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# Town of Hempstead Workforce Development Board

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**HEMPSTEADWORKS**  
**ONE-STOP OPERATOR**  
**ANNUAL REPORT**  
**PROGRAM YEAR 2016**  
**JULY 1, 2016 THROUGH JUNE 30, 2017**

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## **Introduction**

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

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

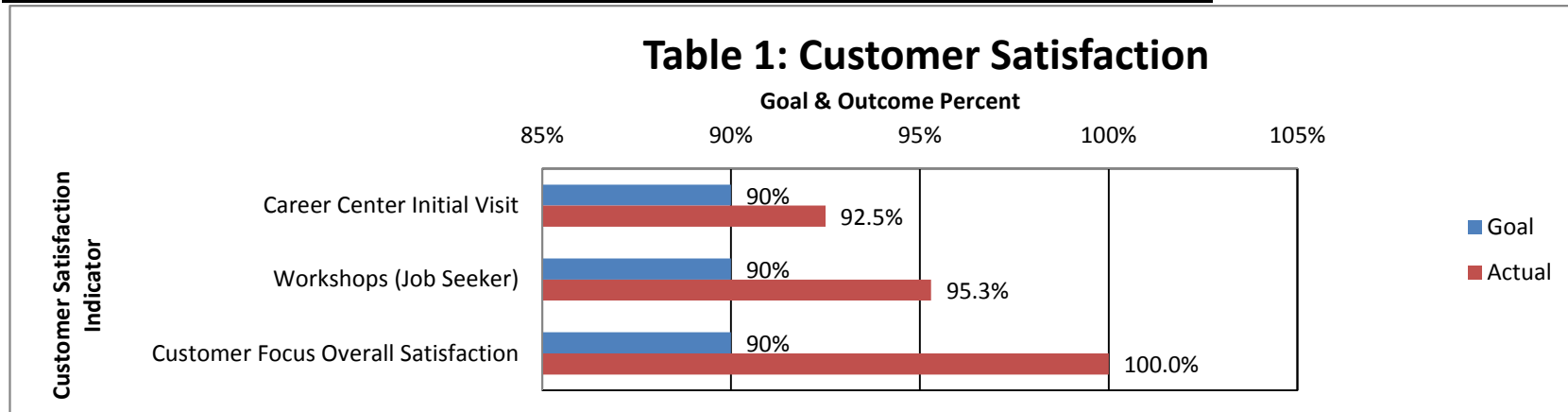
- New York State Education Department Adult Career and Continuing Education Service - Vocational Rehabilitation
- New York State Office of Disability and Temporary Assistance
- Older Americans Act Senior Community Service Employment Program
- Suffolk County Department of Labor
- Town of Hempstead Department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

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

Section I: HempsteadWorks Quality Standards Outcomes for Program Year 2016

Table 1: Customer Satisfaction

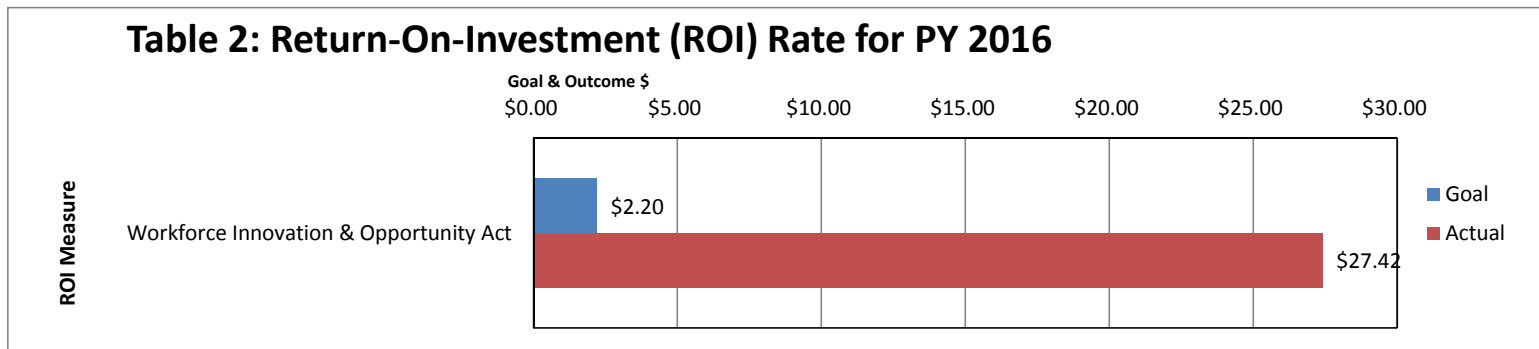
Customer Satisfaction Indicator	Goal	Actual
Career Center Initial Visit	90%	92.5%
Workshops (Job Seeker)	90%	95.3%
Customer Focus Overall Satisfaction	90%	100.0%



Section I: HempsteadWorks Quality Standards Outcomes for Program Year 2016

Table 2: Return-On-Investment (ROI) Rate for Program Year 2016 \*

ROI Measure	Goal (Ratio of Dollars Returned Versus Dollars Invested)	Actual (Ratio of Dollars Returned Versus Dollars Invested PY 2016)
Workforce Innovation & Opportunity Act	\$2.20	\$27.42



\* See method of calculation attached.

## Section II: HempsteadWorks Organizational Results for Program Year 2016

Table 1: Performance Indicators for Program Year 2016

Performance Indicators	Adult Planned	Adult Actual	Dislocated Worker Planned	Dislocated Worker Actual	Youth Planned	Youth Actual
Employment Rate 2nd Quarter After Exit	0	TBD	0	TBD	0	TBD
Employment Rate 4th Quarter After Exit	0	TBD	0	TBD	0	TBD
Median Earnings 2nd Quarter After Exit	0	TBD	0	TBD	0	TBD
Credential Attainment 4th Quarter After Exit	0	TBD	0	TBD	0	TBD
Measurable Skills Gains	0	TBD	0	TBD	0	TBD
Repeat Business Customers	0	TBD	0	TBD	0	TBD
Business Penetration Rate	0	TBD	0	TBD	0	TBD

**Note: While the Workforce Innovation and Opportunity Act (WIOA) of 2014 establishes Primary Indicators of Performance, the LWDB has negotiated the levels of performance at zero for Program Year 2016 (July 1, 2016 through June 30, 2017). The indicators are listed above, with the planned goal indicated as zero for each measure. The actual performance achieved is presented as "TBD", meaning "to be determined" for each measure. This is due to the fact that the New York State Department of Labor has not provided this data at this time.**

## Section III

### Return on Investment Report – Program Year 2016

#### A. INTRODUCTION

One of the purposes of the Workforce Innovation and Opportunity Act (WIOA) is to increase the employment, retention, and earnings of participants, and increase attainment of recognized postsecondary credentials by participants, and as a result, improve the quality of the workforce, reduce welfare dependency, increase economic self-sufficiency, meet the skill requirements of employers, and enhance the productivity and competitiveness of the Nation.

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

#### B. QUANTITATIVE RESULTS

The quantitative portion of this report projects the return of federal dollars invested over a three year period. This projection is based upon the monetary benefit derived by the WIOA Title I programs in terms of tax revenue generated and welfare costs saved, divided by WIOA dollars expended. Based upon this method, the quantitative projected ROI over the next three years is **\$27.42**.

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

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

The following assumptions were made in developing the formula factors:

- WIOA Participants employed in the first quarter after exit will remain employed at relatively the same rates over a three year period
- Customer wages were calculated as if they were to remain static and not subject to increase due to the cost of living or performance increases or decreases due to layoff or termination
- Public Assistance Savings were projected at static rates based upon current information provided by the New York State Office of Disability and Temporary Assistance



- Tax Benefits were calculated based upon an average of 15.00% Federal and 5.00% State Withholding
- WIOA Dollars Invested were calculated based upon 100% expenditure of the allocation for the grant being measured in a particular program year
- Reduction in Unemployment Insurance Benefits, and many other savings were not included

## Return on Investment Formula

### 1. Projected Tax Benefit

- Participants served; 7,670
- Entered Employment Rate: 63.00%

#### ***Pro-ration of Adult and Dislocated Worker Entered Employment Rate***

*(\*1,812 Adult Exiters who Entered Employment plus 3,021 Dislocated Worker Exiters who entered employment = 4,833 Adult and Dislocated Worker Exiters who Entered Employment.*

*\*2,837 Adults Exiters plus \*4,833 Dislocated Worker Exiters = 7,670 Adult and Dislocated Worker Exiters*

*\*4,833 Adult and Dislocated Worker Exiters who Entered Employment divided by 7,670 Adult and Dislocated Worker Exiters = 63.0% Combined Entered Employment Rate)*

- Projected Entered Employment Number: 7,670 (Participants) x 63.00% = 4,832
- Average Earnings: \$771.58
- 2,837 Adult Exiters included in Average Earnings Common Measure + 4,833 Dislocated Worker Exiters included in Average Earnings
- Common Measure = 7,670 Total Exiters included in Average Earnings Common Measure

#### ***Pro-ration of Adult and Dislocated Worker Average Earnings:***

*(\* 2,837 Adult Exiters divided by 7,670 Total Exiters included in Average Earnings Common Measure = 0.37*

*\* 4,833 Dislocated Worker Exiters divided by 7,670 Total Exiters included in Average Earnings Common Measure = 0.63*

*\* \$17,007 Adult Earnings divided by 26 weeks = \$654.115 multiplied by 0.37 (% of Adults) = \$242.02*

*\* \$21,855 Dislocated Worker Earnings divided by 26 = \$840.577 multiplied by 0.63 (% of Dislocated Workers) = \$529.56*

*\* \$242.02 Adult Average Weekly Earnings + \$529.56 Dislocated Worker Average Weekly Earnings = \$771.58 Average Earnings for All Participants)*

- Projected Average Wages for 12 Month Period Following termination: 4,832 (Projected Entered Employment) x \$771.58 (Average Earnings) x 52 Weeks = \$193,870,277.12
- Projected Average Annual Wage Gain Per Participant: \$193,870,277.12 divided by 7,670
- (Participants Served): \$25,276.44.
- Projected Average Tax Benefit Per Participant (Based upon Income Tax Rates of 15.00%
- Federal and 5.00% State Tax Rates): \$25,276.44 x 20.00% = \$5,055.29

## **2. Projected Welfare Savings**

- Welfare Participants Served: 54
- TANF Participants: 24
- Safety Net Participants: 1
- Supplemental Nutrition Assistance Program (SNAP) Participants: 48
- Average Monthly TANF Cost (Based upon a Mother and 2 Children): \$720.00 (Cash Grant) + \$134.00 (SNAP) = \$854.00
- Average Annual TANF Cost: 24 Participants x \$854.00 x 12 Months = \$245,952.00.
- Average Annual TANF Benefit Per Participant: \$245,952 divided by 24 = \$10,248.00. Divided by all participants: 7,670 = \$32.07
- Average Monthly SN Cost (Based upon a Single Individual): \$403.00 (Cash Grant) = \$403.00
- Average Annual SN Cost: 1 Participants x \$403.00 x 12 Months = \$4,836.00
- Average Annual SN Benefit Per Participant: \$4,836.00 divided by 1 = \$4,836.00. Divided by all participants 7,670 = \$0.63
- Average Monthly SNAP Cost (Based upon a Single Individual) = \$134.00
- Average Annual SNAP Cost: 48 Participants x \$134.00 x 12 Months = \$77,184.00.
- Average Annual SNAP Cost Per Participant: \$77,184.00 divided by 48 = \$1,608.00. Divided by all participants 7,670 = \$0.21

### 3. Dollars Invested

Adult: \$1,166,026  
DW: \$1,580,547  
Total: \$2,746,573

**WIOA Title I-B:** \$2,746,573 divided by 7,670, Cost per participant = **\$358.09**

### Return on Investment (ROI) Ratio over Three Years

#### First Year:

-\$358.09 Average Cost Per Participant  
\$0.00 Average Tax Benefit Per Participant  
\$0.00 Average TANF Benefit Per Participant  
\$0.00 Average SN Benefit Per Participant  
**-\$358.09 ROI**

#### Second Year:

\$0.00 Average Cost Per Participant  
\$5,055.29 Average Tax Benefit Per Participant  
\$32.07 Average TANF Benefit Per Participant  
\$0.63 Average SN Benefit Per Participant  
\$0.21 Average SF Benefit Per Participant  
**\$5,088.20 ROI**

#### Third Year:

\$0.00 Average Cost Per Participant  
\$5,055.29 Average Tax Benefit Per Participant  
\$32.07 Average TANF Benefit Per Participant  
\$0.63 Average SN Benefit Per Participant  
\$0.21 Average SF Benefit Per Participant  
**\$5,088.20 ROI**

#### Three Year Benefit:

-\$358.09 First Year  
\$5,088.20 Second Year  
\$5,088.20 Third Year

**\$9,818.31 Three Year Benefit**

#### Return on Investment Ratio:

**\$9,818.31** (Three Year Benefits), Divided by **\$358.09** (Cost Per Participant) = **\$27.42** return on each WIOA dollar invested.

## C. Qualitative Results

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

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

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

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