Investment Act,” 22 February 2000, p. 5. [www.oig.dol.gov/public/reports/oa/2000/02-00-207-03-390.pdf](http://www.oig.dol.gov/public/reports/oa/2000/02-00-207-03-390.pdf) <Accessed June 2009>

7 Workforce Investment Act of 1998, 7 August 1998, 20 USC 9201, Public Law 105-220, 105th Congress. <http://www.doleta.gov/USWORKFORCE/WIA/wialaw.pdf> <Accessed June 2009>

8 Ibid.

9 Deanna Darwak, “NYLARNet Research...”

10 New York State Workforce Investment Board, “Two-Years of the Strategic Five-Year State Plan for Title I of the Workforce Investment Act and Wagner-Peyser Act, July 1, 2007-June 30, 2009,” p. 9, <http://www.labor.state.ny.us/workforcenypartners/swibs.shtm> <Accessed June 2009>

11 Ibid.

12 New York State Department of Labor, “One-Stop Locations,” <http://www.labor.state.ny.us/workforceny-partners/osview.asp> <Accessed June 2009>

13 Tom Keyser, “Paterson Seeks to Extend Jobless Aid,” Times Union, 14 April 2009, <http://archives.timesunion.com/mweb/wmsql.wm.request?oneimage&imageid=7855552> <Accessed June 2009>

14 New York State Department of Labor, “Annual Report 2006,” [http://www.labor.state.ny.us/agencyinfo/PDFs/January%205%202008\\_%202006%20Annual%20Report.pdf](http://www.labor.state.ny.us/agencyinfo/PDFs/January%205%202008_%202006%20Annual%20Report.pdf) <Accessed June 2009>

4 New York State Department of Civil Service, *Diversity in the New York State Government Workforce*, March 2009, p. 10.

5 Deanna Darwak, Staff Person for Employment and Workforce Solutions, New York State Department of Labor, “NYLARNet Research Q,” Email message to Jackie Hayes, 12 June 2009.

### Workforce Investment Board Programs or Initiatives Targeted Toward Latinos in New York

Workforce Investment Boards track information about the funds targeted toward adult, dislocated worker, and youth populations. Demographic information about “customers” is collected at the One-Stop Centers and reported to the U.S. Department of Labor at the end of each administrative program year. The New York State Workforce Investment Board budget is accessible through the New York State Department of Labor. The budget details funds dedicated to each workforce investment area, with a breakdown of funds targeted toward adult, dislocated worker, and youth populations in each area, but it does not detail funds devoted specifically to Latinos.

In order to assess how WIB programs may be impacting Latinos in New York State we used several proxy measures. First, we looked at how funding was distributed and correlated the distributions with the number of Latinos in the state in each funding category (see Table 2). Second, we looked at Latino populations within the Adult and Youth demographic categories to determine the approximate level of funding support that should be targeted to Latinos in those categories based on their proportion of the state population (see Table 3). Third, we identified initiatives

that may be specifically beneficial to Latinos. Finally, we correlated the percentage of the state funding allocated to the area with the percentage of the Latino unemployed in that area to assess which areas should be targeted for workforce development dollars (see Table 4).

Of the locations covered by WIB programs, seven locations had a high concentration of Latinos: New York City, Orange County, Rockland County, Suffolk County, Sullivan County, Westchester/Putnam Counties, and the City of Yonkers. We focused our analysis on these seven locations. These areas used the bulk of WIB program allocations for the 2008-2009 Program Year with New York City receiving 51% of the funds allocated statewide (see Table 2). Even though we are unable to determine what proportion of allocated resources goes to service Latinos, it is clear that more resources are being allocated to areas with more individuals potentially in need of services.

Funding was split fairly evenly between the three tracked populations (Adult, 35.32%; Youth, 35.82%; Dislocated Worker, 28.86%). Within New York State, the Adult Latino population was considerably greater than the Youth Latino population.<sup>15</sup> The Adult population is defined in the Workforce Investment Act as “an individual who is not less than age 22 and

**TABLE 2: WORKFORCE INVESTMENT BOARD PROGRAM YEAR 2008-2009 ALLOCATIONS BY COUNTIES WITH HIGH LATINO CONCENTRATIONS**

LOCAL WORKFORCE INVESTMENT AREA	ADULT	DISLOCATED WORKERS	YOUTH	TOTAL	% OF TOTAL BUDGET	LATINO POP.	% OF TOTAL LATINO POP.
New York City	\$26,520,154	\$15,820,032	\$25,082,830	\$67,423,016	51.07	2,259,069	74.74
Orange	\$559,504	\$605,850	\$553,345	\$1,718,699	1.30	39,738	1.31
Rockland	\$368,107	\$375,495	\$386,977	\$1,130,579	0.86	29,182	0.97
Suffolk	\$2,034,123	\$2,724,422	\$2,051,978	\$6,810,523	5.16	149,411	4.94
Sullivan	\$219,652	\$179,538	\$227,041	\$626,231	0.47	6,839	0.45
Westchester/Putnam	\$860,190	\$1,187,739	\$819,732	\$2,867,661	2.17	150,100	5.00
Yonkers	\$553,396	\$330,810	\$546,819	\$1,431,025	1.08	58,102	1.92
<b>TOTAL (For 7 WIA Locations)</b>	<b>\$31,115,126</b>	<b>\$21,223,886</b>	<b>\$29,668,722</b>	<b>\$82,007,734</b>	<b>62.12%</b>	<b>2,692,441</b>	<b>93.89%</b>
<b>TOTAL (For All WIA Locations)</b>	<b>\$46,625,317</b>	<b>\$38,094,214</b>	<b>\$47,290,404</b>	<b>\$132,009,934</b>	<b>100.0%</b>	<b>3,022,508</b>	<b>100.0%</b>

Table compiled using information from the following sources: New York State Department of Labor. “PY 2009 Local Workforce Investment Areas’ Funding Allocations.” <http://www.labor.state.ny.us/workforcenypartners/alloc/WIAPY2009FinalAllocations.pdf> <Accessed June 2009>; The New York Latino Research and Resources Network (NYLARNet), *Latinos in New York State: Demographic Status and Political Representation*, Spring 2009; Author’s calculation from “Statewide Population Data” table at New York State Department of Labor, “Population Data and Projections for New York State and Counties,” [http://www.labor.state.ny.us/workforceindustrydata/nys/statewide\\_population\\_data.asp](http://www.labor.state.ny.us/workforceindustrydata/nys/statewide_population_data.asp) <Accessed July 2009>; U.S. Census Bureau.

<sup>15</sup> New York State Department of Labor, “Population Data and Projections for New York State and Counties,” [http://www.labor.state.ny.us/workforceindustrydata/nys/statewide\\_population\\_data.asp](http://www.labor.state.ny.us/workforceindustrydata/nys/statewide_population_data.asp) <Accessed July 2009>

**TABLE 3: WORKFORCE INVESTMENT BOARD PROGRAM YEAR 2008-2009 ALLOCATIONS BY TARGETED POPULATION**

TARGETED POPULATION	PROGRAM FUNDS DEVOTED TO GROUP	PERCENTAGE OF TOTAL FUNDS	LATINO POPULATION	PERCENTAGE OF STATEWIDE POPULATION
Adult	\$46,625,317	35.32%	1,938,636	15.81%
Dislocated Worker	\$38,094,214	28.86%	n/a	n/a
Youth	\$47,290,404	35.82%	294,749	8.78%
<b>TOTAL</b>	<b>\$132,009,934</b>			

Table compiled using information from the New York State Department of Labor. "PY 2009 Local Workforce Investment Areas' Funding Allocations." <http://www.labor.state.ny.us/workforcenypartners/alloc/WIAPY2009FinalAllocations.pdf> <Accessed June 2009>; Author's calculation from "Statewide Population Data" table at New York State Department of Labor, "Population Data and Projections for New York State and Counties," [http://www.labor.state.ny.us/workforceindustrydata/nys/statewide\\_population\\_data.asp](http://www.labor.state.ny.us/workforceindustrydata/nys/statewide_population_data.asp) <Accessed July 2009>

**TABLE 4: NUMBER OF LATINO UNEMPLOYED AND WORKFORCE INVESTMENT BOARD PROGRAM YEAR 2008-2009 ALLOCATIONS**

LOCAL WORKFORCE AREA	NUMBER OF UNEMPLOYED LATINOS	UNEMPLOYED LATINOS AS A % OF TOTAL LATINO POPULATION IN WORKFORCE AREA	% OF WIB BUDGET DEVOTED TO AREA
New York City	116,488	7.4	51.07
Orange	1,445	5.4	1.30
Rockland	857	4.0	0.86
Suffolk	4,216	3.9	5.16
Sullivan	372	7.4	0.47
Westchester Balance/Putnam	5,365	4.9	2.17
Yonkers	2,135	6.0	1.08
<b>TOTAL (For 7 WIA Locations)</b>	<b>130,878</b>	<b>6.9</b>	<b>62.12</b>

Table compiled using information from the following sources: New York State Department of Labor. "PY 2009 Local Workforce Investment Areas' Funding Allocations." <http://www.labor.state.ny.us/workforcenypartners/alloc/WIAPY2009FinalAllocations.pdf> <Accessed June 2009>; U.S. Census Bureau.

not more than age 72" and Youth is defined as "an individual who is age 16 through 21."<sup>16</sup> In New York State, the Adult Latino population (ages 22-72) is 61.3% of the total Latino population and the Youth Latino population (ages 16-21) is 9.32% of the total Latino population in New York State. If services were targeted specifically toward Latinos in New York State, it would be important to direct a significant proportion of funding to the Adult Latino population since they comprise 61.3% of the total Latino population in New York State.

Aside from targeting Adult, Youth, and Dislocated Workers, there are a few first time initiatives highlighted in the State Workforce Investment Board's 2007 Annual Report which may benefit Latinos. During the 2007 program year, the Board in conjunction with the Governor's office oversaw the granting of four awards totaling \$1.96 million toward Vocational English as a Second Language (VESL) programs

which were estimated to serve 772 individuals.<sup>17</sup> The funds were intended to serve New York's growing immigrant population with limited English proficiency.

To put this investment in perspective, \$1.96 million distributed among 772 individuals represents \$2,539 VESL dollars per beneficiary. If the same amount were to be spent on the Latino population in the state that speaks English less than "very well" (1,115,028 in 2000), the required investment would be \$2.8 billion.<sup>18</sup> But let's assume that only Latinos who speak English "not well" and "not at all" (625,189 in 2000) were targeted for services. In this case the required investment

<sup>17</sup> New York State Department of Labor and the Workforce Investment Board, *New York State Workforce Investment System, 2007 Annual Report*, p.6, <http://www.labor.state.ny.us/workforcenypartners/annualreport/wiaannualreport07.pdf> <Accessed June 2009>

<sup>18</sup> Author's calculations from "Language Spoken at Home by Ability to Speak English for the Population 5 Years and Over (Hispanic or Latino)" table at U.S. Census Bureau [http://factfinder.census.gov/servlet/DTTable?\\_bm=y&-context=dt&-ds\\_name=DEC\\_2000\\_SF3\\_U-CONTEXT=dt&-mt\\_name=DEC\\_2000\\_SF3\\_U\\_PCT011&-mt\\_name=DEC\\_2000\\_SF3\\_U\\_PCT012&-mt\\_name=DEC\\_2000\\_SF3\\_U\\_PCT013&-mt\\_name=DEC\\_2000\\_SF3\\_U\\_PCT014&-tree\\_id=403&-redoLog=true&-all\\_geo\\_types=N&-caller=geoselect&-geo\\_id=04000US36&-search\\_results=01000US&-format=&-lang=en](http://factfinder.census.gov/servlet/DTTable?_bm=y&-context=dt&-ds_name=DEC_2000_SF3_U-CONTEXT=dt&-mt_name=DEC_2000_SF3_U_PCT011&-mt_name=DEC_2000_SF3_U_PCT012&-mt_name=DEC_2000_SF3_U_PCT013&-mt_name=DEC_2000_SF3_U_PCT014&-tree_id=403&-redoLog=true&-all_geo_types=N&-caller=geoselect&-geo_id=04000US36&-search_results=01000US&-format=&-lang=en) <Accessed August 2009>

would amount to \$1.5 billion.<sup>19</sup> Even in this light, the actual 2007 investment of \$1.96 million pales in comparison.

Table 4 compares the number of unemployed Latinos in the seven workforce areas to WIB funding in those areas. New York City had the highest number of Latino unemployed or 116,488 unemployed Latinos. Both New York City and Sullivan County had the highest percentage of unemployed with 7.4% of the total Latino population in both areas experiencing unemployment. Currently, a very small portion of WIB's budget is dedicated to Sullivan County (.47%). Suffolk County had the lowest percentage of unemployed Latinos (3.9%) and receives 5.16% of the WIB budget. Given these figures, if workforce development services were to be tailored toward Latinos it would be important to focus workforce dollars on areas of the state where Latinos are facing high levels of unemployment, like New York City and Sullivan County, as well as areas where there are a high number of Latinos. The question is what proportion of WIB funding is used to specifically serve unemployed Latinos. We address this question in the next section.

Although a significant portion of WIB program fund allocations are devoted to areas of New York State where Latinos are highly concentrated and some WIB initiatives may help Latinos, it is difficult to tell if Latinos are actually benefitting from these programs because funding is not tracked by ethnicity. By looking at the number of Latinos in a specific geographic area or demographic category we can gain a sense of how funding might impact Latino communities, but it is difficult to make a detailed assessment since allocations are not reported in a way that highlights funds devoted to Latinos specifically.

### One-Stop Centers and their Impact on Latinos in New York

The Centers draw a significant portion of WIB resources and they are frequently the main point of contact between state workforce development programs and those needing workforce development resources. The "One-Stop" model used for Career Centers across New York State and the U.S. is set up to provide a central location for "customers" to engage in "core employment services and be referred directly to job training, education, or other services."<sup>20</sup>

One-Stop Centers report program information to the U.S. Federal Government at the end of every program year.<sup>21</sup> Program years are defined as the July to June administrative program year (e.g. July 1, 2001 to June 30, 2002).<sup>22</sup> The program information is accessible online through the Federal Research and Evaluation Database. The database includes information on the number of Adult, Older Youth, Younger Youth and Dislocated Workers exiting the WIA programs every year. There are also detailed breakdowns by various categories including ethnicity, age, education level, and gender.

We compared the number of Latinos exiting WIA programs during a given program year with the number of unemployed Latinos in the previous year in the state to estimate how Latinos might be served by WIA programs offered at the One-Stop Centers. It is reasonable to assume that customers exiting in any given year did not necessarily become unemployed in the previous year. Furthermore, while the unemployment figures we use are for a given calendar year, the exiting numbers correspond to program years, measured from July 1st to June 30th. Therefore, ours is only an approximate measure. Nevertheless, the comparison between the number of unemployed workers and the number of workers served gives us a rough idea of the scope of service provision. In any event, the scope of service may be even more limited than what this comparison suggests since exiting is not equivalent to job placement. While some customers exit the program to start a job, others simply drop out after receiving some level of core, intensive, or training services.

We focused on the seven workforce areas with high concentrations of Latinos: New York City, Orange County, Rockland County, Suffolk County, Sullivan County, Westchester/Putnam County, and the City of Yonkers from 2000 to 2006 (see Figures 1 through 7). There is limited data available on the number of unemployed Latinos in some of the areas as noted; therefore our approximate assessment was doubly difficult in the cases of Sullivan County and the City of Yonkers. Figures 1 through 7 detail the number of Latino participants who exited Workforce Investment Act programs at the end of each program year compared to the number of Latinos unemployed in the previous year.

19 Ibid.

20 U.S. Department of Labor, Employment and Training Administration, *Workforce Investment Act of 1998*, September 1998, p. 5. <http://www.doleta.gov/USWORKFORCE/WIA/plaintext.pdf> <Accessed July 2009>

21 Anne Hayes, Project Coordinator Workforce1 Career Center System Management, NYC Department of Small Business Services, "Correspondence #1-1-493185348 - Jacqueline M. Hayes," email to Jackie Hayes, 14 July 2009.

22 U.S. Department of Labor Employment and Training Administration, *FRED User's Guide*, Version 2.2, 20 July 2005. [http://www.fred-info.org/FREDUsersGuide2\\_2.pdf](http://www.fred-info.org/FREDUsersGuide2_2.pdf) <Accessed June 2009>

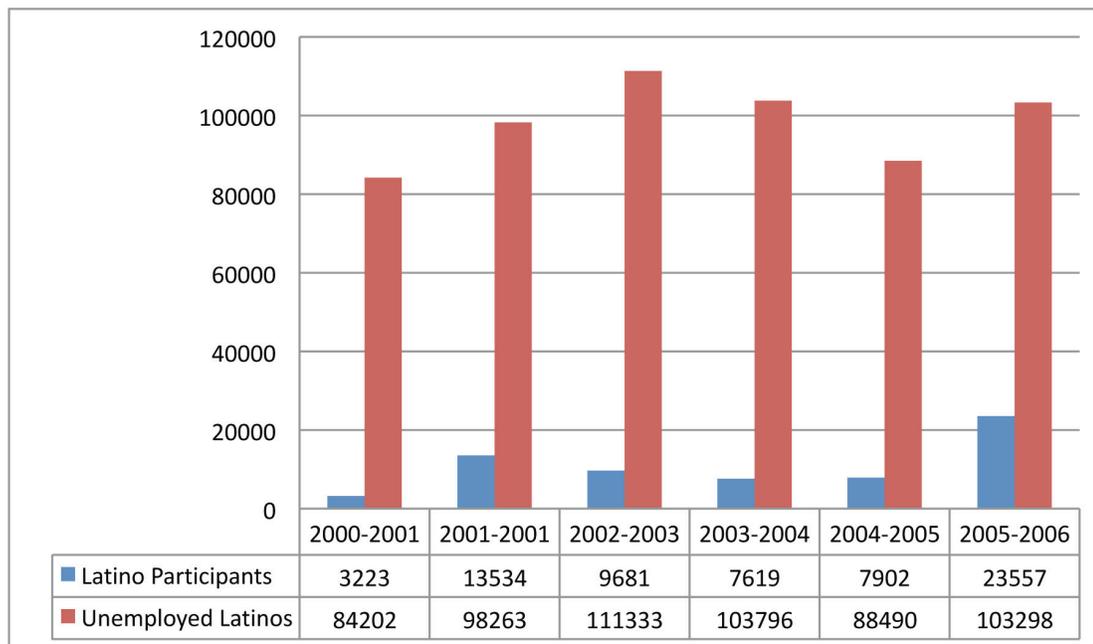
In New York City from 2000 to 2006 the number of unemployed Latinos was over four times the number of Latinos that exited through WIA programs, meaning that only a small fraction of unemployed Latinos ranging from 3.8% in PY 2000-2001 to 22.8% in PY 2005-2006 accessed or received services through the city's One-Stop Centers. This is particularly problematic because unemployment among Latinos is higher in New York City in comparison to other parts of the state and because there is a high number of Latinos residing in New York City (2,160,554 in 2000).<sup>23</sup>

The picture is similar for the other six locations where the gap between the number of unemployed Latinos and the number exiting One-Stop Centers is considerable. The Westchester/Putnam County One-Stop Center had the most sizable gap in PY 2000-2001 with only 17 Latino participants exiting the program in comparison to the 3,486 Latinos who were unemployed in 2000. Suffolk County had

the smallest gap in PY 2005-2006 with a total of 2,650 Latino participants during that program year in comparison to the 4,019 who were reported as unemployed that year. Nevertheless, the Suffolk County example is the only example of a small gap between the number of Latino participants exiting One-Stop Centers and the number of unemployed Latinos. For every other year in the targeted counties, the number of Latinos exiting the One-Stop Centers is a relatively small fraction (under 24%) of those potentially in need of services. On average the number of Latinos exiting One-Stop Centers between 2000 and 2006 comprised about 7.6% of unemployed Latinos.

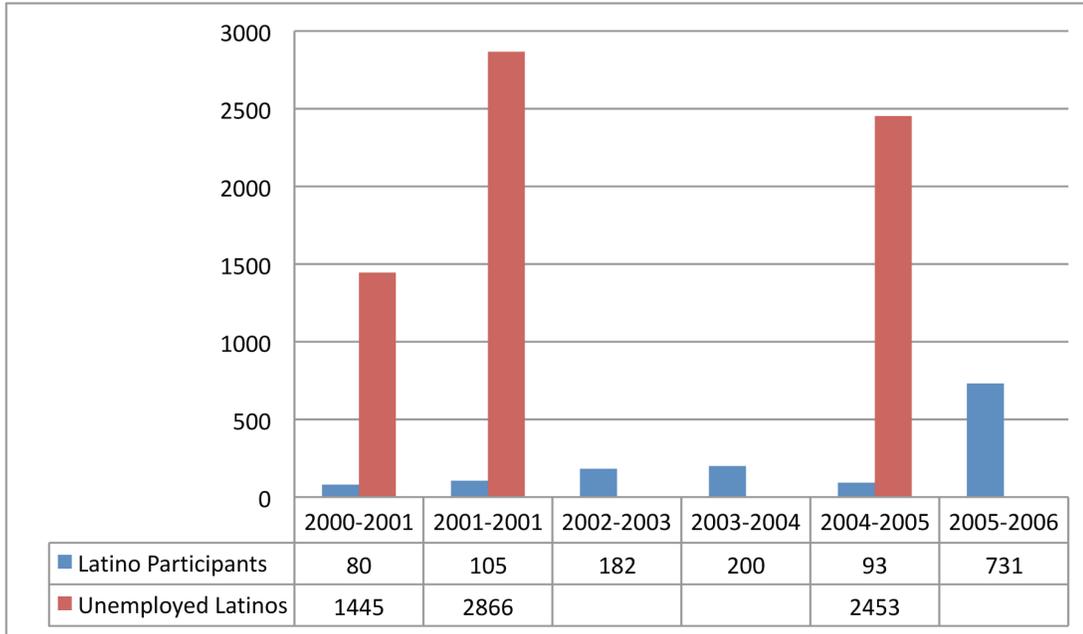
Overall, the findings highlight a grave disparity between the number of Latino participants benefiting from workforce development programs provided through One-Stop Career Centers in these seven locations and the number of unemployed Latinos.

**FIGURE 1:**  
**NEW YORK CITY LATINO PARTICIPANTS WHO EXITED WIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006**



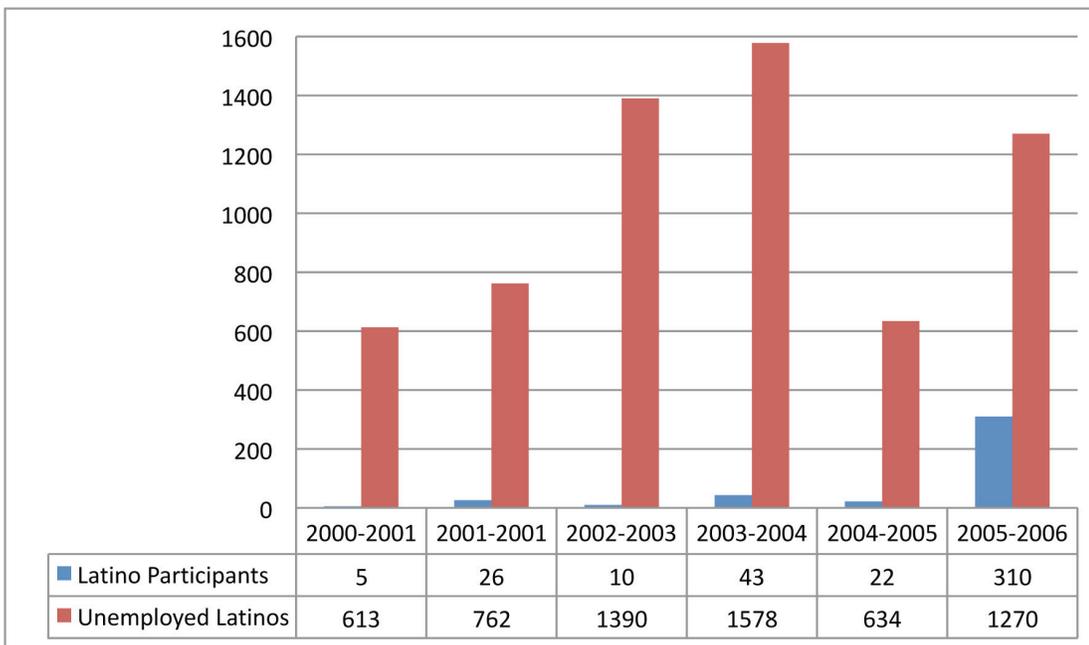
Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

**FIGURE 2: ORANGE COUNTY LATINO PARTICIPANTS WHO EXITED WIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006<sup>24</sup>**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

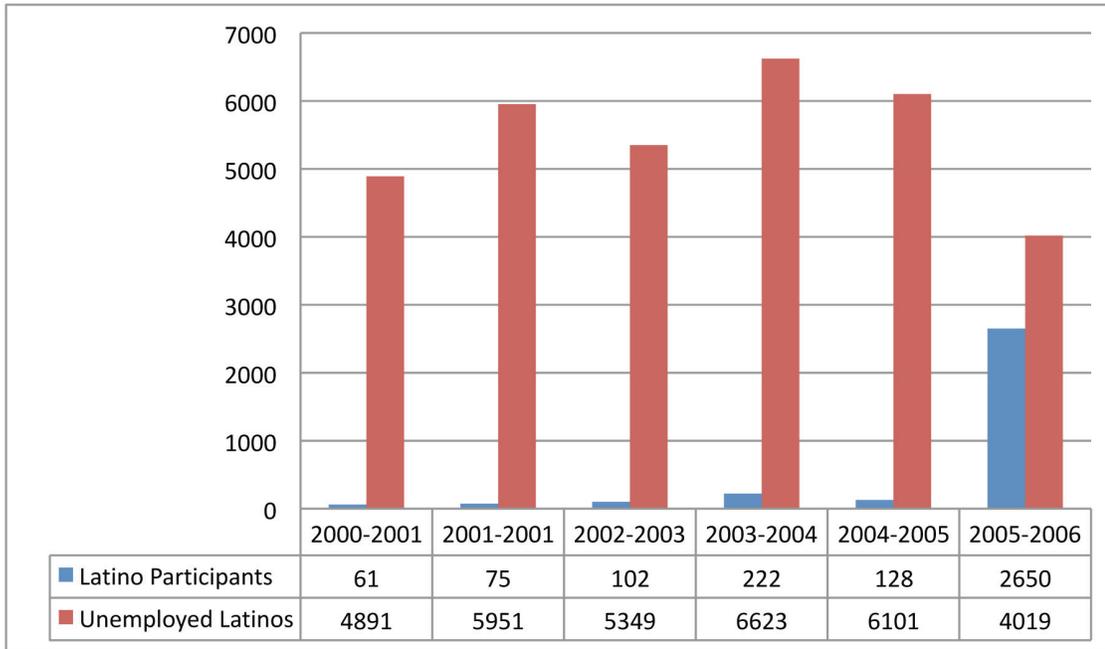
**FIGURE 3: ROCKLAND COUNTY LATINO PARTICIPANTS WHO EXITED WIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

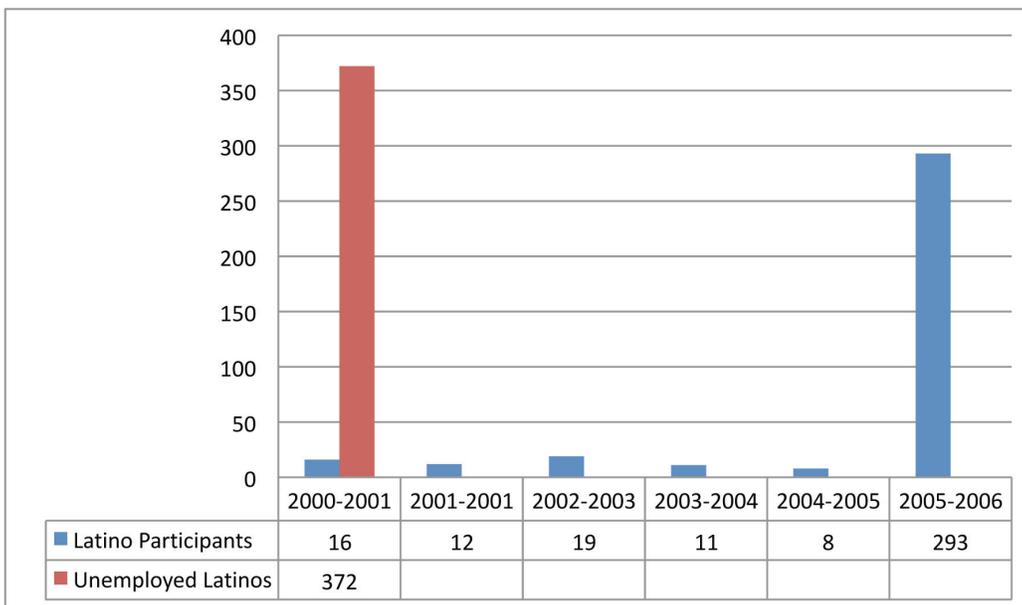
<sup>24</sup> According to the U.S. Census Bureau, unemployment data for Orange County is unavailable for the years 2002, 2003, and 2005 because the number of the sample is too small.

**FIGURE 4: SUFFOLK COUNTY LATINO PARTICIPANTS WHO EXITED VIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

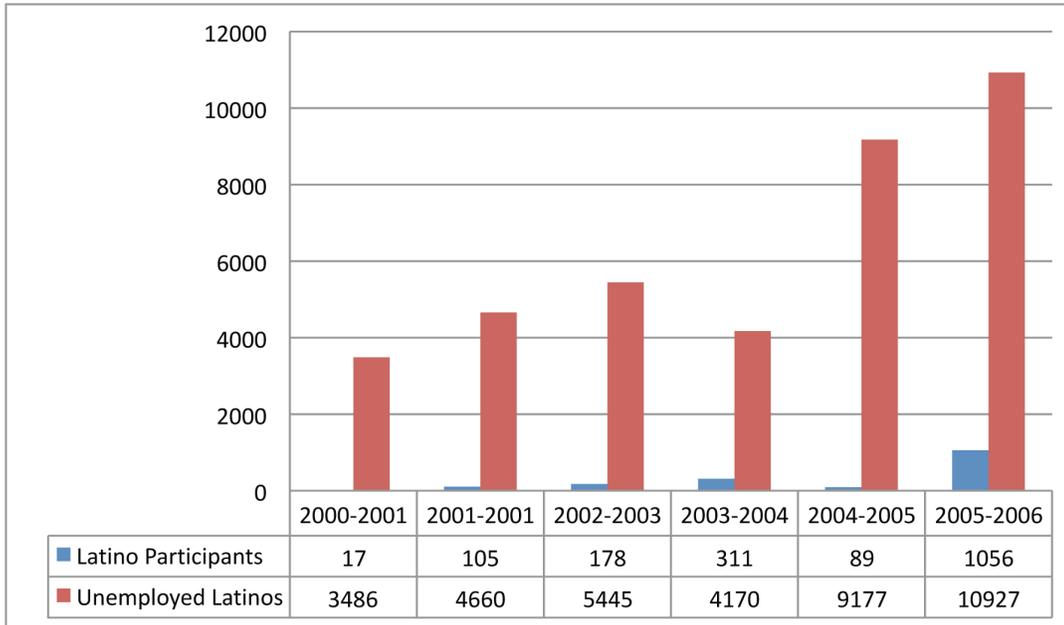
**FIGURE 5: SULLIVAN COUNTY LATINO PARTICIPANTS WHO EXITED VIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006<sup>25</sup>**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

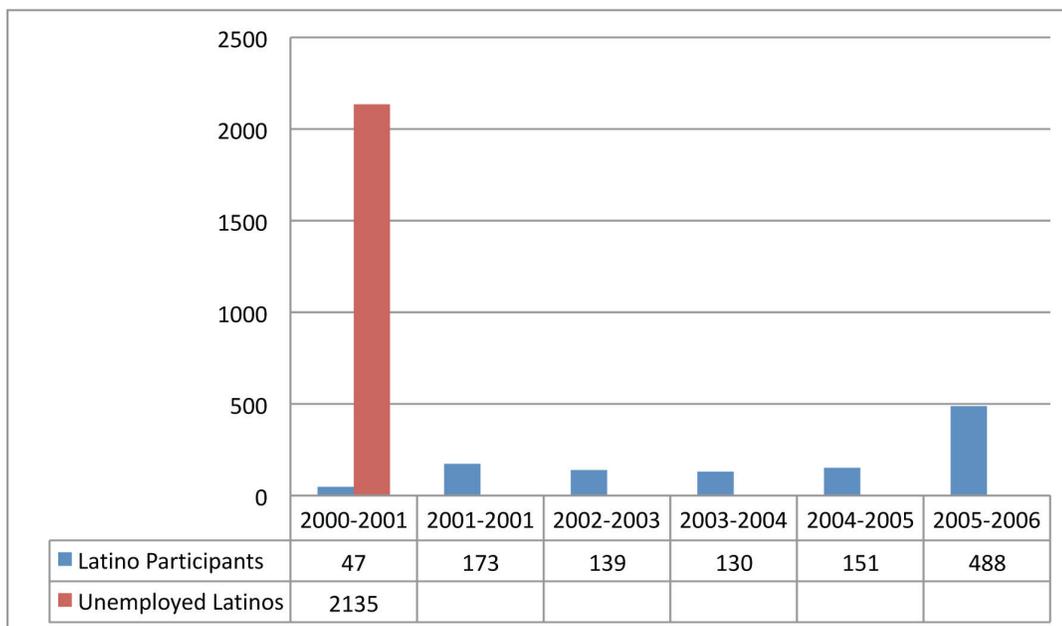
<sup>25</sup> According to the U.S. Census Bureau unemployment data for Sullivan County is unavailable for the years 2001, 2002, 2003, 2004, and 2005 because the number of the sample is too small.

**FIGURE 6: WESTCHESTER/PUTNAM COUNTY LATINO PARTICIPANTS WHO EXITED WIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006<sup>26</sup>**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

**FIGURE 7: CITY OF YONKERS LATINO PARTICIPANTS WHO EXITED WIA PROGRAMS AND LATINO UNEMPLOYMENT 2000-2006<sup>27</sup>**



Source: Author's calculations from U.S. Department of Labor Employment and Training Administration, "Federal Research and Evaluation Database," <http://www.fred-info.org/> <Accessed July 2009>; U.S. Census Bureau.

<sup>26</sup> According to the U.S. Census Bureau unemployment data for Putnam County is unavailable for the years 2001, 2002, 2003, 2004, and 2005 because the number of the sample is too small. Therefore the number of unemployed Latinos only includes estimates for Westchester County, except for PY 2000-2001, which includes both counties.

<sup>27</sup> According to the U.S. Census Bureau unemployment data for the City of Yonkers is unavailable for the years 2001, 2002, 2003, 2004, and 2005 because the number of the sample is too small.

## Workforce Development Institute (WDI)

The Workforce Development Institute (WDI) is a non-profit 501(c)(3) agency that receives the majority of its funds from New York State, as well as from federal grants and private donations. WDI was established in 1999 and is described as the “nonprofit training and development arm of the state AFL-CIO.”<sup>28</sup> WDI coordinates six major programs throughout the state; the New York Apollo Alliance, the Workforce Intelligence Program, the Facilitated Child Care Subsidy Program, the Training and Education Program, the Community College Program and Unseenamerica NYS.<sup>29</sup>

There are about 30 WDI staff members at eight regional offices throughout New York State, including offices in Buffalo, the Capital Region, Kingston, Long Island, the Mohawk Valley, Rochester, Syracuse, and Utica (see Figure 8 for map of regional offices).<sup>30</sup> WDI’s mission is to “improve the lives of working families across New York State by providing workforce intelligence and programs in economic development, education and training, cultural enrichment, family support, and disabled and dislocated workers services.”<sup>31</sup> Below are short descriptions of each of the six WDI programs.

**FIGURE 8: WORKFORCE DEVELOPMENT INSTITUTE NYS REGIONAL OFFICES**



Graphic from the Workforce Development Institute Website, “New York State Regional Offices,” <http://www.wdiny.org/educationtraining.html> <Accessed June 2009>

28 Danielle Furfaro, “Picture This: Photo Program Faces Ax,” *The Times Union*, 13 March 2009, <http://www.timesunion.com/ASPStories/Story.asp?StoryID=779459&LinkFrom=RSS> <Accessed June 2009>

29 Workforce Development Institute, “A skilled workforce is one of New York’s greatest assets,” <http://www.wdiny.org/index.html> <Accessed June 2009>

30 Workforce Development Institute, “New York State Regional Offices,” <http://www.wdiny.org/educationtraining.html> <Accessed June 2009>

31 Ibid.

## New York Apollo Alliance

The New York Apollo Alliance was launched in July 2006 to “promote energy independence, environmental protection and opportunities for New York State’s businesses and workers through the creation of well-paying new and transitional jobs.”<sup>32</sup> The alliance is a coalition of business, labor and environmental groups in New York State and is affiliated with a nonprofit organization based in Washington, D.C.<sup>33</sup> The goal of the Alliance is to encourage environmental reform alongside workforce development through the creation of “green collar” jobs in New York. Some of the members of the Alliance include the Environmental Business Association of New York State Inc., Sierra Club, United Steelworkers, and New York State United Teachers.<sup>34</sup>

## Unseenamerica NYS

Unseen America was initially started in 2000 and featured immigrant laborers on Long Island. In 2004, WDI began underwriting the workshops.<sup>35</sup> Unseenamerica NYS is described as “a collaboration of the Bread and Roses Cultural Project of 1199 Service Employees International Union, the New York State AFL-CIO, and the Workforce Development Institute.”<sup>36</sup> The program costs about \$10,000 per workshop, which includes camera, film costs, development, photograph mounting and instructor travel costs.<sup>37</sup> Workshops run for 10-12 weeks during which participants are taught basic documentary photography and provided with cameras.<sup>38</sup> The photos are then exhibited in various locations around the state. According to WDI, about 200 people have displayed their work in over 50 locations across New York.<sup>39</sup>

## The Facilitated Child Care Subsidy Program

The Facilitated Child Care Subsidy Program includes five staff members who manage facilitated child care enrollment across four counties, including Albany, Oneida, Rensselaer, and Schenectady County. WDI collaborates with the New York State Office of Children and Family Services, and local county Departments of Social Services in order to provide

32 Apollo Alliance, “New York State,” <http://apolloalliance.org/state-local/new-york-state/> <Accessed June 2009>

33 Larry Rullison, “Coalition Pushes Cleaner Future in New York,” *The Times Union*, 18 July 2006, <http://archives.timesunion.com/mweb/wmsql.wm.request?oneimage&imageid=6409416> <Accessed June 2009>

34 Ibid.

35 Erin Shannon, Coordinator for Cultural Programs, Workforce Development Institute, “Re: UAlbany Research question,” Email message to Jackie Hayes, June 2009.

36 Kate Gurnett, “Photo’s Show America’s Unseen: Exhibit Focuses on Pictures by Workers Across the Country Documenting their Lives,” *The Times Union*, 11 May 2006.

37 Danielle Furfaro, “Picture This...”

38 Workforce Development Institute, “Unseenamerica NYS,” <http://www.wdiny.org/unseenamerica.html> <Accessed June 2009>

39 Ibid.

parents easier access to child care subsidies and programs.<sup>40</sup> The Program initially received \$6,000,000 from New York Senate Majority for FY2003-2004 and is aimed at providing financial assistance to working families for child care costs.<sup>41</sup> The program gauges its impact by gathering demographic information about population, age, median income and county population by poverty level.

### The Workforce Intelligence Program

The Workforce Intelligence Program is aimed at identifying “the present and future needs of the workforce in New York State.”<sup>42</sup> In order to evaluate statewide and regional workforce information, WDI participates and/or funds community audits.<sup>43</sup> To date, WDI has helped publish three community audits in Central New York (Summer 2003), the Mohawk Valley and the North Country Region (Summer 2005), and the Glens Falls and Saratoga Region (Winter/Spring 2006).<sup>44</sup> The purpose of the audits are to “identify job demand projections and assess the workforce skill level needs of area employers in key industry segments, then match the demand and needs with available training resources identified within the community.”<sup>45</sup> The audits include an environmental assessment of the targeted region looking at age, ethnic segmentation, Internal Rescue Committee (IRC) Refugee Program arrivals, income, educational attainment, and job creation. The ethnic segmentation used in the audits includes the following six ethnic categories; white, black or African American, Asian, American Indian and Alaska Native, and Native Hawaiian and Other Pacific Islander, Some other race, and Two or more races. In two of the three audits, the Latino population is included in the ethnic segmentation, but the audit for Central New York does not include Latino or Hispanic as an ethnic category despite the fact that Latinos are the third most predominant ethnicity in Central New York.<sup>46</sup>

40 Workforce Development Institute, “Child Care Facilitated Enrollment Program,” <http://www.wdiny.org/childcaresubsidy.html> <Accessed June 2009>

41 Workforce Development Institute, *Child Care Facilitated Enrollment Project, Status Report*, 1 November 2008, <http://www.wdiny.org/pdf/Child%20Care%20Project%20Status%20Report.pdf> <Accessed June 2009> On WDI’s 2007-2008 990 Form they report their administrative expenditure on the Child Care Subsidy Program as \$101,402. The majority of the \$6,000,000 allocation from the New York State Senate in FY2003-2004 goes directly to subsidize child care for qualifying families.

42 Workforce Development Institute, *Workforce Development Institute Newsletter*, Vol. 2 Number 1 (Spring 2008), <http://wdiny.org/newsletter2.html#meet> <Accessed June 2009>

43 Workforce Development Institute, *Preparing for the Future of New York’s Working Families*, [http://www.wdiny.org/pdf/wdi\\_booklet\\_adjusted.pdf](http://www.wdiny.org/pdf/wdi_booklet_adjusted.pdf) <Accessed June 2009>

44 Workforce Development Institute, “Workforce Intelligence,” <http://www.wdiny.org/workforceintel.html> <Accessed June 2009>

45 Research & Marketing Strategies, Inc., *Community Audit of CNY Workforce Development Needs*, Summer 2003, <http://www.wdiny.org/pdf/Central%20New%20York.pdf> <Accessed June 2009>

46 Ibid.

### The Community College Program

The Community College Program is focused on placing and retaining individuals with disabilities in the workforce by collaborating “with community colleges’ public training programs, local departments of social services, and other community-based vocational services.”<sup>47</sup> The program is targeted to individuals who qualify for Temporary Assistance for Needy Families (TANF) and who have disabilities since 44% of national TANF recipients have physical and mental health impairments.<sup>48</sup> At the end of 2007, one-fourth of the participants were placed into jobs, or 26 out of 101 participants found employment.<sup>49</sup>

### Education and Training

WDI carries out its Education and Training Program through the funding of workplace education and training programs. Some examples of programs funded by WDI include training for OSHA safety, CDL license, engineer license preparation, HVAC, the Civil Service exam, Microsoft office applications, workplace Spanish, and medication certification.<sup>50</sup> Between 2001 and 2008, WDI awarded around \$3 million in worker education and training grants and provided over 50,000 hours of training to 17,000 participants. In order to access grant money or training, unions, employers, or individuals contact one of the eight regional WDI offices.<sup>51</sup>

### WDI Programs or Initiatives Targeted Toward Latinos in New York

It is difficult to gauge how Workforce Development Institute programs are impacting Latinos because WDI does not track demographic information on the ethnic background of participants. In order to assess how WDI is impacting Latinos in New York State, we look at the counties in which WDI devotes resources alongside the Latino population in those counties. We also focus on the costs of programs targeted directly toward Latinos, including the General Equivalency Diploma preparation classes offered in Spanish near the Mohawk Valley WDI regional office and *Project Forward/Columbia* located near the Kingston regional office. Since WDI is a non-profit 501(c)(3) agency, its annual Tax Return 990 Form is publicly available upon request. Information about WDI’s budget and spending on programs was gathered from the 2007-2008 990 Form, interviews with staff, and reports published by WDI.

47 Workforce Development Institute, *Preparing for the Future...*

48 Ibid.

49 Workforce Development Institute, *Newsletter*, Op. Cit.

50 Workforce Development Institute, “Education and Training,” <http://www.wdiny.org/education-training.html> <Accessed June 2009>

51 Workforce Development Institute, *Preparing for the Future...*

In 2008, WDI collaborated with the Mohawk Valley Latino Association (MVLA) to provide a sixteen-week series of General Equivalency Diploma (GED) preparation classes offered in Spanish and “designed for the incumbent worker.”<sup>52</sup> The courses ran from March 1, 2008 to June 14, 2008 and included Math (I and II), Science, Reading Comprehension, Written Composition, and Social Studies. The WDI Mohawk regional director, Mary Jo Ferrare headed the program collaboration with MVLA, which was intended to “attract students stuck in low wage positions or currently unemployable because of the combined lack of skills and a high school degree.”<sup>53</sup> WDI spent about \$4,000 on the pilot program (.11% of WDI’s total expenditures), which was picked up by a training consultant and is currently offered at Mohawk Valley Community College.<sup>54</sup>

The Kingston-based WDI director, Alma Rodríguez is collaborating with Literacy Connections and the Hudson Area Association Library on an initiative entitled *Project Forward/Columbia*. The project includes English for Speakers of Other Languages Courses (ESOL) taught in small groups of 8 to 12 students.<sup>55</sup> WDI provides “financial support, marketing assistance, and program input” for the initiative.<sup>56</sup> To date, the program has served more than 42 individuals.<sup>57</sup> The project was made possible by a grant from WDI and the Dyson Foundation.<sup>58</sup>

The majority of WDI’s resources are devoted to the Workers Education and Training Program (see Table 5). Resources for this program can be accessed through any one of the eight regional offices covering the 58 counties served by WDI (see Table 6). Bronx, Kings, New York, and Queens counties are not covered by WDI programs. Latinos are highly concentrated in all of the four counties not covered by WDI.<sup>59</sup> The combined Latino population for the 58 counties serviced by the Workers Education and Training Program is 736,211 or 25.67% of the total Latino population in New York State.<sup>60</sup> The remaining 74.33% of Latinos

reside in the four counties not covered by the Workers Education and Training Program. In the following section, we look at the New York City Consortium for Worker Education (CWE), a sister organization of WDI, which covers workforce development in New York City, including Bronx, Kings, New York, Queens and Richmond Counties. CWE offers workforce development programs and services similar to the Workforce Development Institute.

To assess how Child Care Subsidy Program resources may be impacting Latinos we compared the qualifying criteria for the Program to the number of Latinos who fit some of those criteria. For example, to qualify for the Program, families must have one or more children under the age of 13, be employed for a minimum of 25 hours a week, earn under a specified maximum income, and reside in the Albany, Oneida, Rensselaer, or Schenectady Counties.<sup>61</sup> The U.S. Census collects data on age by ethnicity and household income by ethnicity; therefore we were able to compare the number of potentially qualifying Latino families to the number of overall families served by the Program.

Between 2003 and 2008 the Child Care Subsidy Program enrolled a total of 1,172 families. In order to qualify for the Program families with 2 children must earn under \$38,500 a year (see Table 7 for the income guidelines). According to the U.S. Census, a total of 4,628 Latino households earn under \$39,999 in Albany, Oneida, Rensselaer, and Schenectady counties combined; this represents 70.93% of Latino households in the four counties (see Table 8). The number of Latino households that earn a salary within the income range to qualify for the Program (less than \$38,500 to \$97,900 depending on the number of children in the household) is 6,247 families or 95.75% of Latino households in the four counties. Although we do not know how many children reside in each of the households, we do know that a high percentage of Latino households (about 95%) earn within the qualifying income bracket and the majority (about 70%) meet the minimum income requirement. Since 1,172 households have been served by the Program overall, the estimated percentage of Latino households served by the Program would fall in the range of 0-25% of the total Latino households in those four counties.

There are 7,571 Latino children ages 0-14 in the four counties targeted by the Child Care Subsidy Program (see Table 9

52 Workforce Development Institute, *Newsletter*, Op. Cit.

53 Ibid.

54 Mary Jo Ferrare, Mohawk Regional Director, Workforce Development Institute, “RE: UAlbany Research question,” Email message to Jackie Hayes, 10 June 2009.

55 Literacy Connections, “News,” <http://www.literacyconnections.org/news.htm> <Accessed June 2009>

56 Workforce Development Institute, *Newsletter*, Op. Cit.

57 Ibid.

58 Literacy Connections, “News,” Op. Cit.

59 According to NYLARNet’s report *Latinos in New York State: Demographic Status and Political Representation*, Spring 2009, the ten counties with the highest concentration of Latinos are Bronx (48%), New York (27%), Queens (25%), Kings (20%), Westchester (16%), Richmond (12%), Orange (12%), Suffolk (11%), Nassau (10%), and Rockland (10%) counties.

60 Ibid.

61 Workforce Development Institute, “Child Care Facilitated Enrollment Program,” <http://www.wdiny.org/childcaresubsidy.html> <Accessed July 2009>

for detailed breakdown).<sup>62</sup> Between 2003 and 2008, the Program aided the placement of 1,886 total children into child care programs. Since the Program does not track the number of Latino children served it is impossible to accurately assess how many Latino children have benefited from the Program. Yet, since 1,886 children have been served, an estimated proportion of Latino children served would fall somewhere in the range of 0-25% of the total Latino children in those counties. While it is probable but unlikely that the actual proportions could be at the upper point of the range, we must conclude that the number of Latinos receiving services is small. Even in the best case scenario they come out underserved. Further, as Table 6 shows, Latino concentrations in the majority of counties served by WDI are small. This may further militate against them by making their issues and needs in each county seem less pressing or altogether invisible.

**TABLE 5: WORKFORCE DEVELOPMENT INSTITUTE FUNDING 2007-2008 BY PROGRAM**

PROGRAM	EXPENDITURES	PERCENTAGE OF BUDGET DEVOTED TO PROGRAM
Workers Education and Training Program	3,093,734	88.5%
Management	302,038	8.6%
<b>TOTAL</b>	<b>3,497,174</b>	

Source: The Workforce Development Institute, "990 Form filed for WDI," The Internal Revenue Service (IRS), 2007. [www.guidestar.org](http://www.guidestar.org) <Accessed June 2009>

**TABLE 6: LATINO POPULATIONS OF COUNTIES TARGETED BY THE WORKFORCE DEVELOPMENT INSTITUTE**

COUNTY	TOTAL	LATINO	% LATINO OF TOTAL
Albany	294,565	9,079	3.08
Broome	200,536	3,986	1.99
Chautauqua	139,750	5,901	4.22
Dutchess	280,150	18,060	6.45
Erie	950,265	31,054	3.27
Franklin	51,134	2,053	4.01
Greene	48,195	2,075	4.31
Jefferson	111,738	4,677	4.19
Monroe	735,343	39,065	5.31
Montgomery	49,708	3,433	6.91
Nassau	1,334,544	133,282	9.99
Niagra	219,846	2,913	1.33
Oneida	235,469	7,545	3.20
Onondaga	458,336	11,175	2.44
Ontario	100,224	2,149	2.14
Orange	341,367	39,738	11.64
Orleans	44,171	1,719	3.89
Oswego	122,377	1,592	1.30
Otsego	61,676	1,171	1.90
Putnam	95,745	5,976	6.24
Rensselaer	152,538	3,225	2.11
Rockland	286,753	29,182	10.18
St. Lawrence	111,931	2,008	1.79
Saratoga	200,635	2,834	1.41
Schenectady	146,555	4,639	3.17
Suffolk	1,419,369	149,411	10.53
Sullivan	73,966	6,839	9.25
Tompkins	96,501	2,968	3.08
Ulster	177,749	10,941	6.16
Wayne	93,765	2,263	2.41
Westchester	923,459	144,124	15.61
<b>TOTAL</b>	<b>11,254,932</b>	<b>736,211</b>	<b>6.50</b>

Sources: Workforce Development Institute, "Education and Training," <http://www.wdiny.org/educationtraining.html> <Accessed June 2009>; New York Latino Research and Resources Network (NYLARNet), *Latinos in New York State: Demographic Status...*

62 The U.S. Census collects data on age, sex, and ethnicity of county populations using the following categories: under 5 years, 5 to 9 years, 10 to 14 years, etc. Therefore, the number of Latino children is slightly higher than the number that would qualify for the Child Care Subsidy program.

**TABLE 7: INCOME GUIDELINES FOR THE WDI CHILD CARE SUBSIDY PROGRAM**

FAMILY SIZE	MAXIMUM INCOME
2	\$38,500
3	\$48,400
4	\$58,300
5	\$68,200
6	\$78,100
7	\$88,000
8	\$97,900

Source: Workforce Development Institute, "Child Care Facilitated..."

**TABLE 8: NUMBER OF LATINO HOUSEHOLDS BY INCOME IN FOUR COUNTIES TARGETED BY CHILD CARE SUBSIDY, CENSUS 2000**

INCOME	ALBANY	ONEIDA	RENSELAER	SCHENECTADY	TOTAL	PERCENTAGE
Less than \$10,000 to \$39,999	1,812	1,219	638	959	4,628	70.93%
\$40,000 to \$49,999	261	108	78	76	523	8.01%
\$50,000 to \$59,999	228	74	33	102	437	6.69%
\$60,000 to \$99,999	328	144	95	92	659	10.1%
<b>TOTAL</b>	2,629	1,545	844	1,229	6,247	95.75%

Source: U.S. Census Bureau.

**TABLE 9: WDI CHILD CARE SUBSIDY BUDGET BY COUNTY, QUALIFYING LATINO POPULATION OF COUNTIES TARGETED BY CHILD CARE SUBSIDY, LATINO CHILDREN BY COUNTY 2000**

COUNTY	BUDGET ALLOCATION	PERCENTAGE OF TOTAL FUNDS	LATINO POPULATION	LATINO HOUSEHOLDS	LATINO CHILDREN AGES 0-14
Albany County	\$2,775,000	25.44%	9,079	2,746	2,707
Oneida County	\$1,820,000	16.68%	7,545	1,613	2,047
Rensselaer County	\$3,468,932	31.79%	3,225	915	1,099
Schenectady County	\$2,845,000	26.08%	4,639	1,323	1,718
<b>TOTALS</b>	\$10,908,932	100.0%	24,488	6,597	7,571

Sources: Workforce Development Institute, *Child Care Facilitated Enrollment Project, Status Report*, Op. Cit.; New York Latino Research and Resources Network (NYLARNet), *Latinos in New York State: Demographic Status...*; U.S. Census Bureau. Note: The estimates for Latino population, Latino Households, and Latino children for the four counties were generated from the 2000 U.S. Census. The age categories used for the Latino child population was from "Under 5 years" to "10 to 14 years." In order to qualify for the Child Care Subsidy program, children must be under 13 years of age, therefore the Latino child population is slightly higher in this table than those that would qualify for the program.

## The New York City Consortium for Worker Education (CWE)

The Consortium for Worker Education (CWE) was founded in 1985 as a “multi-union, collaborative, not-for profit organization dedicated to union- and worker-focused education, training and re-employment services.”<sup>63</sup> Funding initially came from several New York City labor unions combining resources and has expanded to include over 40 unions.<sup>64</sup> Similar to the Workforce Development Institute, CWE combines resources from the local, state, and federal government, as well as unions to carry out workforce training and development. Between 2005 and 2008, CWE was awarded about \$5,893,300 in New York State contracts for various workforce development programs all concentrated in New York City.<sup>65</sup> CWE carries out workforce development through five major programs; Workforce Education, Worker Service Center Program, Artisan Baking and Culinary Program, Child Care Voucher Program, and Jobs to Build On (JtBO).<sup>66</sup> The programs are sub-contracted out to community organizations to carry out the hands-on education and training.<sup>67</sup> Below are short descriptions of each program.

### Workforce Education

CWE offers about 500 classes taught by 250 teachers in various locations across New York City, including English as a Second Language, Introduction to Computers, Citizenship and Civics, Pre-vocational Training, and Job Readiness and Life Skills.<sup>68</sup> Aside from offering workforce training courses, CWE also provides “career ladder training and certification programs for both entry level and incumbent workers.”<sup>69</sup>

### Worker Service Centers

The Worker Service Center Program was established with funding from the New York City Council and the New York State Department of Education to “provide basic educational, vocational and job placement opportunities for adults across the five boroughs.”<sup>70</sup> The Program offers a number of

courses including Basic Literacy, English as a Second Language, General Equivalency Diploma, and Introduction to Computers.<sup>71</sup> The Centers are located in Queens, Manhattan, Brooklyn, the Bronx, and Staten Island.

### Artisan Baking and Culinary Program

The Artisan Baking and Culinary Program grew out of a collaboration between CWE, the Bakery, Confectionary, Tobacco and Grain Miller’s Union Local 3 and several bakery owners.<sup>72</sup> The Artisan Bakery Center is located in the CWE Central Labor Council Training Center in Long Island City, New York. The program offers classes on cooking and baking, adult education in English as a Second Language, computer skills, and apprenticeship training.<sup>73</sup>

### Child Care Voucher Program

Similar to the Workforce Development Institute’s Child Care Subsidy Program, the Child Care Voucher Program is set up to “improve working families’ access to child care assistance through expediting enrollment of children into care” by helping to coordinate enrollment with New York City’s Administration for Children’s Services and the Office of Children and Family Services.<sup>74</sup> The Program is limited to families in the Bronx, Brooklyn and Lower Manhattan.

### Jobs to Build On (JtBO)

The Jobs to Build On program was created and is sponsored by the New York City Council’s Black, Latino and Asian Caucus and the Consortium for Worker Education.<sup>75</sup> The JtBO website provides information about job preparation, job training and job placement available through JtBO partners, including the Consortium for Worker Education. The website also has links to videos on job counseling. Currently, over 6,000 Latinos are registered through the JtBO website.<sup>76</sup>

### CWE Programs or Initiatives Targeted Toward Latinos in New York

The New York City Consortium for Worker Education focuses its services primarily on communities in the five boroughs of New York City. Latinos are highly concentrated

63 AFL-CIO Working for America Institute, “High Road Partnerships Report,” <http://www.workingforamerica.org/documents/HighRoadReport/appendix.htm> <Accessed July 2009>

64 Ibid.

65 To access the source for this information go to [http://www.sunlightny.org/snl/faces/app/Finance\\_Filers.jspx](http://www.sunlightny.org/snl/faces/app/Finance_Filers.jspx), type Consortium for Worker Education, and click on State Contracts <Accessed July 2009>

66 New York City Consortium for Worker Education, “CWE Programs,” <http://www.cwe.org/programs.php> <Accessed July 2009>

67 Working for America Institute, AFL-CIO, “New York Consortium for Worker Education,” <http://www.workingforamerica.org/documents/journal3/newyork.htm> <Accessed July 2009>

68 New York City Consortium for Worker Education, “Workforce Education Program,” <http://www.cwe.org/workforceEducation.php> <Accessed July 2009>

69 Ibid.

70 New York City Consortium for Worker Education, “Worker Service Centers,” <http://www.cwe.org/workerServiceCenters.php> <Accessed July 2009>

71 Ibid.

72 The Artisan Baking Center, “Who We Are,” <http://www.artisanbakingcenter.org/who.htm> <Accessed July 2009>

73 Ibid.

74 New York City Consortium for Worker Education, “Child Care Voucher Program,” <http://dev.embermedia.com/cwe/mainsite/childCareProgram.php> <Accessed July 2009>

75 Jobs to Build On, “Home,” <http://www.jobstobuildon.org/index.html> <Accessed July 2009>

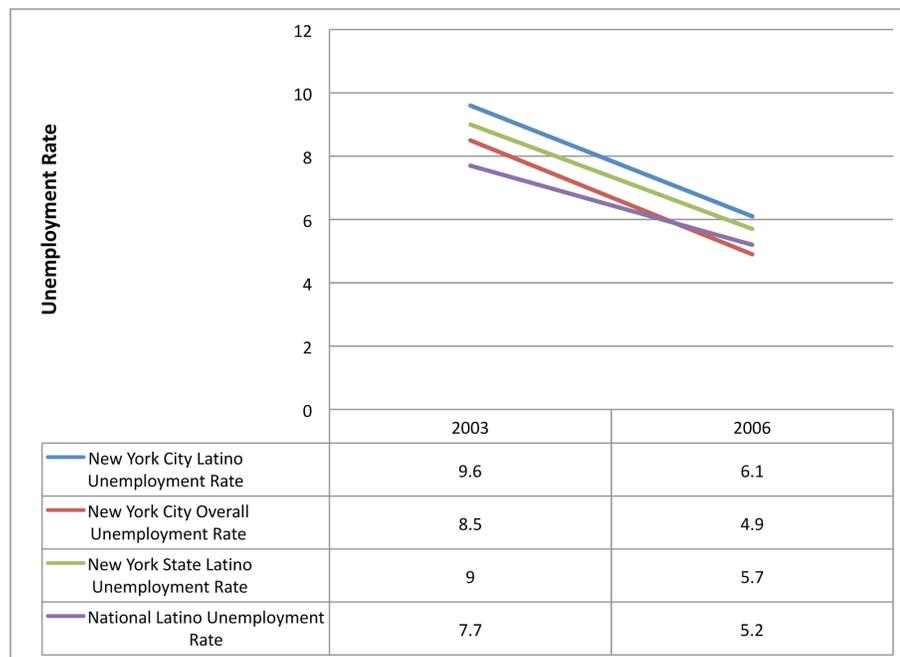
76 Debora Buxton, Director for Education, Consortium for Worker Education (CWE), Phone conversation with Jackie Hayes, 7 July 2009.

there numbering 2,160,554 in 2000.<sup>77</sup> As previously mentioned, Latinos experienced higher unemployment rates in New York City in 2003 and 2006 in comparison to Latinos throughout New York State and throughout the country. In 2003, the unemployment rate for Latinos in New York City was 9.6% whereas the unemployment rate for Latinos throughout New York State was 9%, and 7.7% throughout the country.<sup>78</sup> In 2006, there was a decline in the New York City unemployment rate for Latinos, but Latinos in New York City still experience higher unemployment rates than Latinos throughout New York State and throughout the country (see Figure 9).

Similar to the Workforce Development Institute, the Consortium for Worker Education is a non-profit 501(c)(3) agency; its annual Tax Return 990 Form is publicly available upon request. The CWE tax form only details two categories of allocations: worker technical training and literacy programs and management (see Table 10). Included in worker technical training and literacy programs are English as a Second Language (ESL) courses, Citizenship and Civics courses, as

well as more general support and education services which may benefit Latinos in New York City. Through its various programs CWE provides services to over 100,000 New Yorkers a year. Yet, how funds are divided among programs and directed toward various populations is unclear especially since services are sub-contracted out to over 40 organizations. The Jobs to Build On Program (JtBO) tracks demographic information on people who are registered through its website and to date over 6,000 Latinos are registered with JtBO online. At 6% of the total served, this compares favorably with the percent of the Latino population that was unemployed in the city in 2006. Yet, online registration does not necessarily mean that registrants are taking part in or benefiting from JtBO services or training. Ultimately, it is impossible to assess how many of these 6,000 Latinos are receiving actual services or how many of the additional 94,000 New Yorkers served annually are Latino. We can safely conclude that Latinos are underserved even if we assume that all 94,000 were Latino; in this case, the population served would represent only 4.3% of Latinos in the city, a proportion that is smaller than their unemployment rate in 2006.

**FIGURE 9: NEW YORK CITY, NEW YORK STATE AND NATIONAL UNEMPLOYMENT RATES FOR OVERALL POPULATION AND POPULATION OF HISPANIC OR LATINO ETHNICITY 2003-2006**



Sources: Community Service Society, *Unemployment and Joblessness...*; Author's calculations from United States Department of Labor, Bureau of Labor Statistics, <http://www.bls.gov/lau/#tables> <Accessed June 2009>

77 New York Latino Research and Resources Network (NYLARNet), *Latinos in New York State: Demographic Status...*, pp. 2-3.

78 Community Service Society, *Unemployment and Joblessness in New York City, 2006*, <http://www.cssny.org/userimages/downloads/LaborMarketReport2006.pdf> <Accessed July 2009>

**TABLE 10: NEW YORK CITY CONSORTIUM FOR WORKER EDUCATION (CWE) FUNDING 2007-2008 BY PROGRAM**

PROGRAM	EXPENDITURES	PERCENTAGE OF BUDGET DEVOTED TO PROGRAM
Worker Technical Training and Literacy Programs	\$20,599,431	82.73%
Management	\$4,299,656	17.27%
<b>TOTAL</b>	<b>\$24,899,087</b>	<b>100.0%</b>

Source: Consortium for Worker Education, "990 Form filed for Consortium for Worker Education," The Internal Revenue Service (IRS), 2007, [www.guidestar.org](http://www.guidestar.org) <Accessed June 2009>

## Department of Economic Development (DED)

The term *Empire State Development* is used to refer to the economic development activities of the Department of Economic Development (DED) and the Empire State Development Corporation (ESDC). The DED is separate from the ESDC, but the organizations share senior managers and the organizations frequently collaborate on economic development projects.<sup>79</sup> For example, the Commissioner of Economic Development serves as the Chairman of the ESDC Board of Directors and heads the Department of Economic Development.<sup>80</sup> Therefore, some of the initiatives and programs managed by the DED and the ESDC overlap, but for all practical purposes they are separate organizations. First, we focus on the Department of Economic Development (DED).

The mission of the Department of Economic Development (DED) is to advise "the Governor and Legislature on all major economic development issues and decisions; develop State economic development strategies; provide technical and financial assistance to businesses through a network of regional offices; and coordinate the efforts of other State agencies, authorities and organizations, as well as local governments, on actions which affect the State's economy."<sup>81</sup>

As of 2008, the DED employed 215 staff at ten regional offices in Binghamton, Buffalo, Hauppauge, New York City, New Windsor, Plattsburgh, Rochester, Syracuse, and Troy

with satellite offices in Elmira and Watertown. The majority of the DED's budget is funded by the state (over 85%) with the remainder of the budget being generated through the licensing of the "I ♥ NY" logo, advertising revenues from the "I ♥ NY" Travel Guide, and fees from seminars and programs run by the DED. The Department of Economic Development works closely with the Empire State Development Corporation (ESDC) and the Foundation for Science, Technology and Innovation (NYSTAR) to administer New York State economic development programs.<sup>82</sup>

Since the Department of Economic Development is a state agency, its budget is available through the New York State Division of Budget website or by request from the Senate Document Office. The majority of the DED's funding is directed toward the Marketing and Advertising Program (\$19,490,000 or 44.29%, see Table 12 for full budget breakdown). The program "promotes New York State as a premier tourist destination and business location."<sup>83</sup> Through the Marketing and Advertising Program the DED also subsidizes the following programs; the "I ♥ NY" Program, Tourism Matching Grants, International Trade, Business Marketing, Explore New York and Visitor Centers in Beekmantown and Binghamton.<sup>84</sup>

The DED's Economic Development Program receives the second highest portion of its total budget (\$17,091,000 or 38.84%). This program is focused on directing aid toward certified Empire Zones. Currently, there are more than 8,700 businesses in 85 certified Empire Zones in New York State.<sup>85</sup> The businesses within Empire Zones employ over 344,000 people and are eligible for the following benefits; wage tax credit, investment tax credit, employment incentive credit, zone capital credits, New York State sales tax refund, sales tax exemptions, real property tax credit, tax reduction credit, and various localized benefits.<sup>86</sup> Funds from the Economic Development Program are also targeted towards New York State businesses, Minority and Women's business development, as well as policy and research development to assess economic development in New York State.<sup>87</sup>

<sup>82</sup> Ibid.

<sup>83</sup> Ibid, p. 214.

<sup>84</sup> "Department of Economic Development...."

<sup>85</sup> "Empire Zones," [http://www.empire.state.ny.us/Tax\\_and\\_Financial\\_Incentives/Empire\\_Zones/default.asp](http://www.empire.state.ny.us/Tax_and_Financial_Incentives/Empire_Zones/default.asp) <Accessed June 2009>

<sup>86</sup> Ibid.

<sup>87</sup> "Department of Economic Development....," p.206.

<sup>79</sup> New York State Office of the State Comptroller, *Empire State Development Corporation, Oversight of Subsidiary Operations, 2005-S-6*, 15 May 2006, <http://www.osc.state.ny.us/audits/allaudits/093006/05s6.pdf> <Accessed July 2009>

<sup>80</sup> Ibid, p. 10.

<sup>81</sup> "Department of Economic Development," p. 213, <http://www.budget.state.ny.us/pubs/archive/fy0708archive/fy0708app1/eclevel.pdf> <Accessed June 2009>

### Department of Economic Development (DED) Programs or Initiatives Targeted Toward Latinos in New York

The Department of Economic Development works in conjunction with the Empire State Development Corporation (ESDC) to assist Minority and Women owned businesses (MWBE). It is unclear what percentage of the Economic Development Program budget is devoted to promoting MWBE's within New York State because it is not specified in the DED budget.

The DED also provides small grants to various local organizations and community projects focused on economic development (see Table 11). About 1.09% of DED's total budget or \$481,000 is spent on aid to localities. Thirty-eight organizations overall received aid from the DED for fiscal year 2009-2010, Table 13 highlights the 15 organizations which focus specifically on economic or workforce development. The majority of organizations received relatively small amounts of aid; 28 out of the 38 organizations received \$15,000 or less.<sup>88</sup>

Only one of the 38 local organizations mentioned directing aid, support, or funding to minority communities on its website. The Caribbean American Chamber of Commerce and Industry (CACCI) states on its website "CACCI has developed a partnership with NYC Department of Small Business Services (NY DSBS) to provide business services to Women and Minority Business Enterprises (MWBE), to expand their capacity and increase access to procurement contracts."<sup>89</sup> The CACCI received a \$5,000 grant in the 2009-2010 DED budget or about 1.04% of the total aid given to all local organizations.

Such a small amount of money cannot possibly make a significant difference in the capacity of minority business or in their ability to secure procurement contracts. Furthermore, even if we assumed that all 38 organizations receiving funds for community projects served mostly Latino populations, the funding they received is also unlikely to be sufficient to have a major impact.

**TABLE 11: 2009-2010 BUDGET FOR DEPARTMENT OF ECONOMIC DEVELOPMENT (DED)**

STATE OPERATIONS AND AID TO LOCALITIES	APPROPRIATIONS	REAPPROPRIATIONS <sup>90</sup>
General Fund (State & Local)	38,438,000	26,287,000
Special Revenue Funds (Federal)	1,000,000	3,000,000
Special Revenue Funds (Other)	4,570,000	0
<b>ALL FUNDS</b>	<b>44,008,000</b>	<b>29,287,000</b>

Source: New York State Assembly, 2009-2010 Executive Budget.

**TABLE 12: 2009-2010 BUDGET FOR THE DEPARTMENT OF ECONOMIC DEVELOPMENT (DED) BY PROGRAM**

PROGRAM	FUNDING	% OF TOTAL FUNDING
Administration	6,927,000	15.74%
Clean Air Program	500,000	1.13%
Economic Development Program	17,091,000	38.84%
Marketing and Advertising Program	19,490,000	44.29%
<b>TOTAL</b>	<b>44,008,000</b>	<b>100.0%</b>

Source: New York State Assembly, 2009-2010 Executive Budget.

88 New York State Assembly, 2009-2010 Executive Budget, <http://assembly.state.ny.us/comm/WAM/20081216/> <Accessed June 2009>

89 Caribbean American Chamber of Commerce and Industry, Inc., "Home," <http://www.caribbeantradedcenter.com/> <Accessed June 2009>

**TABLE 13: 2009-2010 DEPARTMENT OF ECONOMIC DEVELOPMENT (DED) AID TO LOCALITIES, COMMUNITY PROJECT FUND**

ORGANIZATION/COMMUNITY PROJECT	FUNDING	FOCUS	LOCATION
Bronx Business Alliance, Inc.	\$46,200	Business development	Bronx
Bronx Council for Economic Development Local Development Corporation	\$75,000	Business, economic, & community development	Bronx
Caribbean American Chamber of Commerce & Industry Educational Foundation, Inc.	\$5,000	Promoting business linkage between the U.S. and the Caribbean and support to MWBEs	Brooklyn
Charlotte Community Development Corporation	\$7,500	Urban planning, community and rural development	Charlotte
Dutchess Community College	\$10,000	Higher education	Poughkeepsie
Local Development Corporation of Laurelton, Rosedale and Springfield Gardens	\$50,000	Economic growth and development	Laurelton, Rosedale, Springfield Gardens
Long Island City Business Development Corp.	\$5,000	Economic growth and development	Long Island City
Myrtle Avenue Commercial Revitalization & Development Project, LDC	\$5,000	Community and business development	Brooklyn
Ridgewood Local Development Corp	\$20,000	Economic growth and development	Ridgewood
Rockaway Development and Revitalization Corp	\$30,000	Economic growth and development	Rockaway
Score Rochester	\$2,500	Aid to small business owners	Rochester
Staten Island Economic Development Corp	\$23,000	Economic growth and development	Staten Island
Tri-Hamlet Community Development Corp	\$15,500	Economic growth and development	Islip
Wayne County Economic Development Corp	\$25,000	Economic growth and development	Wayne County
West Brighton Community Local Development Corp	\$3,000	Economic growth and development	Staten Island
<b>TOTAL (For 15 Highlighted Organizations)</b>	<b>\$322,700</b>		
<b>TOTAL (For All 38 Organizations)</b>	<b>\$481,000</b>		

Source: New York State Assembly, 2009-2010 Executive Budget.

## Empire State Development Corporation (ESDC)

The Empire State Development Corporation (ESDC) is a public benefit corporation established in 1995 and is an umbrella organization for the Urban Development Corporation, the Job Development Authority, and the Science and Technology Foundation (all of which are also public benefit corporations created in the 1960s).<sup>90</sup> The ESDC is overseen by a nine-member Board of Directors, the majority of which are appointed by the Governor.<sup>91</sup> The ESDC's goal is to "create and retain jobs and to reinvigorate economically distressed areas of the State."<sup>92</sup> To carry out

these goals, the New York State Legislature empowered the ESDC to "issue bonds, offer tax benefits to developers, condemn real property and waive compliance [with local codes and laws]."<sup>93</sup> ESDC is primarily focused on job creation and retention through the use of economic and real estate development; State facility financing; and housing portfolio maintenance.<sup>94</sup> The ESDC is also authorized to create subsidiary corporations to "oversee and perform specific economic development activities."<sup>95</sup> As of 2004, ESDC reported overseeing a total of 70 subsidiary corporations to the New York State Office of the Comptroller.<sup>96</sup>

<sup>90</sup> New York State Office of the State Comptroller, *Empire State Development Corporation, Oversight...*

<sup>91</sup> New York State 2009-2010 Executive Budget, Empire State Development Corporation, <http://publications.budget.state.ny.us/eBudget0910/agencyPresentations/appropData/empire-StateDevelopmentCorporation.html> <Accessed June 2009>

<sup>92</sup> Toski, Schaefer & Co., P.C. "New York State Urban Development Corporation and Subsidiaries: Consolidated Financial Statements and Independent Auditor's Report, 31 March 2008 and 2007" 4 June 2008. <http://www.abo.state.ny.us/annualreports/PARISAuditReports/FYE2008/State/UrbanDevelopmentCorporationAudit2007-08.pdf> <Accessed June 2009>

<sup>93</sup> Ibid.

<sup>94</sup> New York State 2009-2010 Executive Budget, Empire State...

<sup>95</sup> New York State Office of the State Comptroller, *Empire State Development Corporation, Oversight...*

<sup>96</sup> There are discrepancies between the number of subsidiary corporations reported by the Empire State Development Corporation (ESDC) and those discovered as legally active through an audit conducted by the New York State Office of the State Comptroller between 2000 and 2005. The Comptroller's audit found 202 active subsidiary corporations in comparison to the 70 reported by ESDC. Ibid., p. 4.

Projects to promote job creation and retention are primarily funded through ESDC grants and financial incentives to New York State businesses. The ESDC also reviews and certifies businesses for Empire Zone status. Currently, there are 85 certified Empire Zones in New York State and businesses that are certified by the ESDC as residing within Empire Zones are eligible for the following benefits; wage tax credit, investment tax credit, employment incentive credit, zone capital credits, New York State sales tax refund, sales tax exemptions, real property tax credit, tax reduction credit, and various localized benefits.<sup>97</sup>

#### **Empire State Development Corporation (ESDC) Programs or Initiatives Targeted Toward Latinos in New York**

Since the Empire State Development Corporation is a public authority or public benefit corporation, it is required by law to submit details about its financial operations to the New York State Authority Budget Office. Under the "Public Authorities Accountability Act of 2005," New York State Public Authorities are required to make public "specific information on their operations and activities, receipts and disbursements, outstanding debt and debt schedules, compensation packages, real estate transactions, code of ethics and internal control assessments" as well as financial and budget reports (see Table 15 for the ESDC budget as

submitted to the New York State Authority Budget Office).<sup>98</sup> Public Authorities are also subject to annual independent audits.

Although ESDC is subject to an independent audit and required to publish its budget, it is difficult to assess how its activities may be impacting job creation or retention in New York State. The ESDC does not track any demographic information or estimate the impact of its investments. The budget that is publicly available mainly details resources, revenues, expenditures, bonds, and debt.

In 1988, Article 15-A of New York State Executive Law required the creation of a Division of Minority and Women's Business Development within the ESDC.<sup>99</sup> Currently, the ESDC directs some funding and technical assistance toward Minority and Women owned businesses (MWBE) by advising MWBEs<sup>100</sup> engaged in New York State contracting, reviewing MWBEs for certification, and promoting MWBEs through a database of MWBEs. The ESDC also makes between \$20,000 and \$500,000 in loans accessible to certified MWBEs, which is about 0.01% to 0.37% of the ESDCs total budget.<sup>101</sup> Currently, there are over 6,900 certified MWBEs in New York State.<sup>102</sup> Despite ESDC initiatives to identify and aid Minority and Women Owned Businesses, in 2006 only 3% of New York's \$11 billion in discretionary expenditures were awarded to MWBEs.<sup>103</sup>

**TABLE 14: 2009-2010 EMPIRE STATE DEVELOPMENT CORPORATION**

FUND TYPE	STATE OPERATIONS	AID TO LOCALITIES	CAPITAL PROJECTS	TOTAL
General Fund (State & Local)	0	27,830,000	0	27,830,000
Capitol Project	0	0	100,000,000	100,000,000
All Funds	0	27,830,000	100,000,000	127,830,000

Source: New York State Assembly, 2009-2010 Executive Budget.

98 "Matrix Summary of Provisions, Public Authority Accountability Act Statute," [http://www.abo.state.ny.us/abo/about\\_outlineofProvisions.html](http://www.abo.state.ny.us/abo/about_outlineofProvisions.html) <Accessed June 2009>

99 New York State Chief Information Officer website, "Overview of New York State Equal Employment and Minority and Women-owned Businesses Opportunity Laws and Regulations," [http://www.oft.state.ny.us/OFT/MWBE\\_LawsandRegs.pdf](http://www.oft.state.ny.us/OFT/MWBE_LawsandRegs.pdf) <Accessed June 2009>

100 Empire State Development Corporation, "Minority and Women Revolving Loan Trust Program," <http://www.nylovesmwbe.ny.gov/Financial%20Resources/mwloantrust.htm> <Accessed June 2009>

101 Division of Minority and Women Business Development, Empire State Development Corporation website, "About Us," <http://nylovesmwbe.ny.gov/Program%20Mandates/AboutUs.htm> <Accessed June 2009>

102 Division of Minority and Women Business Development, Empire State Development Corporation website, "Home," <http://nylovesmwbe.ny.gov> <Accessed June 2009>

103 Empire State Development Corporation, "Paterson Pushes NY State MWBE Agenda," 25 April 2007, <http://www.nylovesmwbe.ny.gov/Newsletter/mwbeagenda.htm> <Accessed June 2009>

97 "Empire Zones," [http://www.empire.state.ny.us/Tax\\_and\\_Financial\\_Incentives/Empire\\_Zones/default.asp](http://www.empire.state.ny.us/Tax_and_Financial_Incentives/Empire_Zones/default.asp) <Accessed June 2009>

**TABLE 15: THE EMPIRE STATE DEVELOPMENT CORPORATION BUDGET**

(as submitted to the New York State Authority Budget Office)

REVENUE & FINANCING SOURCES	2008 (ACTUAL)	2009 (ESTIMATED)	2010 (ADOPTED)
<b>OPERATING REVENUES</b>			
Charges for Services	\$0	\$1,000,000	\$1,000,000
Other Operating Revenues	\$31,746,000	\$37,835,000	\$23,675,000
Non-operating Revenues	\$24,390,000	\$14,325,000	\$13,027,000
Investment Earnings	\$2,735,000	\$2,109,000	\$2,335,000
State subsidies/grants	\$38,031,000	\$36,385,000	\$30,272,000
Municipal subsidies/grants	\$7,237,000	\$7,243,000	\$7,240,000
Public authority subsidies	\$30,454,000	\$27,065,000	\$22,645,000
Other Non-Operating Revenues	\$1,785,000	\$3,700,000	\$3,700,000
<b>TOTAL REVENUES &amp; FINANCING SOURCES</b>	<b>\$136,378,000</b>	<b>\$129,662,000</b>	<b>\$103,894,000</b>
<b>EXPENDITURES</b>	<b>\$19,507,000</b>	<b>\$20,460,000</b>	<b>\$23,278,000</b>
<b>OPERATING EXPENDITURES</b>	<b>\$6,638,000</b>	<b>\$6,640,000</b>	<b>\$8,632,000</b>
Professional Services Contracts	\$33,859,000	\$41,745,000	\$31,042,000
Supplies and Materials	\$26,105,000	\$27,755,000	\$28,975,000
Other Operating Expenditures	\$19,374,000	\$17,215,000	\$10,961,000
Payment of principle on bonds and financing arrangements	\$0	\$1,000,000	\$2,000,000
Subsidies to other public authorities	\$14,678,000	\$13,500,000	\$13,500,000
Capital asset outlay	\$120,161,000	\$128,315,000	\$118,388,000
Other Non-operating Expenditures	\$16,217,000	\$1,347,000	(\$14,494,000)
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
Excess (deficiency) of revenues and capital contributions over expenditures	\$31,746,000	\$37,835,000	\$23,675,000

Source: "Budget Report for New York State Urban Development Corporation," <http://www.abo.state.ny.us/annualreports/PARISBudgetReports/FYE2010/NYSUrbanDevelopmentCorporation2009-10.pdf> <Accessed June 2009>

## Conclusion: New York State Workforce Development and its Impact on Latinos

One of the five workforce development groups focused on in this report is a New York State public authority: the Empire State Development Corporation (ESDC).<sup>104</sup> Two of the five workforce development groups are non-profit 501(c)(3) agencies including the Workforce Development Institute (WDI) and the New York City Consortium for Worker Education (NYC CWE). The Workforce Investment Boards (WIBs) and the Department of Economic Development (DED) are state entities. Since the groups examined in this report fall into three separate organizational structures (New York State public benefit corporation, non-profit, and state entity) there are variations in the standards of reporting, monitoring and accountability expected of each.

Under the "Public Authorities Accountability Act of 2005" New York State Public Authorities are required to make public "specific information on their operations and activities, receipts and disbursements, outstanding debt and debt schedules, compensation packages, real estate transactions, code of ethics and internal control assessments" as well as financial and budget reports.<sup>105</sup> Public Authorities are also subject to annual independent audits. The Act was prompted by public concern over the spending and operations of public authorities and was passed with the intention of making the operations of public authorities more transparent. Despite legislation requiring increased reporting from public authorities, there are still inconsistencies in financial reporting making it difficult to compile a comprehensive picture of how state money is spent on workforce development.

<sup>104</sup> New York State, Authority Budget Office, "Matrix Summary of Provisions, Public Authority Accountability Act Statute," [http://www.abo.state.ny.us/abo/about\\_outlineofProvisions.html](http://www.abo.state.ny.us/abo/about_outlineofProvisions.html) <Accessed June 2009>

Both the Workforce Development Institute (WDI) and the New York City Consortium for Worker Education (NYC CWE) are non-profit 501(c)(3) agencies, therefore their 990 Tax Forms are accessible online. Some programs, like the WDI's Facilitated Child Care Subsidy Program are required to track demographic information including age, median income and county population by poverty level as a stipulation of government funding. The New York State Workforce Investment Boards (WIBs), under the Workforce Investment Act of 1998 (WIA), must track how program funds are directed to adults, youth, and dislocated workers and report the demographic information on customers to the U.S. Department of Labor.

Although there is some recording of demographic information of populations served by various New York State workforce development programs, it is not collected in a homogenous or systematic way. This is problematic, especially given current statistics on employment and income disparities between Latino, black and white workers. The 2000 Census of Population found that the average annual earnings of Latinos 16 years and older was about half the average of employed whites.<sup>106</sup> Furthermore, between 2003 and 2008 U.S. Hispanic/Latino unemployment rates were higher than the overall unemployment rates nationally and within New York State (see Figure 11). And from 2003 to 2008, the unemployment rate for Latinos in New York State was consistently higher than the rate for all New Yorkers. In 2008, New York experienced the twenty-seventh highest unemployment rate amongst Latino workers in the United States.<sup>107</sup>

In May 2009, the New York State Department of Labor's Division of Research and Statistics reported that between April 2008 and March 2009 Latino workers in New York State experienced higher unemployment rates than white,

non-Hispanic workers. Latino workers had an unemployment rate of 7.4% compared to 5% for white, non-Hispanic workers.<sup>108</sup> The New York State Department of Labor's report reflects the fact that Latino workers are being hit particularly hard during the current economic recession in comparison to white workers. Statistics available through the U.S. Department of Labor also show that Latinos have consistently experienced higher unemployment rates and lower average earnings.

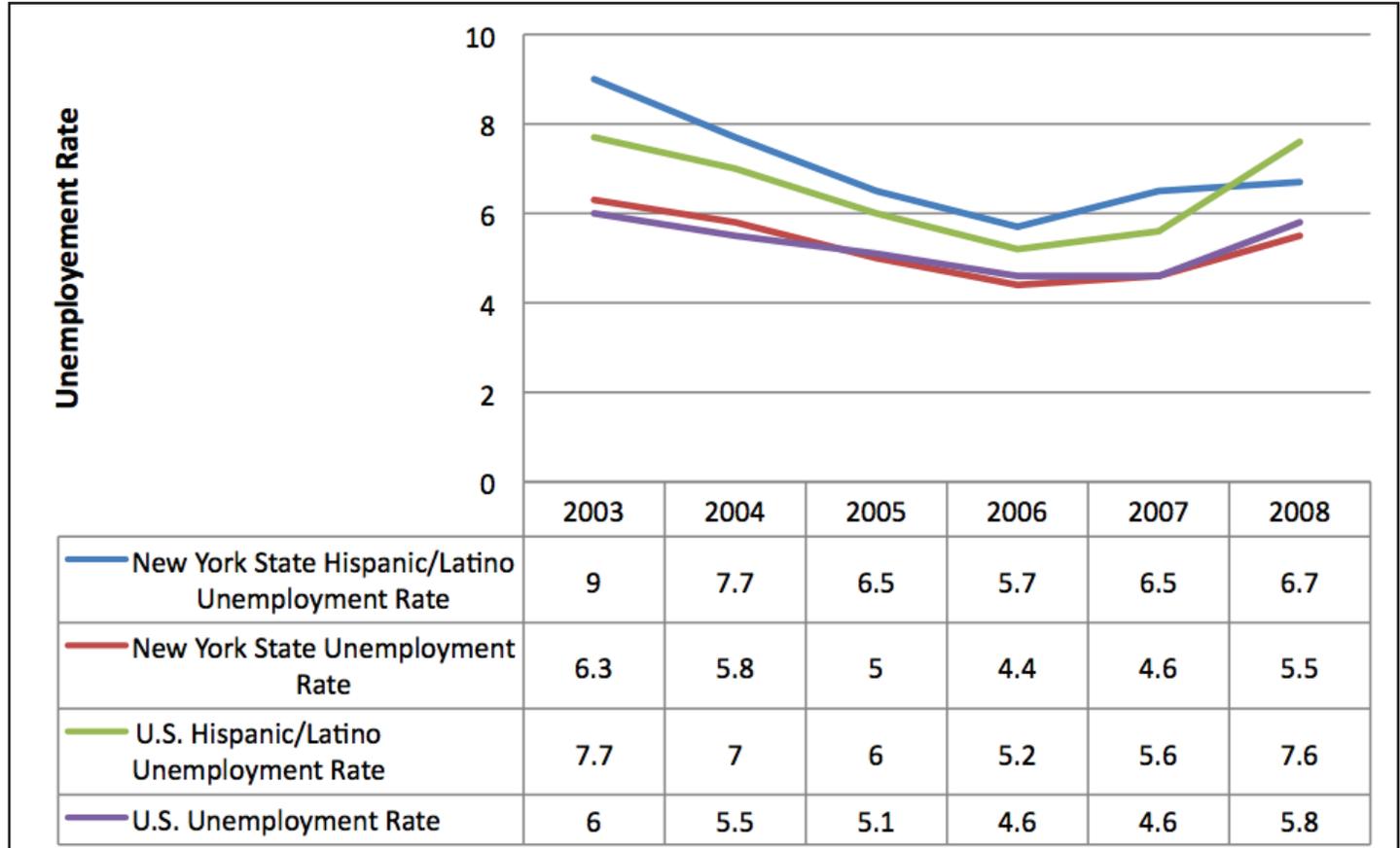
From our review, we infer that of the millions of dollars invested in workforce development efforts in the state, the proportion allocated to address the Latino workforce is astonishingly small. New York State must address the workforce development needs of Latinos in terms of their rate of growth within the labor force (61% between 1993 and 2005), their share of the jobless in the state (12% in 2000), and/or their needs (e.g. the number of limited English proficiency speakers). More research is needed to pinpoint with greater accuracy how Latinos are being served and to have a clear idea of what the gaps in service are. In the meantime, in order to respond to the growth of Latinos entering the labor force, the state must direct increased workforce development funds to programs and initiatives specifically targeting this population group. In order for the state to monitor the use of workforce development resources and address employment and income disparities, all agencies that carry out workforce development projects on behalf of, or in conjunction with, New York State should be required to track and report their impact on Latinos as well as other minority communities. Servicing Latinos requires targeted funding. Monitoring and assessment require consistent, uniform reporting by ethnicity and race. Until this is done, resources will not be used effectively and the intent of the law will be thwarted.

106 Francisco Rivera-Batiz, *Educational Inequality and the Latino Population of the United States*, The Campaign for Educational Equity, Teachers College, Columbia University, February 2008, p. 3. [http://www.tc.edu/ia/document/6584\\_Latino\\_Educational\\_Equity\\_Report.pdf](http://www.tc.edu/ia/document/6584_Latino_Educational_Equity_Report.pdf) <Accessed July 2009>

107 Author's calculations from United States Department of Labor, Bureau of Labor Statistics, "Local Area Unemployment Statistics (LAUS)," <http://www.bls.gov/data/> <Accessed July 2009>

108 Kevin Jack, *Back to Basics: Labor Market Information Primer for Policymakers*, New York State Department of Labor, Division of Research & Statistics, 20 May 2009, p. 30. [http://www.labor.state.ny.us/workforceindustrydata/PDFs/LMI\\_for\\_Policymakers.pdf](http://www.labor.state.ny.us/workforceindustrydata/PDFs/LMI_for_Policymakers.pdf) <Accessed June 2009>

**FIGURE 11: NEW YORK STATE AND NATIONAL UNEMPLOYMENT RATES FOR OVERALL POPULATION AND POPULATION OF HISPANIC OR LATINO ETHNICITY 2003-2008**



Source: Author's calculations from United States Department of Labor, Bureau of Labor Statistics, <http://www.bls.gov/data/> <Accessed June 2009>