

# Report Highlights

Department of Labor:  
Training Activities

October 2002

Louisiana Legislative Auditor

Three training programs administered by the Louisiana Department of Labor (LDOL) were the focus of our audit.

- The federal Workforce Investment Act (WIA) was implemented in July 2000. Its purpose is to consolidate, coordinate, and improve employment training, literacy and vocational rehabilitation programs in the United States.
- The Incumbent Worker Training Program (IWTP) was established by the Louisiana Legislature in 1997. This program is designed to benefit Louisiana business and industry by developing the skills of existing employees and increasing employee productivity and company growth.
- The Welfare-to-Work program began in 1998 and is aimed at moving individuals off welfare and into lasting, unsubsidized employment. This program was designed as a precursor to WIA and is slated to end in January 2003.



## Audit Results

- ◆ Oversight and accountability for individual training accounts (ITAs) and the training provided through the WIA need improvement.
- ◆ Individuals are selecting truck driving as the most common type of training statewide through the WIA programs.
- ◆ For the one statewide training contract LDOL administered, the department did not adequately verify the stated deliverables.
- ◆ The IWTP lacks formal policies and procedures. As a result, it is difficult to determine if the training being conducted through this program is consistent with its intent.
- ◆ Many IWTP contracts provided for equipment and other non-consumable tangible property to be bought for public institutions.
- ◆ LDOL has not spent a large portion of the funds available for the IWTP.
- ◆ The success of the IWTP contracts is difficult to measure. In addition, many completed IWTP contracts had low completion rates.

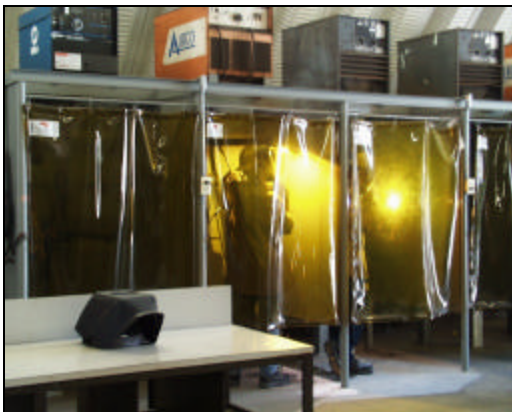
Daniel G. Kyle,  
Ph.D., CPA, CFE

Legislative  
Auditor

## Workforce Investment Act

### What We Found

- ➔ For fiscal years 2001 and 2002 (through March 31, 2002), nearly \$18.5 million of ITAs were awarded to more than 5,200 participants statewide. As of March 31, 2002, over \$11 million had been spent.
- ➔ For 174 ITAs, we could not determine how much was spent.
- ➔ Participants selected truck driving schools most often as their training provider.
- ➔ Fifty percent of all ITA award dollars were awarded to 6% of providers and 50% of all participants were served by 8% of the providers.
- ➔ LDOL administered one statewide training contract during fiscal year 2002. The contract was with the National Guard's Job Challenge Program. We found that LDOL did not adequately verify the deliverables of this contract.



Welding booths used in training classes for the Job Challenge Program. The Job Challenge Program is offered by the Louisiana National Guard and is partially funded by a statewide training contract administered by LDOL.

### Recommendations

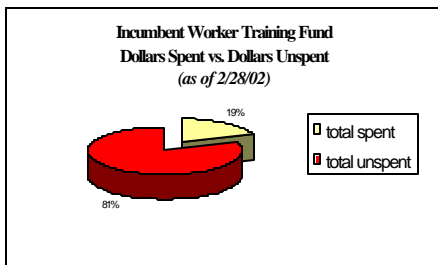
- ✓ The Louisiana Workforce Commission should direct the Local Workforce Investment Areas (LWIAs) to develop standard and consistent policies regarding ITAs.
- ✓ The Louisiana Workforce Commission and the LDOL should work with the LWIAs to continue to develop a system to maintain complete and accurate documentation on ITAs and other services provided through the WIA.
- ✓ The Louisiana Workforce Commission should monitor the types of training being provided through the ITAs to ensure that excessive or inappropriate training is not being provided. In addition, the commission should monitor to ensure that funds are effectively and equitably distributed throughout the LWIAs and among different training programs.
- ✓ The Louisiana Workforce Commission should monitor the Local Workforce Investment Boards (LWIBs) to ensure that they are providing adequate oversight to ensure that the One-Stops are guiding people to training programs in which they will be successful and employed.
- ✓ LDOL should establish an accountability mechanism for the Job Challenge Program contract to verify that deliverables meet contract terms before issuing payments.

## Incumbent Worker Training Program

### What We Found

- ➔ The Incumbent Worker Training Program (IWTP) is funded through a state wage tax. The legislature passed Act 1053 in 1997 creating the program. The fund balance as of February 28, 2002, was nearly \$90 million.

➔ Only 19% of the total dollars collected through the state wage tax for the IWTP had been spent as of February 28, 2002.



➔ Approximately 50% of IWTP contracts and IWTP dollars in our scope were awarded to 13% of the primary training providers.

➔ Private providers received 29% of the IWTP contracts and public providers received 71% of the contracts.



These classroom trailers at a public institution were purchased with funds from an IWTP contract.

➔ LDOL does not have formal policies and procedures in place to govern the IWTP. As a result, we were unable to determine the extent to which LDOL verified if contract deliverables were met.

➔ Three of the performance objectives used in the IWTP contracts may lead to ambiguous conclusions.

**Recommendations**

✓ LDOL should develop formal written policies and procedures for the IWTP.

✓ LDOL should develop guidelines for the types of training allowed through the IWTP. For instance, should the IWTP be providing skills

training or providing assistance in the completion of a formal college education?

- ✓ LDOL should specifically define when a performance objective is considered successfully met for an IWTP contract.
- ✓ LDOL should clearly define how the performance objective “Number of Employees to Complete Training” is calculated and standardize this definition for all contracts.
- ✓ LDOL should modify the performance objective “Number of Additional Jobs Created” so that it reflects the effect of the training provided through the contract.
- ✓ LDOL should modify the performance objective “Average Wage Increase” to include all employees that participated in the training. This modification will also ensure that the information in the Executive Budget is accurate and meaningful.

**Matters for Legislative Consideration**

- ✓ The legislature may wish to consider reducing the amount of funds collected for this program because of the large fund balance available for expenditures and the low levels of completion rates for the contracts that have been completed.
- ✓ The legislature may wish to further define or make clearer the intent and expectations of this program.



The Bridge Resource Management Simulator used at Delgado was paid for using set-aside amounts of IWTP funds from contracts awarded to Delgado.

## Training Comparisons

### What We Found

- ⊖ Because of lack of information and time constraints, we were unable to compare training costs between different training programs. However, for the comparisons we were able to make under the IWTP, there was a 30% or greater variance in the cost for two of the classes.
- ⊖ The IWTP is supposed to provide training to businesses that have been operating in Louisiana for three years or more. The Department of Economic Development's (DED) Workforce Development Program is intended to provide training to businesses that have been operating in the state for less than three years. However, 17 companies with IWTP contracts also had contracts under DED's program during the same time period.

### Recommendations

- ✓ LDOL should set limitations or standards on the cost of training classes at public institutions for the IWTP.
- ✓ LDOL should develop a mechanism to track the cost of the training provided through the various programs (including IWTP and WIA) so that comparisons can be made. This information should be reported to the legislature on a regular basis.

## Louisiana Legislative Auditor

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# STATE OF LOUISIANA LEGISLATIVE AUDITOR

**Department of Labor:  
Training Activities**  
Baton Rouge, Louisiana

October 2002



**Performance Audit**

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**Daniel G. Kyle, Ph.D., CPA, CFE**  
**Legislative Auditor**

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# **Department of Labor: Training Activities**

**October 2002**



**Performance Audit  
Office of the Legislative Auditor  
State of Louisiana**

**Daniel G. Kyle, Ph.D., CPA, CFE  
Legislative Auditor**

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October 16, 2002

The Honorable John J. Hainkel, Jr.,  
President of the Senate  
The Honorable Charles W. DeWitt, Jr.,  
Speaker of the House of Representatives

Dear Senator Hainkel and Representative DeWitt:

This report gives the results of our performance audit of Department of Labor's Training Activities. The audit was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

This performance audit report contains our findings, conclusions, and recommendations. Appendix G contains the Department of Labor's response and Appendix H contains the Louisiana Workforce Commission's response. I hope this report will benefit you in your legislative decision-making process.

Sincerely,

Daniel G. Kyle, CPA, CFE  
Legislative Auditor

DGK/dl

[LABOR02]



# Office of Legislative Auditor

## Performance Audit Department of Labor: Training Activities Executive Summary

This performance audit was conducted at the request of the Performance Review Subcommittee of the Joint Legislative Committee on the Budget. The audit identifies and reviews training activities administered through the Louisiana Department of Labor (LDOL).

### **Workforce Investment Act** *(See pages 9 through 20 of the report.)*

- For fiscal years 2001 and 2002 (through March 31, 2002), nearly \$18.5 million of individual training accounts (ITAs) were awarded to more than 5,200 participants statewide. As of March 31, 2002, over \$11 million had been spent.
- Participants selected truck driving schools most often as their training provider.
- Fifty percent of all ITA award dollars were awarded to 6% of providers and 50% of all participants were served by 8% of the providers.
- We identified one statewide training contract administered by LDOL. We determined LDOL did not adequately verify the deliverables of this contract.

### **Incumbent Worker Training Program** *(See pages 21 through 38 of the report.)*

- The Incumbent Worker Training Program (IWTP) is funded through a state wage tax. The legislature passed Act 1053 in 1997 creating the program. The fund balance as of February 28, 2002, was nearly \$90 million.
- Only 19% of the total dollars collected for the IWTP had been spent as of February 28, 2002.
- Approximately 50% of IWTP contracts and IWTP dollars in our scope were awarded to 13% of the primary training providers.
- Private providers received 29% of the IWTP contracts and public providers received 71% of the contracts.
- LDOL does not have formal policies and procedures in place to govern the IWTP. As a result, we were unable to determine the extent to which LDOL verified if contract deliverables were met.
- Three of the performance objectives used in the IWTP contracts may lead to ambiguous conclusions.

### **Training Cost Comparisons** *(See pages 39 through 41 of the report.)*

- We were unable to compare training costs among different training programs. However, for the comparisons we were able to make under the IWTP, there was a 30% or greater variance in the cost for two of the classes.
- Several companies with IWTP contracts also had workforce development contracts at the Department of Economic Development at the same time.

# Introduction

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## Audit Initiation and Objectives

The Performance Review Subcommittee of the Joint Legislative Committee on the Budget requested that the Legislative Auditor identify and review all training activities administered through the Louisiana Department of Labor (LDOL) and funded from both state and federal monies. Specifically, the subcommittee asked us to include training activities found under the Workforce Investment Act (WIA), the Incumbent Worker Training Program (IWTP), and Welfare to Work (WTW). During this performance audit, we tried to answer the following questions:

### **Workforce Investment Act (WIA)**

1. How were individual training accounts (ITAs) distributed during fiscal years 2001 and 2002 (through March 31, 2002)?
2. How were ITAs used during fiscal years 2001 and 2002 (through March 31, 2002)?
3. How does LDOL monitor the statewide training contracts that it administers?
4. Did LDOL verify the deliverables and benefits of the training contracts?

### **Incumbent Worker Training Program (IWTP)**

5. What is the IWTP fund balance?
6. What training providers and vendors are receiving IWTP contracts?
7. What types of training providers and vendors are receiving IWTP contracts?
8. What types of training are being provided through the IWTP?
9. How does LDOL monitor IWTP contracts?
10. Did LDOL verify the deliverables of the IWTP contracts?

### **Training Cost Comparisons**

11. How does the cost of training in certain skills compare among IWTP contracts?
12. How does the cost of training in certain skills compare among WIA programs?
13. How does the cost of training in certain skills compare between LDOL's IWTP and the Department of Economic Development's Workforce Development Program?

Appendix A contains our audit scope and methodology. Appendix G contains LDOL's response and Appendix H contains the Louisiana Workforce Commission's response.

## Background

We identified three programs administered by LDOL in which training occurs. A brief description of these programs follows.

### Workforce Investment Act

The Workforce Investment Act (WIA), which replaced the Job Training Partnership Act (JTPA), was implemented in July of 2000. The purpose of WIA is to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs in the United States. This act focuses on meeting the needs of businesses for skilled workers and training, education, and employment needs of individuals.

In contrast to JTPA, which focused only on training, WIA established the One-Stop system through which a broad array of services centered on customer choice, life-long learning, job placement, job retention, and wage increases are provided under one roof. There are 22 comprehensive One-Stops in Louisiana. In a comprehensive One-Stop, services from all 19 federally mandated partners are available on-site by either a physical presence or a technological link. Examples of these partners include activities organized under Title I of the WIA, the Carl D. Perkins Vocational and Applied Technology Education Act, the Department of Housing and Urban Development, and the Community Services Block Grant.

#### Intent of WIA Legislation

- To empower individuals by allowing them to choose the training program or education they need and giving them the information required to make informed decisions
- To increase accountability and quality among training providers
- To increase competition among training providers

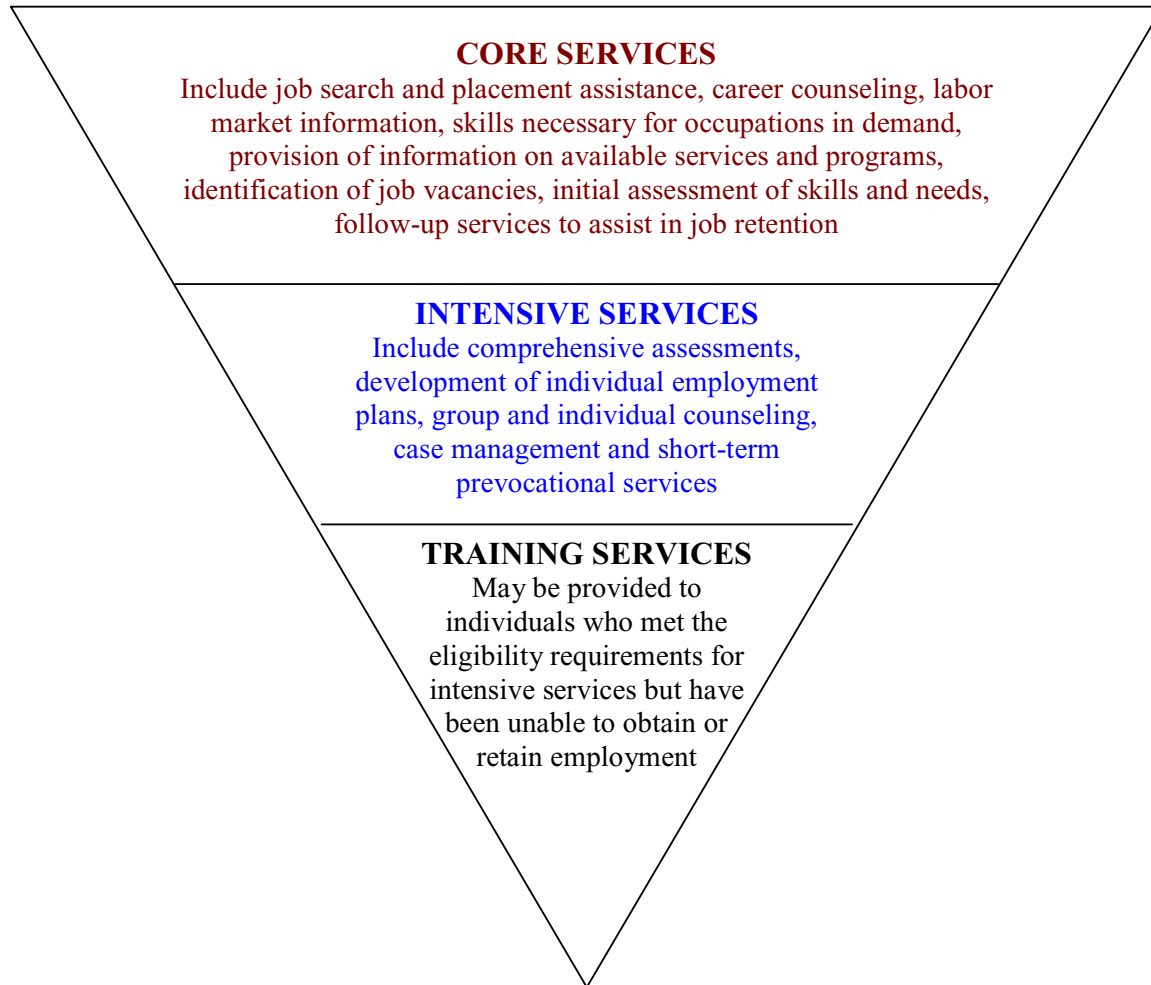
The legislature created the Louisiana Workforce Commission with Act 1 of the 1997 regular session. The commission has been designated as the State Workforce Investment Board within the meaning of WIA. Louisiana Revised Statute (R.S.) 23:2093 charges the Louisiana Workforce Commission with setting policy for allocating WIA funds for education, training and placement programs and delivering WIA services statewide.

Exhibit 1 shows the three levels of service that WIA provides through the One-Stops: core services, intensive services, and training services.

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**Exhibit 1**  
**Workforce Investment Act**  
**Levels of Service**



**Source:** Prepared by legislative auditor's staff using the Workforce Investment Act of 1998.

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The One-Stops primarily offer WIA participants the services shown toward the top of Exhibit 1 to accomplish such goals as job placement, job retention, and/or wage increases. Training services are not offered until it is determined that such goals cannot be met through core and/or intensive services alone.

WIA dollars flow from the United States Department of Labor to LDOL. LDOL then passes the money through to the 18 local Workforce Investment Boards (LWIBs) located throughout the state. The LWIBs are essentially the policymaking bodies that decide where and how the money will be distributed within their local Workforce Investment Areas (LWIAs). The LWIAs manage the One-Stops. WIA funds are used for all levels of service, not just training. Once the money reaches the LWIB, a local governmental entity (e.g., police jury, mayor, etc.) is



responsible for the funds. Exhibit 2 on the following page denotes the locations of each of the LWIAs and the parishes that comprise them.

WIA mandates that the LWIBs, in conjunction with LDOL, identify and certify training providers whose performance qualifies them to receive WIA funds. To qualify for WIA funds, a training program must meet minimum criteria established by the Louisiana Workforce Commission. Once an individual chooses a training program, he/she is issued an individual training account (ITA) to pay for that program. No state or federal guidance is given on setting an ITA's value. ITA value is determined by local policy and agreed upon by the LWIB and the training provider.

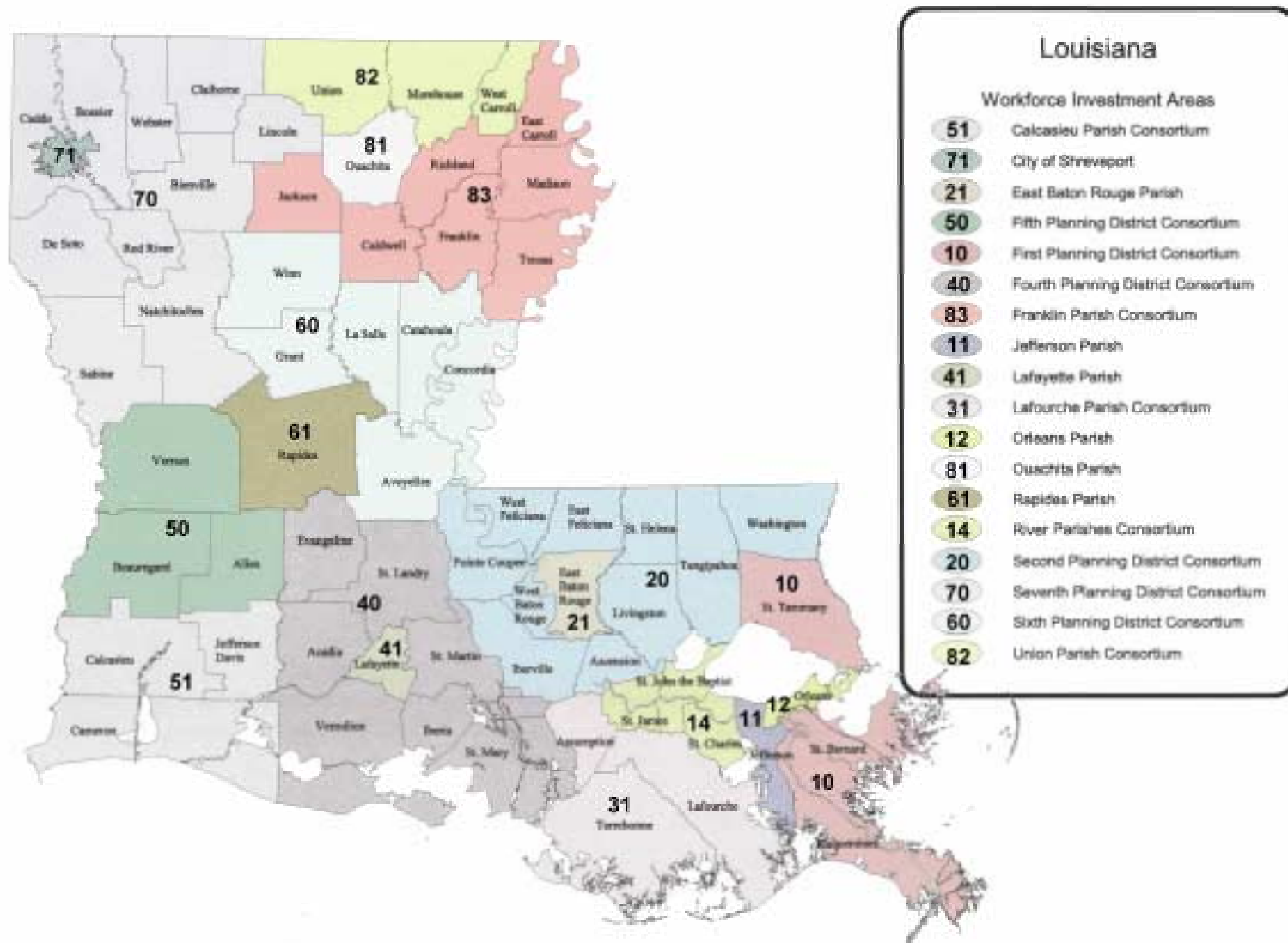
### **Incumbent Worker Training Program**

The Louisiana Legislature passed Act 1053 in the 1997 Regular Legislative Session creating the Incumbent Worker Training Program (IWTP). R.S. 23:1514 established a special account in the Employment Security Administration Fund dedicated to fund customized training to benefit businesses operating in Louisiana. This program is designed to benefit Louisiana business and industry by assisting in the skill development of existing employees and increasing employee productivity and company growth. In addition, LDOL staff said that the program is also designed to establish a connection between industry and the educational community. Act 197, passed in the 1999 Regular Legislative Session, increased the account balance from \$6 million to \$50 million.

The funding for the IWTP comes from state taxes that employers pay on wages. Exhibit 3 on page 6 depicts how funds flow from an employer who pays state taxes on wages to LDOL to be disbursed as payments on IWTP contracts (through the Workforce Development Account).

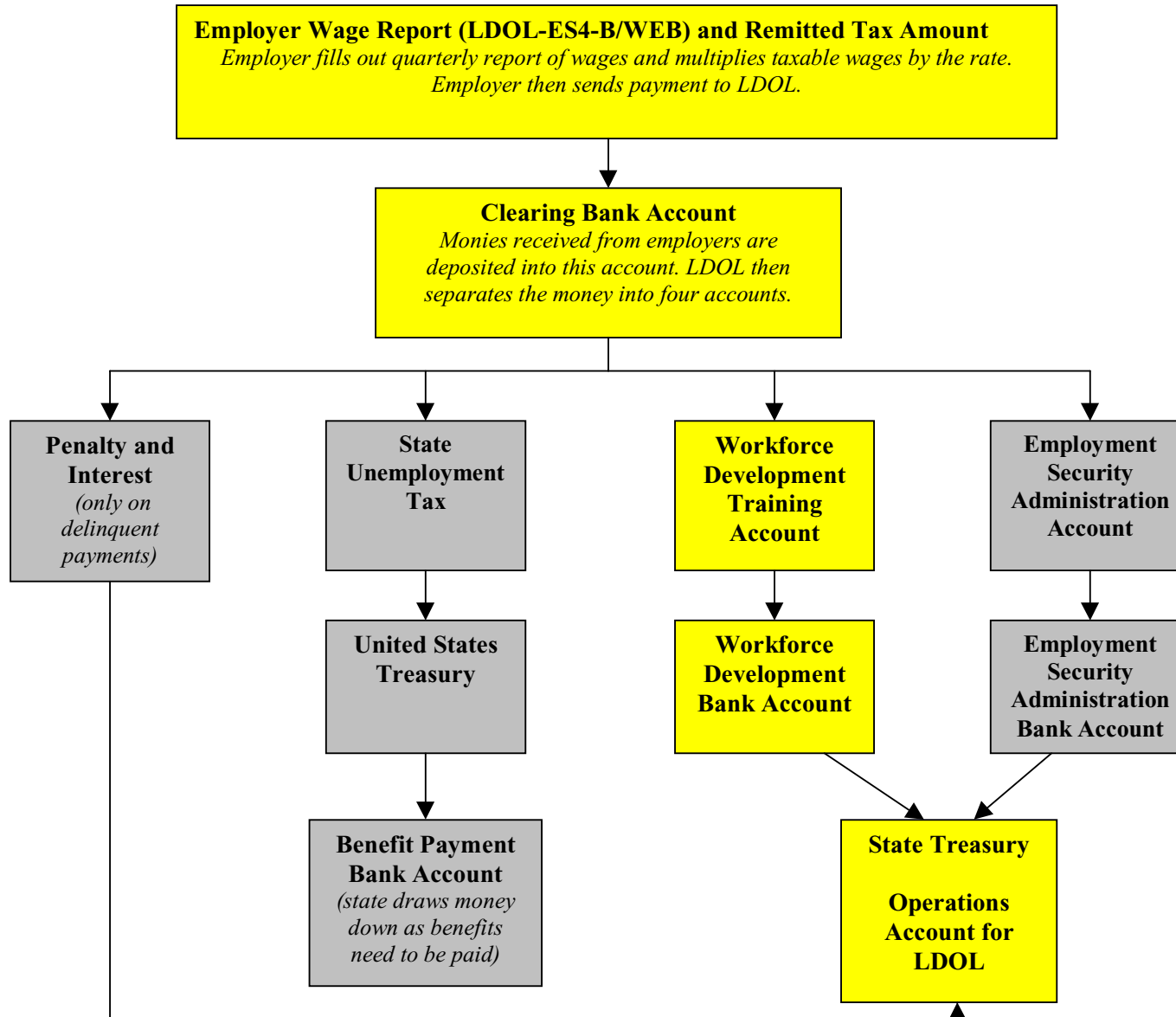
The program operates on a cost reimbursement basis. Training providers are not given the award amount before providing the training. The training providers submit invoices on a regular basis to LDOL based upon the dollars spent.

**Exhibit 2  
Location of LWIAs**



Source: Obtained map from [www.srdc.msstate.edu](http://www.srdc.msstate.edu), which was then edited by legislative auditor's staff.

**Exhibit 3**  
**Flow of Money From Employer's Wage Taxes to IWTP**



**Source:** Created by legislative auditor's staff using information from Louisiana revised statutes and LDOL.

## Welfare-to-Work

Welfare-to-Work (WTW), designed as a precursor to the Workforce Investment Act, began in 1998. WTW is a federally funded program aimed at moving individuals off welfare and into lasting, unsubsidized employment. While not specifically a training program, WTW provides participants with pre-employment services such as job readiness and training, vocational education, and community work experiences. WTW also offers post-employment supportive services, including child care and transportation.

LDOL received funding for the WTW program in 1998 and 1999. The money received during these funding years has been carried over to the current fiscal year. WTW is slated to end in January 2003.

Exhibit 4 below summarizes the WTW funding and expenditures as of June 30, 2002, for both the 1998 and 1999 funding years. LDOL officials were unable to separate training costs from the overall program costs.

**Exhibit 4**  
**WTW Funding and Expenditures for Years 1998 and 1999**  
**(as of June 30, 2002)**

Criteria	WTW Funding Year	
	1998	1999
Amount Received	\$23,707,338	\$22,112,662
Expenditures to Date	\$22,171,875	\$13,815,854
State and Local Match*	\$11,085,938	\$5,427,260
Total Participants Served	6,239	5,847

\*Match can be both cash (state and local) and in-kind.

**Source:** Prepared by legislative auditor's staff using WTW Quarterly Reports obtained from LDOL staff.

## Issues for Further Study

This section contains important issues we identified during this audit that may require further study but were not within our scope.

1. The IWTP contracts are supposed to be for training that supplements but not supplants a company's existing training program. We noted during our file reviews that LDOL does not ask for evidence, such as how much money has been spent, of the company's existing training program. LDOL only requests a description of what has been done. We also noticed in many cases companies did not have a training program before receiving the IWTP contract. Future studies should be considered to determine whether or not the IWTP contracts are supplanting the training being offered by the companies.

2. The types of training that are allowed through the IWTP should be considered for future study. Because of the lack of formal written policies and procedures, it is difficult to determine whether or not the types of training noted during our audit are allowable or intended. For example, should the IWTP be funding skills training or providing assistance in the completion of a formal college education? We noted that several contracts provided college curriculums for several employees. Another issue that should be addressed is hard skills versus soft skills. Should the IWTP provide training for support functions within a company, such as the accounting division, the human resource division, et cetera? Also, should the IWTP provide training in such areas as time management, stress management, et cetera?
3. Further study is needed to identify the delineation of authority for the types of training offered by the WIA individual training accounts. The Workforce Commission, LDOL, and LWIAs all play a part in determining what types of training may be offered through the ITAs. Further study could identify the specific types of training being offered and if they match the intent of the program.
4. The Workforce Development Program that is offered through the Department of Economic Development and the IWTP offered through LDOL are providing training grants concurrently to the same companies. The legislature may wish to direct a study of this situation.
5. LWIA policies and procedures and the consistency among them for establishing and maintaining ITAs may be an area for further study.

# Workforce Investment Act

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The Workforce Investment Act (WIA) allows for individuals to receive individual training accounts (ITAs) through the LWIAs for training in order to become employable. According to Louisiana revised statutes, the LWIAs are guided by local Workforce Investment Boards, which, in turn, are certified by the Louisiana Workforce Commission.

During our fieldwork, we noted that there appears to be a lack of oversight and accountability in regard to the ITAs and the training provided through the WIA. R.S. 23:2093 states that the Louisiana Workforce Commission is responsible for setting policy for allocating WIA funds and delivering WIA services statewide. However, we found inconsistencies between the practices of and ITA distribution within the 18 LWIAs.

In addition, we found what seemed to be a disproportionate number of individuals selecting the same type of training statewide. We were unable to find evidence of oversight to ensure that overtraining is not occurring in certain training areas.

During the period audited, LDOL administered one statewide training contract. We found that the department did not adequately verify the deliverables under this contract.

**Recommendation 1:** The Louisiana Workforce Commission should direct the LWIAs to develop standard and consistent policies regarding ITAs.

**Management's Response:** **The commission disagrees with this recommendation.** Although the role of the commission is to provide broad policy oversight to the state's workforce investment system, the federal WIA gives LWIAs the responsibility and the authority to design policies regarding ITAs. At a minimum, the commission requires that each local Workforce Investment Board has written ITA policies and participant grievance procedures and that these policies are kept and monitored by the LDOL.

LDOL also responded to this recommendation stating that it is working on an instruction to ensure that all LWIA ITA policies address the same elements or issues to ensure consistency.

**Legislative Auditor's Additional Comments:** We are recommending that the commission direct the LWIAs to develop standard and consistent policies as R.S. 23:2093 gives the commission the authority to set policy for delivering WIA services statewide. We are recommending the ITA policies to be developed will ensure the data collected pursuant to Recommendation 2 will be consistent and useful. For instance, we are recommending that a standard policy be developed regarding what constitutes the reported ITA award and expenditure amount. We found that this amount has different components depending upon the year and the LWIA during our audit, which makes it very difficult to collect comparable data on a statewide basis. This recommendation

should not interfere with customer choice, instead it relates to standardizing administrative functions within the LWIAs.

**Recommendation 2:** The Louisiana Workforce Commission and the LDOL should work with the LWIAs to continue to develop a system to maintain complete and accurate documentation on ITAs and other services provided through the Workforce Investment Act.

**Management's Response:** **The commission and the department agree with this recommendation.** The commission has overseen LDOL's development of the Louisiana's Occupational Information System (LOIS) since 1997. In addition, LDOL has developed the LAVOS (Louisiana's Virtual One Stop). It is anticipated that all 18 LWIAs will have the capacity to report accurate counts and other relevant information concerning ITAs and other core and intensive services provided through the LAVOS system within the year.

LDOL's Management Information System currently contains information on all services provided to WIA participants. This program year, LDOL is adding a module to track the expenses associated with the ITA by program year. This feature will provide documentation for planned versus expended ITA dollars.

**Recommendation 3:** The Louisiana Workforce Commission should monitor the types of training being provided through the ITAs to ensure that excessive or inappropriate training is not being provided. In addition, the commission should monitor to ensure that funds are effectively and equitably distributed throughout the LWIAs and among different training programs.

**Management's Response:** **The commission disagrees with this recommendation.** The commission serves as the policy-making and coordinating body for the state's workforce development system. The commission says that the LDOL is the administrative entity that manages the day-to-day oversight of WIA implementation and has been directed through the federal law, as the state's designated entity, to provide monitoring and evaluation for the program. The commission currently requires reports regarding progress being made toward the attainment of performance goals.

However, commission staff will recommend to the commission that the LWIAs and LDOL staff meet to discuss this report and gain feedback about strategies that might be further developed to determine how ITAs are being used and to evaluate their long-term effectiveness.

**Legislative Auditor's Additional Comments:** The commission responded that LDOL conducts the monitoring function. The department responded that ITAs can only be issued for training in "demand occupations" as defined by the Louisiana Workforce Commission. This definition is included as an attachment to the department's response. However, because this definition contains an "Other" category, which provides a mechanism for a variety of training types to become eligible for ITAs,

we do not feel that it is a sufficient monitoring tool to ensure that excessive or inappropriate training is not being provided. For example, we found no evidence that the commission or the department is collecting information to determine what portion of the people who were trained in truck driving programs were able to find and keep work as truck drivers.

**Recommendation 4:** The Louisiana Workforce Commission should monitor the LWIBs to ensure that they are providing adequate oversight to ensure that the One-Stops are guiding people to training programs in which they will be successful and employed.

**Management's Response: The commission disagrees with this recommendation.** The commission says that this function belongs to LDOL. However, staff will recommend to the commission that LWIAs and LDOL staff meet to discuss this recommendation to determine if more effective strategies exist. As a result, there is a possibility that increased technical assistance and staff development might be provided for One-Stop staff to help people make more informed career decisions.

The department responded that it has provided training and tools to the LWIAs to assist their staff in delivering effective case management to their customers in selecting types of training and training providers. In addition, each LWIA is required to meet certain performance measures. LDOL monitors these measures and provides technical assistance in those areas where needed.

**Recommendation 5:** LDOL should establish an accountability mechanism for the Job Challenge Program (JCP) contract to verify that deliverables meet contract terms before issuing payments.

**Management's Response: The department partially agrees with this recommendation.** As of May 2002, LDOL implemented a more stringent verification process for the JCP contract. In addition, steps have been taken to modify the current contract to further refine employment outcomes and require additional documentation for verification of performance.

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## How were individual training accounts (ITAs) distributed during fiscal years 2001 and 2002 (through March 31, 2002)?

For fiscal years 2001 and 2002 (through March 31, 2002), nearly \$18.5 million of ITAs were awarded to more than 5,200 participants statewide. Of this amount, over \$11 million has been spent as of March 31, 2002. We requested from each LWIA the ITA award amount issued to each participant and the ITA award amount spent from July 1, 2000, through March 31, 2002. All LWIAs, except LWIA 31 and LWIA 51, were able to provide us with ITA distribution information as of March 31, 2002. Because of software constraints, the information obtained from LWIAs 31 and 51 is as of June 26, 2002, and May 31, 2002, respectively. In addition,



LWIA 70 acknowledged that several of its ITA award amounts were incorrect. According to LWIA 70 officials, they are working with LDOL to correct this problem. These problems were not corrected by the time that we completed our fieldwork for this audit.

We were unable to obtain expenditure information during our fieldwork on 174 participants who received awards of approximately \$485,000. LWIA 70 was unable to provide us with expenditure information for 168 participants because of software limitations and LWIA 12 was unable to provide us with expenditure information for six recipients. According to LDOL officials, the software problems surrounding these issues have since been corrected.

### Overall and Individual ITA Distribution Among the LWIAs

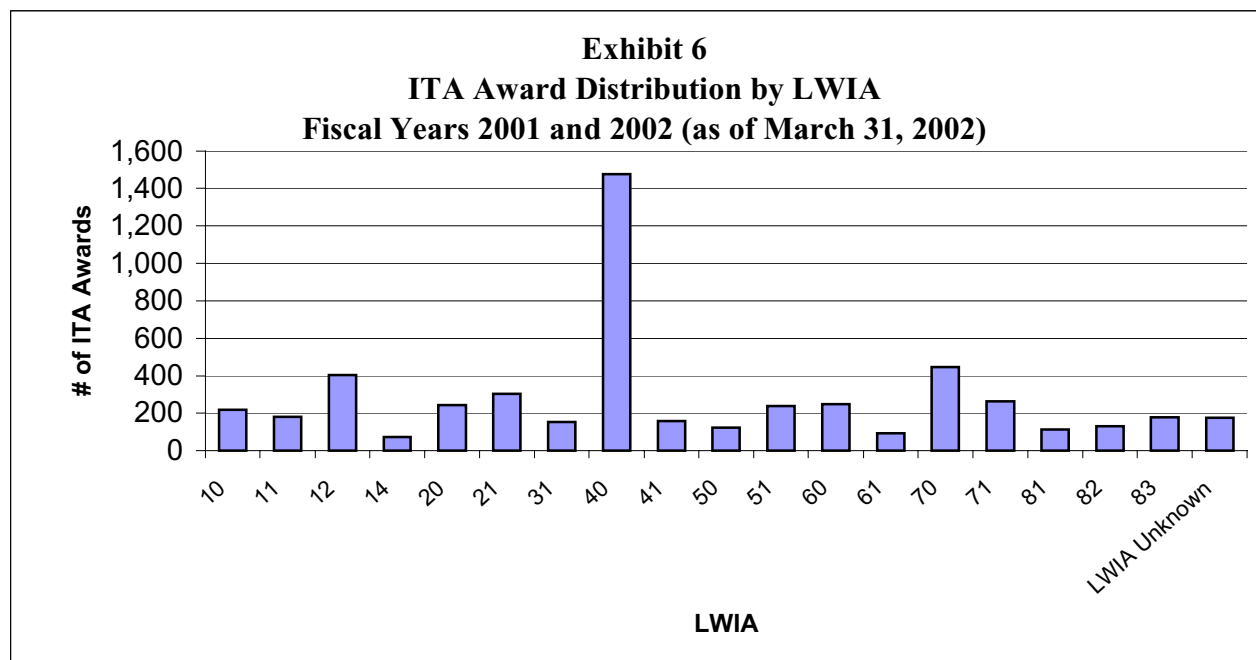
The LWIAs establish ITAs for each participant once it is decided that training is needed. The award amount and the expended amount may differ. Appendix B contains an analysis of the ITA award distribution for the individual LWIAs and for all the LWIAs combined. Exhibit 5 summarizes this appendix. The "Overall" column *includes* the 174 ITA participants for whom expenditure information was unavailable.

<b>Exhibit 5</b>			
<b>ITA Award Distribution Summary</b>			
<b>Fiscal Years 2001 and 2002 (as of March 31, 2002)</b>			
<b>Criteria</b>	<b>Overall</b>	<b>Individual LWIAs</b>	
		<b>Highest</b>	<b>Lowest</b>
Number of Participants	5,210	1,475 (LWIA 40)	72 (LWIA 14)
Total Dollar Amount of ITA Awards	\$18,456,208	\$5,168,884 (LWIA 40)	\$284,175 (LWIA 14)
Average ITA Award Amount	\$3,542	\$6,371 (LWIA 21)	\$1,962 (LWIA 70)
Maximum/Minimum ITA Awards		\$36,000 (LWIA 70)	\$95 (LWIA 31)

**Source:** Prepared by legislative auditor's staff using unaudited data from LDOL and LWIAs.

The \$36,000 ITA award under LWIA 70 went to train a participant in aviation management at Louisiana Tech University. According to information received from LWIA 70, this participant will receive a bachelor's degree and obtain his private pilot's license. Some of the cost of the ITA covers flying time. The participant could eventually earn up to \$125,000 per year. The \$95 ITA award under LWIA 31 was for a Microsoft Excel computer class.

Exhibit 6 illustrates the ITA award distribution among the LWIAs for fiscal years 2001 and 2002 (as of March 31, 2002).



**Source:** Prepared by legislative auditor's staff using unaudited information from LDOL.

### Overall and Individual ITA Expenditures

Appendix B also includes an analysis of ITA expenditures (amount spent) for the individual LWIAs and for all the LWIAs combined. Some ITAs may not be fully expended because training is not completed. A summary of these expenditures is presented in Exhibit 7 on the following page. The "Overall" column *excludes* the 174 ITA participants for whom expenditure information was unavailable.

The "overages" shown in Exhibit 7 represent those cases where the amount spent on an ITA exceeded the amount awarded. We found that some LWIAs had high percentages of overages (e.g., LWIA 70), while others had none (LWIA 14, 20, 31, 41, and 81). These cases may be an indication of how LWIA policies and procedures differ.

**Exhibit 7**  
**ITA Expenditures Summary**  
**Fiscal Years 2001 and 2002 (as of March 31, 2002)**

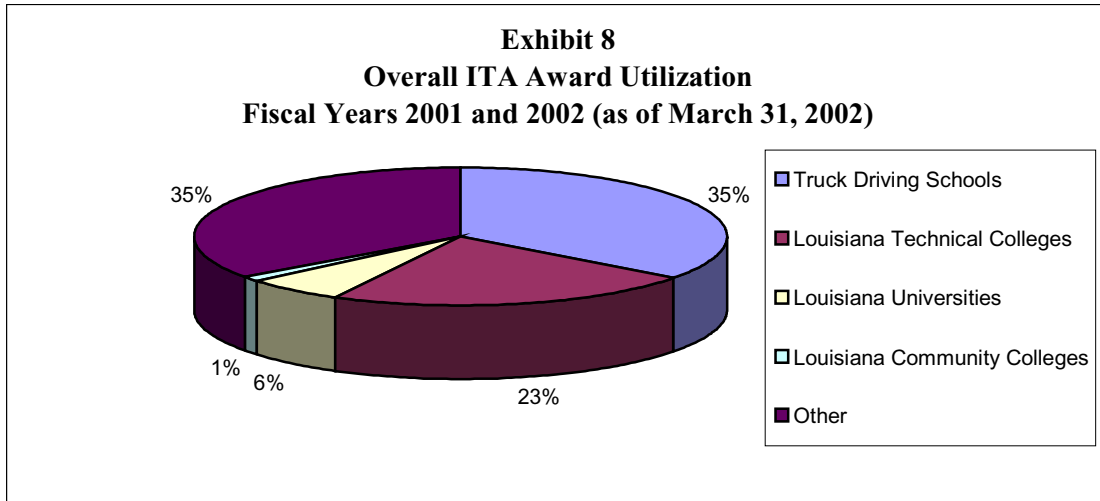
Criteria	Overall	Individual LWIAs	
		Highest	Lowest
Total ITA Award Amount Expended	\$11,209,743	\$2,884,597 (LWIA 40)	\$154,491 (LWIA 82)
Average ITA Award Amount Expended	\$2,226	\$4,305 (LWIA 21)	\$1,170 (LWIA 82)
Total Number of Overages	272	124 (LWIA 70)	<i>None</i> (LWIA 14, 20, 31, 41, and 81)
Percentage of ITAs where Overages Occurred	5.4 %	27.7 % (LWIA 70)	0%
Total Amount of Overages	\$103,778	\$82,686 (LWIA 70)	\$0

**Source:** Prepared by legislative auditor's staff using unaudited data from LDOL and LWIAs.

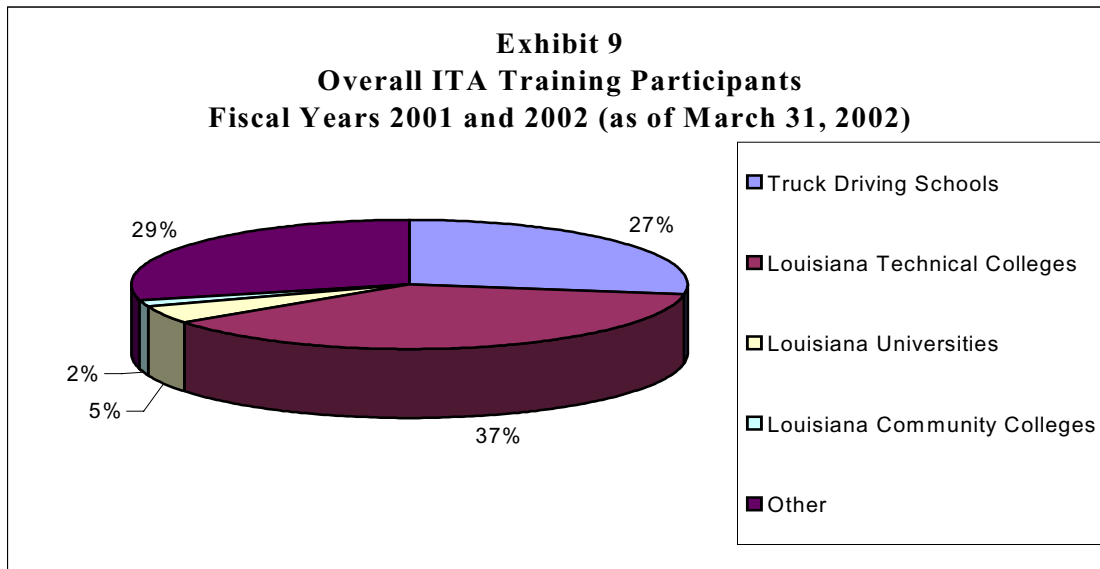
## How were ITAs used during fiscal years 2001 and 2002 (through March 31, 2002)?

Participants selected truck driving schools most often as their training provider. Combined, these schools accounted for over 35% of overall ITA awards and were selected by over 27% of all participants (see Exhibits 8 and 9). Appendix C summarizes the ITA awards for the individual LWIAs. This appendix also shows the number of participants in each LWIA that selected each training provider. Furthermore, it shows total ITA awards by provider and average cost per participant. Appendix D summarizes the ITA award utilization for all the LWIAs combined. Points of interest from these appendixes are noted as follows:

- For 11 of the 18 LWIAs (61%), truck driving schools received the highest percentage of the overall ITA awards.
- The highest cost per participant occurred at Delta School of Business and Technology (\$25,200) followed by Louisiana Tech University (\$20,500).
- Louisiana technical colleges accounted for 22.5% of the overall ITA award amounts issued and 37.5% of all participants. See Exhibits 8 and 9.



**Source:** Prepared by legislative auditor’s staff using information from LDOL.



- Among the five most chosen training providers, the average cost per participant ranged from \$2,566 to \$6,798.

We found the eligible training providers to represent both the public and private sectors. Examples of other types of training providers that participants selected include universities, beauty schools, cooking schools, and computer training schools.

<b>Top 5 Training Providers' Average Cost Per Participant</b>	
<b>Provider</b>	<b>Average Cost Per Participant</b>
Advantage Learning Center	\$6,798
Diesel Driving Academy	\$4,760
Coastal College Truck Driving School	\$4,543
M & D Enterprise	\$2,867
Council Development Corporation d.b.a. PEC	\$2,566
<b>Source:</b> Prepared by legislative auditor's staff from unaudited data obtained from LWIAs.	

As Exhibits 10 and 11 illustrate, we found that 50% of all ITA award dollars were awarded to 6% (8 of 124) of providers. We also found that 50% of all participants were served by 8% (11 of 124) of the providers.

**Exhibit 10**  
**Providers Receiving 50% of ITA Award Amount**  
**Fiscal Years 2001 and 2002 (As of March 31, 2002)**

Provider	Total ITA Award Amount	Percent of Total ITA Award Amount
Coastal College Truck Driving School	\$3,084,565	16.71%
Diesel Driving Academy, Inc.	2,760,793	14.96%
M & D Enterprise	794,272	4.30%
Council Development Corp. d.b.a. PEC	579,900	3.14%
Advantage Learning Center, Inc.	530,270	2.87%
Louisiana State University at Eunice	479,837	2.60%
New Horizons Computer Learning Center	475,240	2.57%
Louisiana Technical College - T.H. Harris Campus	459,056	2.49%
Others	9,292,275	50.35%
<b>TOTALS</b>	<b>\$18,456,208</b>	<b>100.00%*</b>

\*Total is off due to rounding.

**Source:** Prepared by legislative auditor's staff using unaudited data obtained from LDOL and LWIAs.

**Exhibit 11**  
**Providers Selected by 50% of ITA Participants**  
**Fiscal Years 2001 and 2002 (As of March 31, 2002)**

Provider	Number of Participants	Percent of Total Participants
Coastal College Truck Driving School	679	13.03%
Diesel Driving Academy, Inc.	580	11.13%
M & D Enterprise	277	5.32%
Council Development Corp. d.b.a. PEC	226	4.34%
Louisiana Technical College - T.H. Harris Campus	201	3.86%
Louisiana Technical College - Northwest Louisiana Campus	128	2.46%
Louisiana Technical College - Sowela Campus	111	2.13%
Louisiana Technical College - Mansfield Campus	111	2.13%
Transportsafe Training Center, Inc.	95	1.82%
Louisiana Technical College - Natchitoches Campus	89	1.71%
Cameron College	85	1.63%
Others	2,628	50.44%
<b>TOTALS</b>	<b>5,210</b>	<b>100.00%</b>

**Source:** Created by legislative auditor's staff using data received from LDOL and LWIAs.

Exhibit 12 briefly describes the types of training offered by the providers shown in the preceding exhibits.

<b>Exhibit 12</b>	
<b>Types of Training Offered by ITA Providers in Exhibits 10 and 11</b>	
<b>Training Provider</b>	<b>Training Offered</b>
Advantage Learning Center, Inc.	Computer Training
Cameron College	Medical Assistant, Practical Nursing, Medical Billing Specialist, Legal Secretarial
Coastal College Truck Driving School	Truck Driver Training
Council Development Corp. d.b.a. PEC	Oil Patch Preparation System - federally mandated safety training for the oil and gas industry
Diesel Driving Academy, Inc.	Truck Driver Training
Louisiana State University at Eunice	Paralegal Studies, Liberal Arts Program, Diagnostic Medical Sonography
Louisiana Technical College - Mansfield Campus	Computer Specialist, Welding, Practical Nursing, Nursing Assistant, Office Systems Technology Associate Degree
Louisiana Technical College - Natchitoches Campus	Carpentry, Automotive Technology, Emergency Medical Technician-Basic, Nursing Assistant
Louisiana Technical College - Northwest Louisiana Campus	Industrial Maintenance Technician, Industrial Instrumentation Technology, Welding, Practical Nursing
Louisiana Technical College - Sowela Campus	Industrial Instrumentation Technology, Process Technology, Criminal Justice, Electrician, Electronics Technology, Air Conditioning/Refrigeration, Construction Equipment Technology, Aviation Maintenance Technology, Welding, Practical Nursing, Accounting Technology, Office Systems Technology
Louisiana Technical College - T.H. Harris Campus	Cosmetology, Civil Engineering Technology, Nondestructive Testing, Electronics Technology, Air Condition/Refrigeration, Collision Repair Technology, Automotive Technology, Diesel Powered Equipment Technology, Drafting and Design Technology, Practical Nursing, Accounting Technology, Office Systems Technology
M & D Enterprise	Occupational Safety and Health (OSHA) Technology/ Technician
New Horizons Computer Learning Center	Computer Training
Transportsafe Training Center, Inc.	Truck Driver Training

**Source:** Prepared by legislative auditor's staff using information from LDOL. The training descriptions come from the Eligible Training Providers and Programs list for Fiscal Year June 30, 2002.

## How does LDOL monitor the statewide training contracts that it administers?

LDOL administered one statewide training contract in fiscal year 2002. This contract was with the Louisiana National Guard for the Job Challenge Program (JCP). The JCP enables at-risk youth who have graduated from the National Guard's Youth Challenge Program to participate in specific job skill training.

The JCP job skill courses are 90 days in duration and include such training areas as welding, heavy equipment operation, food services, office skills, greens (golf course) tending, and masonry. Each curriculum also emphasizes life skills training such as educational remediation, Graduate Equivalency Diploma (GED) preparation, and driver's education. Upon completion of the training, the JCP assists program participants with employment placement.



Job Challenge Office Skills Training

This contract is funded with Wagner-Peyser funds, which now falls under the Workforce Investment Act. The Wagner-Peyser Act provides for the establishment of a national employment system. The act focuses on job placement as opposed to job training. However, the act does provide for some discretionary spending.



Job Challenge  
Welding  
Program

JCP participants are either fully funded by the contract, partially funded by the contract, or not funded at all by the contract. According to JCP officials, the contract is essentially the funding source of last resort. Because it is more difficult for participants to qualify for the program under other funding sources (e.g., LWIAs, Department of Social Services, etc.), JCP officials accept whatever funding they can get from these other funding sources and fill in the remaining amount with contract money. If it is anticipated that there will be money left over at the end of the contract, JCP officials seek permission from LDOL to use the remaining contract money to pay for additional participants.

### **LDOL's Monitoring Process**

LDOL monitors the Louisiana National Guard JCP annually. According to the LDOL field monitors, an administrative review of the program is conducted before the annual monitoring site visit. The administrative review covers areas such as leadership, staffing, program performance, accountability, and policies and procedures.

The LDOL field monitors conduct a daylong site visit of the program. During the site visit we observed, the LDOL field monitors used the state level monitoring guide/checklist to conduct a fiscal review of randomly selected invoices regarding program completers and training related job placements submitted by the National Guard for reimbursement. We also observed instructor interviews, participant interviews, and a general operations interview. The general operations interview centered around JCP recruitment, participant eligibility, support services, and participant evaluations.

Upon completion of the site visit, the field monitors forward the monitoring report to the LDOL Chief Monitor. According to the Chief Monitor, the LDOL Workforce Investment Act (WIA) Program Manager is notified of any findings and recommendations. In some instances, the Program Manager will give the entity a deadline by which all issues/concerns must be resolved. The Program Manager also follows up on any corrective actions. During the monitoring visit we observed, the LDOL field monitors reported no findings with regard to the JCP.

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### **Did LDOL verify the deliverables and benefits of the training contracts?**

We found that LDOL did not adequately verify the deliverables of the National Guard JCP contract. In particular, we found that LDOL may have paid \$17,200 for job placements that were not allowable by the contract during fiscal years 2001 and 2002.

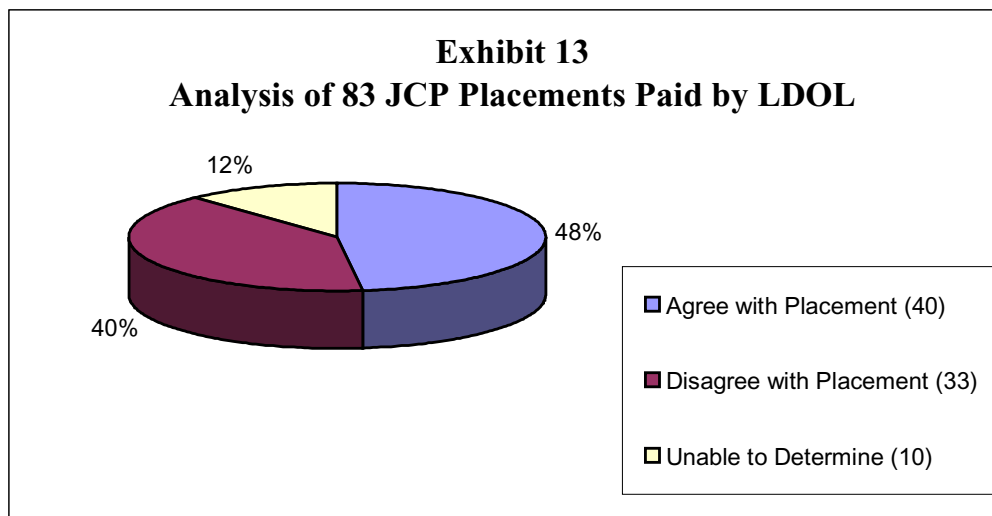
Of the 83 placements paid by LDOL during fiscal years 2001 and 2002, we found that 33 (40%) should not have been paid according to the contract's terms. Furthermore, we were unable to determine if payment was justified for an additional ten placements because of a lack of information in the files and missing forms.



The fiscal years 2001 and 2002 National Guard JCP contracts are for \$400,000 each. According to both contracts, 90% (\$3,600) of the fixed unit price of \$4,000 is paid for each participant who completes the program up to a maximum of 100 participants. The remaining 10% (\$400) of the unit price is paid to the JCP for each program completer who is placed into a training related job or who continues in related training through Job Corps, a technical college, apprenticeship training, or post secondary education. The contracts do not list Adult/GED training or the military as acceptable placements. Upon review of all invoices submitted by the National Guard for participant completers and placements from December 12, 2000 (first invoice submitted under the fiscal year 2001 contract) until February 13, 2002, we found that LDOL paid for 162 program completers and 83 placements.

We found that LDOL paid the \$400 for completers who joined the military, enrolled in Adult/GED Education, or obtained employment in areas unrelated to their training. For example, LDOL paid the \$400 for two completers who received training in heavy equipment and welding. However, they were employed as crew members at fast food restaurants. A third completer who received training in carpentry was employed as a pizza maker. A fourth completer who received training in food service was employed as a "bagger" at a grocery store. According to the contract, the \$400 placement fee should not have been paid for any of these placements. We also found that LDOL paid for the placement of six completers whose training was funded by the LWIAs, not by the contract.

Exhibit 13 summarizes the results of our analysis of the JCP placements paid by LDOL.



**Source:** Prepared by legislative auditor's staff using information obtained from LDOL and the National Guard.

Despite interviewing LDOL staff, we were unable to determine the process used for verifying JCP participant placements prior to reimbursement. We were also unable to identify the person(s) responsible or accountable for this process.

# Incumbent Worker Training Program

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The Incumbent Worker Training Program (IWTP) provides customized training to Louisiana business and industry. During our examination of the contracts valid during fiscal years 2001 and 2002, we noted that LDOL has not developed formal policies and procedures for this program. As a result, it is difficult to determine if the training being conducted through this program is consistent with the intent of the program. It also raises questions as to whether or not the program is being conducted in the manner the legislature intended.

For instance, we examined a large number of contracts that provide for equipment and other non-consumable tangible property to be bought for public institutions. We also noted problems with the performance objectives that LDOL uses to measure the success of the IWTP contracts.

In addition to the above, we found that LDOL has not spent a large portion of the funds available for this program. The unspent funds, along with the problems we found in measuring the success of the program and the low completion rates for the training contracts that have been completed, lead us to suggest that the legislature may wish to reconsider the amount of funds collected for this program.

**Recommendation 6:** LDOL should develop formal written policies and procedures for the IWTP.

**Management's Response:** The department partially agrees with this recommendation. The IWTP currently uses state statutes, the rules, internal procedures, and program instructions to operate. Policies, in the form of instructions, continue to be developed to address new issues as they arise due to the limited history and ongoing development of this program.

**Recommendation 7:** LDOL should develop guidelines for the types of training allowed through the IWTP. For instance, should the IWTP be providing skills training or providing assistance in the completion of a formal college education?

**Management's Response:** The department disagrees with this recommendation. Employers have indicated a need for training in hard, basic and soft skills. The LDOL believes guidelines that would restrict the type of training offered could impede the department from responding to the needs identified by the employers the program is intended to serve.

**Recommendation 8:** LDOL should specifically define when a performance objective is considered successfully met for an IWTP contract.

**Management's Response:** The department agrees with this recommendation. LDOL agrees to reexamine the IWTP performance objectives to determine how to best reflect program goals. In addition, as the department brings its

IWTP Management Information System online it will better collect data for and document these data elements.

**Recommendation 9:** LDOL should clearly define how the performance objective “Number of Employees to Complete Training” is calculated and standardize this definition for all contracts.

**Management’s Response: The department agrees with this recommendation.** LDOL agrees to reexamine the IWTP performance objectives to determine how to best reflect program goals. In addition, as the department brings its IWTP Management Information System online it will better collect data for and document these data elements.

**Recommendation 10:** LDOL should modify the performance objective “Number of Additional Jobs Created” so that it reflects the effect of the training provided through the contract.

**Management’s Response: The department agrees with this recommendation.** LDOL agrees to reexamine the IWTP performance objectives to determine how to best reflect program goals. In addition, as the department brings its IWTP Management Information System online it will better collect data for and document these data elements.

**Recommendation 11:** LDOL should modify the performance objective “Average Wage Increase” to include all employees that participated in the training. This modification will also ensure that the information in the Executive Budget is accurate and meaningful.

**Management’s Response: The department partially agrees with this recommendation.** LDOL is currently redefining this indicator in the contracts to reflect those persons for whom a wage increase following training was a program objective. The department is also establishing a procedure to identify the total number of employees who were trained, the percentage of those for whom a wage increase was the intended outcome, and the proportion of those employees actually receiving said increase at the conclusion of training. LDOL will work with legislative and administrative staff to determine the most feasible way to report this data to the legislature.

**Matter for Legislative Consideration 1:** The legislature may wish to consider reducing the amount of funds collected for this program because of the large fund balance available for expenditures and the low levels of completion rates for the contracts that have been completed.

**Matter for Legislative Consideration 2:** The legislature may wish to further define or make clearer the intent and expectations of this program.

## What is the Incumbent Worker Training Program (IWTP) fund balance?

As of February 28, 2002, LDOL says the IWTP's fund balance was nearly \$90 million. We made many attempts to get accurate and complete information regarding the fund balance of the IWTP account from LDOL. This balance is based on the most recent unaudited numbers provided to us by LDOL. The department calculated the balance of the IWTP account at February 28, 2002, to be \$89,479,467. According to LDOL, approximately \$67 million has been obligated as of February 28, 2002. Exhibit 14 shows how LDOL arrived at the fund balance.

**Exhibit 14**  
**LDOL's Calculation of the IWTP Fund Balance**  
**Program Inception to February 28, 2002**

<b>Fiscal Year</b>	<b>Beginning Balance</b>	<b>Collections</b>	<b>Interest Earned</b>	<b>Administrative Costs</b>	<b>Program Costs</b>	<b>Fund Balance</b>
1998	-	\$3,291,973	\$4,871	-	-	\$3,296,844
1999	\$3,296,844	6,084,790	237,352	\$130,512	\$1,573	9,486,901
2000	9,486,900	25,639,280	683,564	502,180	1,296,244	34,011,320
2001	34,011,320	48,171,615	2,201,415	4,391,872	6,334,548	73,657,930
2002	73,657,930	23,247,678	1,202,176	1,175,820	7,452,497	<b>\$89,479,467</b>
		<b>\$106,435,336</b>	<b>\$4,329,378</b>	<b>\$6,200,384</b>	<b>\$15,084,862</b>	

**Source:** Prepared by legislative auditor's staff using unaudited numbers provided by LDOL staff.

We were also able to obtain a breakdown of expenditures from the department by fiscal year for the IWTP account. In fiscal year 2001, the department says it paid over \$1 million to the U.S. Department of Labor to cover the cost of collecting and distributing taxes that go to the IWTP. Exhibit 15 on the following page details expenditures by fiscal year.

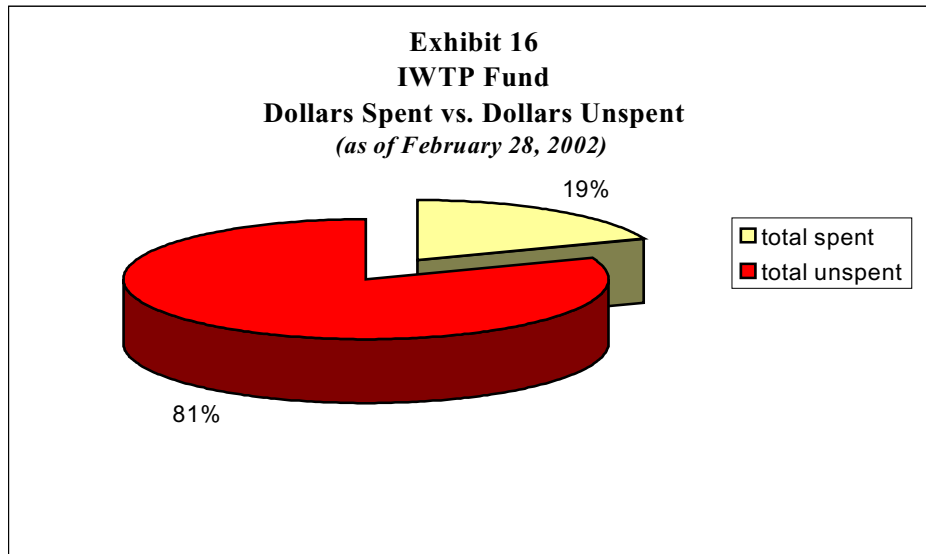
**Exhibit 15**  
**Breakdown of IWTP Expenditures**  
**Program Inception to February 28, 2002**

<b>Administrative Costs</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01<sup>1</sup></b>	<b>FY 02</b>	<b>Inception to Date</b>
Salaries	\$86,385	\$244,326	\$1,943,993	\$596,522	\$2,871,225
Overtime	-	\$12,314	\$168,431	\$24,378	\$205,123
Fringe Benefits	\$16,789	\$54,442	\$406,059	\$156,841	\$634,130
Travel	\$8,713	\$15,460	\$47,160	\$21,918	\$93,251
Operating Services	\$3,020	\$44,118	\$595,628	\$289,588	\$932,355
Supplies	\$3,670	\$13,101	\$76,874	\$12,147	\$105,791
Professional Services	\$5,266	\$40,132	\$597,113	\$9,409	\$651,921
Other Charges	-	\$462	\$100,231	\$19,689	\$120,382
Capital Outlay	\$6,669	\$76,861	\$456,363	\$41,673	\$581,566
Major Repair	-	\$29	\$20	-	\$49
Inter-Agency Transfer	-	\$937	-	\$3,655	\$4,591
<b>Total Administrative Costs</b>	<b>\$130,512</b>	<b>\$502,182</b>	<b>\$4,391,872</b>	<b>\$1,175,820</b>	<b>\$6,200,384</b>
<b>Program Costs</b>	<b>FY 99</b>	<b>FY 00</b>	<b>FY 01</b>	<b>FY 02</b>	<b>Inception to Date</b>
Training	1,573	1,296,244	6,334,548	7,452,497	15,084,862
<b>Total IWTP Expenditures</b>	<b>132,085</b>	<b>1,798,424</b>	<b>10,726,420</b>	<b>8,628,317</b>	<b>21,285,246</b>

<sup>1</sup>Total administrative costs include a \$1,074,077 reimbursement to UI Collections in accordance with the UI Cost Sharing Plan between LDOL and the United States Department of Labor.

**Source:** Prepared by legislative auditor's staff using unaudited numbers provided by LDOL staff.

Exhibit 16 illustrates how much of the money collected for the IWTP has actually been spent from inception to February 28, 2002. As mentioned earlier, a portion of the unspent funds has been obligated according to LDOL.



**Source:** Prepared by legislative auditor's staff using data from LDOL.

We examined 23 closed contracts to determine how much of the obligated dollars were actually spent. We found that only 64% of the total obligated amount had been spent. Although a portion of the unspent dollars may be obligated, they may not necessarily be spent.

## What training providers and vendors are receiving IWTP contracts?

We found that for the 167 contracts that began during fiscal years 2001 and 2002, there were 47 primary training providers, 32 secondary training providers and 279 vendors. Each contract has a primary training provider that serves as the fiscal agent, coordinates all training, and may or may not provide training. In addition, secondary providers and vendors can be used to provide training. According to LDOL staff, a provider is an institution that provides ongoing training, such as a six-month welding course, and a vendor provides one-time training, such as a seminar.

Appendix E contains a detailed listing of contracts by primary providers and lists the secondary providers and vendors for each contract. In some cases, one school served as a primary provider for some contracts, secondary provider for another, or as a vendor for another.

The following information is excerpted from Appendix E to provide an overall picture of which training providers and vendors are receiving ITWP contracts.

As Exhibits 17 and 18 illustrate, we found that 50% of IWTP contract dollars were awarded to six of the 47 (13%) primary providers for the 167 contracts that began during fiscal years 2001 and 2002 (through March 31, 2002). We also found that approximately 50% of the contracts were awarded to six of the 47 (13%) primary providers.

**Exhibit 17**  
**Primary Providers Receiving 50% of IWTP Award Amounts**  
**Fiscal Years 2001 and 2002 (As of March 31, 2002)**

School / Company Name	Total Award Amount	Percentage of Total Award Amount
Delgado Community College	\$9,006,293	16%
Safety, Environmental & Operational Training, Inc. (SEOT)	5,054,464	9%
LSU-Shreveport	4,496,735	8%
University of Louisiana at Monroe	3,972,381	7%
Louisiana Tech University	2,745,895	5%
University of New Orleans	2,657,263	5%
Others	27,727,213	50%
<b>TOTALS</b>	<b>\$55,660,244</b>	<b>100%</b>

**Source:** Prepared by legislative auditor's staff using data received from LDOL.

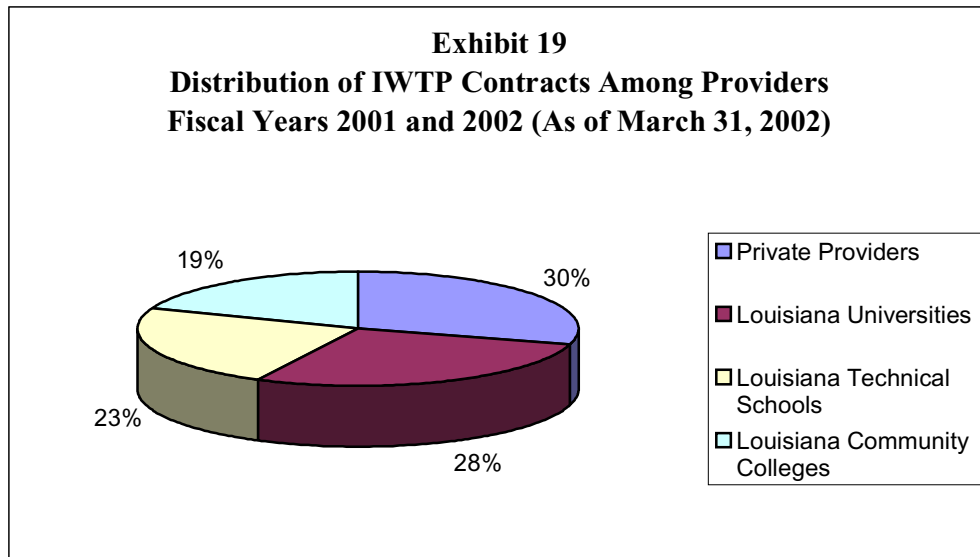
**Exhibit 18**  
**Primary Providers Receiving 50% of IWTP Contracts**  
**Fiscal Years 2001 and 2002 (As of March 31, 2002)**

School / Company Name	Number of Times Used as Primary Provider	Percentage of Total Contracts
Safety, Environmental & Operational Training, Inc. (SEOT)	27	16%
Delgado Community College	21	13%
University of New Orleans	11	7%
Houston Marine Services d.b.a. BISYS Education Services	8	5%
LSU-Shreveport	8	5%
LSU-Baton Rouge	7	4%
Others	85	51%
<b>TOTALS</b>	<b>167</b>	<b>100%*</b>

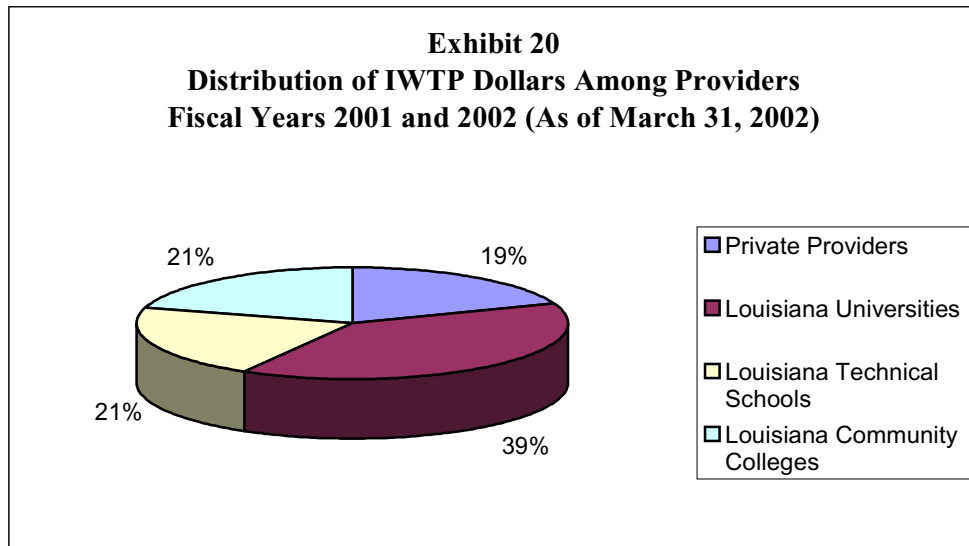
\*Total is off due to rounding.

**Source:** Prepared by legislative auditor's staff using data received from LDOL.

As Exhibits 19 and 20 illustrate, private training providers received about 30% (49) of the 167 IWTP contracts awarded during fiscal years 2001 and 2002 (through March 31, 2002) and 19% (\$10,712,835) of the \$55,660,244 obligated under these 167 contracts. Public training providers, both 4-year institutions and technical and community colleges, received 71% (118) of the 167 IWTP contracts awarded and 81% (\$44,947,409) of the amount obligated to IWTP training under these contracts.



**Source:** Created by legislative auditor’s staff using data from LDOL.



**Source:** Created by legislative auditor’s staff using data from LDOL.



### Public Training Providers

Twenty-three technical and community colleges were used as primary training providers during fiscal years 2001 and 2002 (through March 31, 2002). Over 43% of the contracts and 51% of the IWTP funds awarded to the technical and community college public training providers went to the following three (13%) providers:

<b>Community/Technical Colleges</b>	<b>Number of Contracts</b>	<b>Total Amount</b>
Delgado Community College	21	\$9,006,293
Baton Rouge Community College	5	\$1,437,244
Louisiana Technical College -Young Memorial Campus	5	\$1,413,901

Ten four-year public institutions were used as primary training providers during fiscal years 2001 and 2002 (through March 31, 2002). Over 72% of the contracts and 75% of the IWTP funds awarded to four-year public training providers went to the following five (50%) providers:

<b>Four-Year Public Institutions</b>	<b>Number of Contracts</b>	<b>Total Amount</b>
Louisiana State University at Shreveport	8	\$4,496,735
University of Louisiana at Monroe	6	\$3,972,381
Louisiana Tech University	2	\$2,745,895
University of New Orleans	11	\$2,657,263
Louisiana State University at Baton Rouge	7	\$2,564,831

### Private Training Providers

Fourteen private training providers were used as primary training providers during fiscal years 2001 and 2002 (through March 31, 2002). As requested by the subcommittee, a listing of the principal officers for each provider can be found in Appendix F. Over 75% of the contracts and 78% of the IWTP funds awarded to private training providers went to three (21%) providers:

<b>Private Provider</b>	<b>Number of Contracts</b>	<b>Total Amount</b>
Safety, Environmental and Operational Training, Inc.	27	\$5,054,464
BISYS Education Services d.b.a. Houston Marine Training Services	8	\$1,722,451
Chevron Employee Resource and Training Center	2	\$1,581,235

## What types of training are being provided through the IWTP?

Review of the contracts on file at LDOL shows that many types of training are being provided through the IWTP. Examples of training offered through the contracts we reviewed include the following:

- Standards for compliance with Occupational Safety and Health Administration (OSHA)
- Standards for compliance with regulations required by the International Convention on Standards for Training, Certification and Watchkeeping for Seafarers (STCW)
- Automobile service and repairs
- Welding, fitting and tacking skills
- Painting and sandblasting
- Fire fighting for compliance with safety regulations such as OSHA and STCW
- Business soft skills such as leadership, time management, stress and customer service, supervision skills, communication, team building, conflict resolution
- Computer training in basic software programs such as Microsoft Word, Excel, Access and PowerPoint
- Professional courses including college-level classes in accounting, marketing, English, finance, management, psychology, and economics
- Human resource classes including employment law
- Various information systems certifications such as A+ Certification (a certification for entry level computer service technicians) and Microsoft Systems Certified Engineer (MSCE)

According to state law, the IWTP was established to fund customized training to benefit businesses operating in Louisiana. Because LDOL has given awards to many different types of businesses, there are many different types of training provided under the program in order that it be “customized” to each individual business. As a result of this customization, training under each IWTP contract varies greatly based on the industry and the need of the business receiving the IWTP training award.

However, LDOL has not developed formal policies and procedures for the IWTP. As a result, many types of training are allowed under the program. For instance, we found instances during our file review where correspondence suggested that a certain type of training would not be allowed but then we would find a contract that allowed the training for another contract. For example, we found contracts that provided training for employees to take preparation courses for the Professional Engineer exam and the CPA exam. One of those same contracts paid the CPA examination fee for one employee. However, we found correspondence from IWTP staff that

stated the “IWTP cannot fund certification to enhance an employee’s competency. This is the responsibility of the employer.” The correspondence specifically stated that the IWTP cannot fund Professional Engineer Preparation and Professional Engineer in Training classes.

Several contracts also trained employees who earned much more than the per capita personal income level<sup>1</sup> in Louisiana. According to the U.S. Department of Commerce, the per capita personal income level in Louisiana for 2000 was \$23,090. However, the lowest paid employee that is receiving training through one IWTP contract earned approximately \$40,000 before the training occurred. Some employees who received training made in excess of \$70,000 before the training.

State rules governing the IWTP state that special emphasis shall be placed on entry-level employees. We found correspondence that stated the intent of the IWTP is to train entry level employees only and that upper management should not be trained using these funds. However, we were unable to determine how LDOL defines entry-level employees because of the lack of formal policies and procedures.

We found at least six contracts that allowed employees to take college courses. In several instances, employees were earning in excess of 50 hours of college credit through the IWTP. At the same time, we found correspondence that stated allowable training should result in a measurable skill attainment and should not be just academic in nature such as the completion of a college level course. For example, one contract allowed for two employees to take courses in the Executive MBA program at the University of New Orleans. Exhibit 21 on the following page shows some of the training courses offered through another contract. The contract provides for three people to take college courses at Louisiana State University in Baton Rouge. One person is taking 75 hours through the IWTP. In addition, many of the courses listed in Exhibit 21 are reserved for students who are completing their degrees in the specified fields or who have attained senior status.

Several contracts also offered specialized training for one person. Some examples include the following:

- One employee to take a CPA review course and the CPA exam, and one employee to take the course necessary for an information systems certification
- Social worker certification training for one employee
- One contract, as noted in Exhibit 21, allowed several employees to take individual college classes at a state university

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<sup>1</sup> Per capita personal income is calculated by dividing the total personal income by total midyear population.

## Exhibit 21

### Examples of College Courses Approved in an IWTP Contract

<b>Training for Restaurant Front of House Supervisor - Total of 18 courses (57 hours) to be taken at LSU</b>		
<b>Course #</b>	<b>Course Title</b>	<b>Notes</b>
ACCT 2021	Intermediate Accounting	
ECON 2020	Economic Principles and Problems	
ENGL 2002	Business Writing	
MC 3018	Foundations of Media Research	For MC majors and minors only
MC 3030	Principles of Advertising	
MC 3080	Mass Media Law	For MC majors and minors only
MC 3650	Electronic Media and Society	
MC 3700	Electronic Media, Law and Policy	
MC 4010	Electronic Media Management	
MC 4035	Electronic Media Advertising Sales	
MC 4036	Advertising Media Analysis and Planning	
MC 4090	Media Ethics and Social Responsibilities	For MC majors and minors only
PSYC 2000	Introduction to Psychology	
<b>Training for Restaurant Manager in Training - Total of 20 courses (63 hours) to be taken at LSU</b>		
<b>Course #</b>	<b>Course Title</b>	<b>Notes</b>
FIN 3715	Business Finance	
ISDS 1100	Introduction to Management Information	
MGT 3111	Entrepreneurship	Prerequisite: senior standing
MGT 3200	Principles of Management	
MGT 4113	Small Business Administration	Prerequisite: senior standing
MGT 4114	Franchising Management	Prerequisite: senior standing
MGT 4323	Compensation Administration	
MGT 4420	Multinational Management	
MKT 3401	Introduction to Marketing	
MKT 3411	Consumer Analysis and Behavior	
MKT 3413	Marketing Research	
MKT 3421	Marketing: Promotion	
MKT 3433	Distribution Channels, Structure and Management	
MKT 4445	Internship in Marketing (6 hours)	Prerequisite: senior standing, primarily for seniors in marketing
<b>Training for Restaurant Marketing Supervisor - 25 courses (75 hours) to be taken at LSU</b>		
<b>Course #</b>	<b>Course Title</b>	<b>Notes</b>
ACCT 3221	Income Tax Accounting	
ECON 2035	Money, Banking and Macroeconomics	
FIN 3201	Business Law	
FIN 3202	Commercial Transactions	
FIN 3715	Business Finance	
ISDS 3115	Introduction to Operations Management	
MGT 3111	Entrepreneurship	Prerequisite: senior standing
MGT 3200	Principles of Management	
MGT 3830	Strategically Managing Organizations	May be taken only during final semester of course work
MKT 3411	Consumer Analysis and Behavior	
MKT 3500	Marketing Tools Fundamentals	
MKT 4437	Direct Marketing	
MKT 4440	Marketing on Internet	
MKT 4451	Marketing Management	Prerequisite: senior standing
<b>Source:</b> Compiled by legislative auditor's staff using data from LDOL IWTP files and information from LSU's 2001-2002 General Catalog.		

### **Non-consumable Tangible Property**

One of the methods the IWTP uses to help the educational community is by identifying areas where industry would like to see more training. According to LDOL staff, one of the problems with the state's public educational system is it often does not provide the type of training or technology needed by industry. The IWTP allows public providers to purchase non-consumable tangible property that upgrades facilities and equipment and also will remain the property of the public institution after the training is completed.

Of the 167 IWTP contracts that we reviewed, 65 contracted with community and technical colleges in the state, totaling \$4,529,612 in IWTP funds. Nine of those 65 used 50% or more of their IWTP funds to purchase non-consumable tangible property for public community and technical colleges. Exhibit 22 shows trailers used as classrooms at the Delgado fire training facilities that were purchased with IWTP funds, according to Delgado staff. Exhibit 23 on pages 33 and 34 shows the types of equipment purchased through IWTP grants. Some examples of equipment purchased include a Ford F-650 truck, musical instruments, computers (desktops and laptops), desks, chairs, and wall clocks.

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#### **Exhibit 22**

#### **Classroom Trailers at Delgado Purchased With IWTP Funds**



**Source:** Taken by legislative auditor's staff during an on-site visit to Delgado Community College.

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**Exhibit 23**  
**Examples of Non-consumable Tangible Property**  
**Approved for Louisiana Technical Schools and Community Colleges**  
**During Fiscal Years 2001 and 2002 (As of March 31, 2002)**

<b>Employer</b>	<b>Training Provider (School)</b>	<b>Non-Consumable Tangible Property</b>	<b>% of Contract That Is Non-Consumable Tangible Property</b>	<b>Examples of Types of Equipment</b>	<b>Examples of Types of Training</b>
Becon Construction Company, Inc.	LTC - River Parishes Campus	\$136,924	51%	Welding banks, pipe threading machine, portable welding machines, bench grinder, electrical hand tool sets, fabrication tables, 15 computers, 45 student desks, 72 stackable chairs, 4 instructor desks and chairs, dry-erase boards, wall clocks, 20" monitors and stands, VCRs	Skill craft training to pipe fitters, welders, electricians, laborers, and helpers
Central Louisiana Collision Repair Consortium	LTC - Alexandria Campus	\$166,640	63%	Hydraulic frame alignment system, heat lamp system, digital frame measurement system, pressure washer, air compressor, drill press, mechanic tool set, autobody repair set, computer printer, computer workstations (monitor, keyboard, mouse), and computer workstation desks and chairs	Total quality management, communication skills, accounting/bookkeeping, computer skills/operating systems, computer software, and advanced automotive electronics
Cytec Industries	LTC - River Parishes Campus	\$480,502	69%	Ford F-650 truck, two 52-foot 5th wheel trailers, equipment to set up tables for training in the following: compressor and motor, pipe assembly, drill press and tubing bending, pipe threading, sump pump, split case pump, and hydraulics. Also equipment to set up pressure, temperature and electrical workstation. Also multifunction workstations, computer and laser printer.	Assessment of mechanical and electrical skills. Training in mechanical and electrical skills.
Honeywell Chemical Plant	Baton Rouge Community College	\$261,902	58%	Simulator, mobile classroom unit, laser printer, 10 desktop computers, 2 laptop computers, 2 projectors, 11 classroom chairs	Computer training, training for two new product lines for the facility using the mobile classroom, lab technician, and instrumentation and electronics technical training

(Continued)

**Exhibit 23**  
**Examples of Non-consumable Tangible Property**  
**Approved for Louisiana Technical Schools and Community Colleges**  
**During Fiscal Years 2001 and 2002 (As of March 31, 2002)**

<b>Employer</b>	<b>Training Provider (School)</b>	<b>Non-Consumable Tangible Property</b>	<b>% of Contract That Is Non-Consumable Tangible Property</b>	<b>Examples of Types of Equipment</b>	<b>Examples of Types of Training</b>
Options, Inc.	LTC - Hammond Campus	\$41,625	58%	Calculators for math, musical instruments (xylophone, mallet cuff, ocean drum, etc.), 25 computer systems and 5 deskjet printers	Computer literacy, Introduction to Sociology, employee rights and responsibilities, music therapy, massage therapy, art therapy, general health, applied math and English, marketing skills, and time management
Ruskin Company	LTC - Northwest	\$83,615	51%	Wire feeders for welding course, 20 computers, 20 printers, roll kits, calculators, tape measures, 20 computer desks and chairs and VCR/TV cart	Applied math and reading, basic electrical and welding, computer literacy, and leadership/management training
Sonic Drive-In Franchise of North LA	Bossier Parish Community College	\$78,691	51%	Binding equipment; color printer; 7 laptop computers; equipment to make videos including preview and production monitors, location lighting kit, projector, duplicating station; 12 tables and 72 chairs	Computer literacy, customer skills, business literacy, and security training. Food preparation and hygiene training taught via videos.
TCA Management Company	LTC - Natchitoches	\$190,091	75%	56 computers and monitors, 56 workstation desks, 2 servers, 10 printers, 2 digital cameras, 80 chairs, 2 file cabinets	Computer basics/Internet/Outlook, Microsoft Word, Microsoft Excel and desktop publishing
The Trane Company	LTC - Northwest	\$118,709	53%	Smart board, refrigeration unit, self-contained 20-ton heat pump, overhead projector, 13 computers, mouse pads, VCR, 36" color TV, 3 programmable logic controller trainers, universal simulation units, socket sets, 4 printers, 2 copiers, calculators, computer workstations, computer chairs, brazing tables and tools, filing cabinets	Introduction to the computer, Windows 98, Microsoft, blue print electrical, blue print mechanical, brazing, programmable logic controller and leadership.

**Source:** Prepared by legislative auditor's staff using data taken from IWTP files.

(Concluded)

During a monitoring visit to Delgado Community College, we observed equipment purchased with IWTP funds. Exhibit 24 shows the Bridge Resource Management Simulator used at Delgado. A representative from Delgado informed us that it is Delgado’s practice to equip many of its programs, including Bridge Resource Management and radar training classes, using set-aside amounts of IWTP funds from each contract awarded to Delgado. For example, Delgado used funds from one IWTP contract to purchase a projector for one of the radar training classes and a computer and printer for use by a Delgado employee for IWTP administration. This equipment will be used to provide training to IWTP students and to other students.

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**Exhibit 24**

**Bridge Resource Management Simulator at Delgado Community College**



This picture shows the inside of the Bridge Resource Simulator while a program for navigating the Mississippi River near New Orleans is running.

**Source:** Taken by legislative auditor’s staff during a site visit to Delgado Community College.

This picture simulates navigating the same stretch of river at night under clear conditions.

**Source:** Taken by legislative auditor’s staff during a site visit to Delgado Community College.





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## How does LDOL monitor IWTP contracts?

LDOL has a standard process in place to monitor the performance of each IWTP contract. Each IWTP contract awarded by LDOL receives annual on-site monitoring visits for two years. According to LDOL staff, monitors also select a sample of the contract deliverables and verify the sample to determine if the deliverables were met.

In addition to the on-site monitoring visits, LDOL requires providers to submit quarterly performance reports that show their cumulative progress toward the performance objectives listed in the contract.

During the on-site monitoring visits, the monitors use a tool to interview providers, participants, and the employer. They also review the provider's financial records and the employer's personnel and payroll records.

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## Did LDOL verify the deliverables of the IWTP contracts?

We could not determine to what extent LDOL verifies if contract deliverables were met because we could not determine at what point LDOL considers the deliverables to be met. The lack of formal written policies and procedures makes it difficult for us to determine how LDOL defines a "successful" contract. In addition to the lack of criteria to define when contract deliverables are met, we noted two additional problems in trying to determine if deliverables are met. We identified problems with the performance objectives themselves and also noted that the target of the objective is often lowered if it appears objectives will not be met.

However, according to LDOL staff, one of the criteria to obtain a second contract is to have reached an average of 75% completion of all performance objectives on the prior contract. We decided to apply this criteria to the 26 completed contracts as of March 31, 2002, to determine the extent that the contracts met the criteria. Exhibit 25 contains the results. It is important to note that not all contracts contain all the performance objectives.

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**Exhibit 25**
**Percentage of Goals Met for Completed IWTP Contracts**

<b>Performance Objective</b>	<b>Number of Contracts With Performance Objective</b>	<b>Percentage That Did NOT Meet 75% of the Goal</b>
Number of Employees to Train	26	38%
Number of Employees to Complete Training	26	50%
Number of Additional Jobs Created	23	30%
Number of Jobs Retained	7	0%
Average Wage Increase	10	40%
Number of Employees Advanced	23	84%

**Source:** Created by legislative auditor's staff using information from IWTP files.

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According to the above exhibit, 50% of the completed contracts trained 74% or less of the number of employees to be trained according to the performance objective in the contract.

In addition to determining if LDOL verifies if the contract deliverables are met, we also evaluated the value and quality of the performance objectives that serve as the contract deliverables. Three of the performance objectives used in the IWTP contracts lead to ambiguous conclusions.

- **Number of employees to complete training**

Correspondence that we found in LDOL files indicates that the definition of completion of training may differ from contract to contract. For example, one provider stated that a "trainee is considered completed with his training when the employer decides he has satisfactorily completed the training." Other providers may define completion of training when the trainee completes all requirements of the training program outlined in the application and contract.

- **Number of additional jobs created**

This objective is misleading because it does not reflect the number of additional jobs (positions) created. Instead, it includes all people hired by the company since the date training started regardless of whether or not the new employee participated in the training OR whether or not it is a new position. In addition, one company reported that it included employees who were in the training program, left the company and were then rehired in the calculation of additional jobs created. The company counted these people as new hires or additional jobs created. In addition, it is not clear how this objective correlates with the training.

- **Average Wage Increase**

This objective is touted as the average wage increase of employees who went through training. In reality, it is the average wage increase of those employees who went through training AND received a wage increase. Because all wage increases of zero are excluded, this percentage is artificially high. This objective is also reported as a key indicator in the executive budget and is misleading. In addition, it is not clear how the objective correlates with the training.

Furthermore, we noticed that during many monitoring visits LDOL did not observe the actual training. For example, we found that during 45% of the on-site monitoring reviews conducted for the completed contracts, no training was being conducted. As a result, the monitors could not interview participants or observe training.

We found that it is LDOL's informal policy to modify a contract if it appears the objectives will not be met. In addition, the withholding of the remaining 10% of the award amount for disbursement until performance objectives are met (or contract objectives satisfactorily met) does not seem to be a viable method of encouraging performance. We found that only 64% of the total award amount was spent for 23 closed contracts where the funds had been deobligated. Only four of 23 contracts finished with less than 10% of their award amount unspent.

# Training Cost Comparisons

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For the few training courses we were able to compare within the IWTP, we found a variance in excess of 30% of the cost of the classes. While this variance could be attributed to geographical reasons in some instances, we believe that the lack of policies and procedures for the IWTP encourages cost discrepancies such as the ones we found.

We were unable to provide meaningful comparisons within various LDOL administered training programs. The cost of the training programs was not tracked in a consistent manner that would allow for a meaningful comparison to be conducted.

**Recommendation 12:** LDOL should set limitations or standards on the cost of training classes at public institutions for the IWTP.

**Management's Response:** **The department disagrees with this recommendation.** The LDOL has established an internal Access database to track published and non-published training costs for customized training in order to determine if the training costs identified in IWTP applications were consistent and in alignment with the normal cost of conducting training by public and private training providers. The IWTP staff is currently coordinating with the LDOL WIA staff to develop more comprehensive methods for tracking and determining appropriate training costs. The purpose of tracking information relative to costs of courses is to provide adequate background information for negotiating from a point of strength the costs of training as opposed to arbitrarily setting a price.

**Recommendation 13:** LDOL should develop a mechanism to track the cost of the training provided through the various programs (including IWTP and WIA) so that comparisons can be made. This information should be reported to the legislature on a regular basis.

**Management's Response:** **The department disagrees with this recommendation.** Each of the programs mentioned fundamentally differs in terms of intent and targeted audiences, making comparisons of training costs between the two programs unreliable.

**Legislative Auditor's Additional Comments:** We found instances where the training programs and the training providers are the same in both programs. For instance, the Louisiana technical colleges offer training under both programs and in some cases the training appears to be the same. For example, the technical colleges offer basic training in office software, such as Microsoft Word and Excel, in both programs.

## How does the cost of training in certain skills compare among IWTP contracts?

In our attempt to compare training costs among IWTP contracts, we analyzed nine training categories and 27 classes within those categories. In many cases, we were unable to make any comparisons among the training providers because of lack of information (i.e., contract documentation did not provide the information necessary to determine course structure or skills being taught) and time constraints. In addition, each training curriculum is customized to fit the needs of each business at the time training is taking place, which can vary greatly among and within industries.

We did, however, find three classes that *appeared* comparable. Exhibit 26 identifies these classes, the training providers, and a range of associated training costs.

**Exhibit 26**  
**Cost Comparison Summary of Training Costs Within the IWTP**  
**Program Inception to March 31, 2002**

Class	Training Providers	Price Range
Beginning Microsoft Word (6 hour)	<ul style="list-style-type: none"> <li>• LSU - Baton Rouge</li> <li>• LSU - Shreveport</li> <li>• University of New Orleans</li> </ul>	\$20.00 - \$26.25/per hour
Intermediate Microsoft Word (6 hour)	<ul style="list-style-type: none"> <li>• University of New Orleans</li> <li>• LSU - Baton Rouge</li> </ul>	\$20.00 - \$26.25/per hour
Introductory/Principles Accounting (45 hour)	<ul style="list-style-type: none"> <li>• LSU - Baton Rouge</li> <li>• LSU - Shreveport</li> <li>• Baton Rouge Community College</li> </ul>	\$5.96 - \$8.04/per hour

**Source:** Prepared by legislative auditor's staff using information found in the IWTP contracts.

The cost of the Beginning and Intermediate Microsoft Word classes vary 31% and the accounting courses vary 35%. All of these classes were conducted at public institutions.

## How does the cost of training in certain skills compare among WIA providers?

The information we obtained from LDOL with respect to WIA participants and ITA awards/expenditures identified the training providers but not the programs for which the ITAs were issued. As a result, we were unable to compare the cost of training among WIA programs.

## How does the cost of training in certain skills compare between the LDOL IWTP and the DED Workforce Development Program?

As with the comparison within IWTP, we were unable to make any meaningful comparisons among the training provided through IWTP grants and the training provided through the Department of Economic Development's (DED) Workforce Development Program. Dissimilar training and insufficient information (contract documentation did not provide the information necessary to determine course structure or skills being taught) resulted in our being unable to compare the training.

The LDOL IWTP and the DED Workforce Development Program have similar missions but differing eligibility requirements. The IWTP was established to provide training for businesses that have been operating in Louisiana for three or more years whereas the DED program was established to provide training to new and expanding businesses that have been in the state for less than three years.

However, we did notice some overlap in contract periods between LDOL and DED grants issued to the same businesses. Seventeen of the 65 (26%) companies that were awarded DED grants were also awarded IWTP contracts. Many of these contracts were in effect concurrently--some for two years or more. Exhibit 27 contains some examples of companies that received contracts concurrently from LDOL and DED and the number of months that the contracts overlapped.

### Exhibit 27

#### Examples of Concurrent LDOL and DED Contracts From Inception of IWTP to March 31, 2002

Company Name	DED Workforce Development Contracts	LDOL IWTP Contracts	Months Overlapping
Acadian Ambulance	\$500,000	\$269,267	7
Alliance Compressors	\$250,000	\$503,171	15
Federal Home Products	\$168,750	\$496,127	20
Frank's Casing Crew	\$131,250	\$216,666	32
General Motors	\$499,689	\$2,249,777	24
Stuller Settings	\$250,000	\$270,000	21

**Source:** Prepared by legislative auditor's staff using information from LDOL and DED.



# **Appendix A**

## **Audit Scope and Methodology**



# Appendix A: Audit Scope and Methodology

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This performance audit was conducted under the provisions of Title 24 of the Louisiana Revised Statutes of 1950, as amended. We followed the applicable generally accepted government auditing standards as promulgated by the Comptroller General of the United States.

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## Scope

The audit focused on training activities administered through the Louisiana Department of Labor (LDOL) and funded from both state and federal monies. Specifically, we addressed the following programs and areas:

- Workforce Investment Act (WIA) - Individual Training Accounts approved/awarded during fiscal year 2000-01 and fiscal year 2001-02 (through March 31, 2002) and statewide training contracts administered by LDOL for fiscal years 2000-01 and 2001-02.
- Incumbent Worker Training Program (IWTP) - contracts that began during fiscal year 2000-01 and fiscal year 2001-02 (through March 31, 2002).
- Training cost comparisons between LDOL and other state agency training programs during fiscal years 2000-01 and 2001-02.

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## Methodology

**To determine what training activities are currently administered by LDOL, we completed the following procedures:**

- Researched federal and state laws to identify those laws that govern LDOL and the training activities it administers (e.g., WIA, IWTP, Welfare-to-Work).
- Conducted Internet research on the LDOL Web sites for relevant background information on the department and its training activities.
- Interviewed LDOL officials to obtain an overall understanding of the agency's training activities and to identify the areas and the programs in the department that finance and administer training activities.

## **Workforce Investment Act**

### **To determine how individual training accounts (ITAs) were distributed during fiscal years 2001 and 2002 (as of March 31, 2002), we performed the following:**

- Obtained from LDOL an electronic listing of all ITAs approved from July 1, 2000, through March 31, 2002.
- Sent individual listings of approved ITAs to the appropriate Local Workforce Investment Areas (LWIAs) and requested that the staff verify the ITA award information and provide the ITA award amount expended as of March 31, 2002.
- Calculated for each LWIA and overall, the total number of ITA recipients, total dollar amount of ITA awards, average ITA award amount, and the ITA award range.
- Calculated for each LWIA and overall, the total ITA award amount expended, the average ITA award amount expended, the total number of overages (instances where the expended amount exceeded the ITA award amount), percentage of ITAs where overages occurred, and total amount of overages.

### **To determine how ITAs were used during fiscal years 2001 and 2002 (as of March 31, 2002), we performed the following:**

- Using the information provided by LDOL and verified by the LWIAs, we identified for each LWIA and overall, the names of all training providers, the types of training offered by the providers, the number of participants per provider, the total ITA award amount issued per provider, and the average cost per participant.

### **To determine how LDOL monitors the statewide training contracts that it administers, we performed the following:**

- Interviewed LDOL staff to determine WIA contract monitoring practices.
- Obtained and reviewed copies of all fiscal year 2001 and 2002 statewide training contracts administered by LDOL and the monitoring reports. Determined that the only statewide training contract currently administered by LDOL is with the National Guard for the Job Challenge Program (JCP).
- Accompanied the LDOL field monitors on the annual JCP monitoring visit.

**To determine if LDOL verified the deliverables and benefits of the training contracts, we performed the following:**

- Reviewed the contract requirements for reimbursement. Obtained and reviewed all invoices submitted by the National Guard for completers and placements from December 12, 2000 (first invoice submitted under the fiscal year 2001 contract) until February 13, 2002.
- Analyzed the invoices and identified those instances where LDOL reimbursed the National Guard for JCP completers and placements not authorized by the contract.

**Incumbent Worker Training Program**

**To determine the IWTP fund balance, we performed the following:**

- Interviewed LDOL staff to determine and obtain total collections for the IWTP fund, administrative costs, program costs and interest earned. Used this information to calculate an unaudited fund balance.

**To determine what training providers and vendors are receiving IWTP contracts, we performed the following:**

- Obtained a list of all IWTP contracts and the award amounts that have begun since the inception of the program through March 31, 2002, from LDOL. Determined there were 167 contracts during fiscal years 2001 and 2002 through March 31, 2002.
- Performed a file review of all 167 contracts in order to obtain all training providers and vendors that received or offered training through an IWTP contract. Analyzed the data in order to classify the types of providers.
- Obtained a listing of the principal officers for non-public training providers using the Louisiana Secretary of State's database, the IWTP files, Internet research and interviews with LDOL staff.

**To determine the types of training provided through the IWTP, we performed the following:**

- Performed a file review of all 167 IWTP contracts to obtain descriptions of the types of training being conducted.
- Reviewed relevant state laws and rules to determine the purpose of the IWTP and what types of training are allowed or intended by the IWTP.

**To determine how LDOL monitors IWTP contracts, we performed the following:**

- Interviewed LDOL staff to determine monitoring practices.
- Accompanied LDOL staff on two annual monitoring visits to the training provider site and the employer's place of business.

**To determine if LDOL verified the deliverables of the IWTP contracts, we performed the following:**

- Identified which IWTP contracts that began from July 1, 2000 - March 31, 2002, were completed. Determined that 26 contracts had been completed.
- Reviewed IWTP rules and interviewed LDOL staff to attempt to determine how LDOL verifies deliverables and defines when contract deliverables have been met.
- Analyzed the completed contracts to determine if contract deliverables had been met.

**Welfare-to-Work****To obtain allocation/expenditure information on the Welfare-to-Work program, we performed the following:**

- Conducted an Internet search for background information on the Welfare-to-Work program.
- Interviewed LDOL staff to obtain Welfare-to-Work allocation/expenditure information from 1998 to the present.

**Training Cost Comparisons****To determine how the cost of training in certain skills compares among IWTP contracts, we performed the following:**

- Used the file review conducted of the IWTP contracts that identified the types of training to determine if comparisons could be made among similar training programs.
- Compared the costs of similar training programs.

**To determine how the cost of training in certain skills compares among WIA programs, we performed the following:**

- Interviewed LDOL staff and obtained WIA data in order to determine if comparisons could be made.

**To determine how the cost of training in certain skills compare between the LDOL IWTP and Department of Economic Development's Workforce Development program, we performed the following:**

- Interviewed the Workforce Commission, LDOL staff, and DED staff to determine what other state agencies would provide or fund the same types of training activities as LDOL. Determined that the DED Workforce Development Training program provided the same types of training activities.
- Obtained a list of all DED Workforce Development contracts issued since inception of the program. Identified which companies had also received IWTP contracts and which companies were likely to be receiving similar types of training as what was offered through the IWTP. Conducted a review of the DED files for these contracts to determine if a comparison could be made.



## **Appendix B**

### **ITA Award Distribution and Expenditures for All LWIAs**

## Appendix B: ITA Award Distribution and Expenditures for all Local Workforce Investment Areas (LWIAs)

<b>ITA Award Distribution and Expenditures for all LWIAs Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>										
<b>LWIA</b>	<b>Total # of ITA Recipients</b>	<b>Total ITA Award Amount</b>	<b>Average ITA Award Amount</b>	<b>Total ITA Amount Spent</b>	<b>Average ITA Amount Spent</b>	<b>Total \$ Amount of Overages</b>	<b># of ITAs where Expenditures &gt;Awards</b>	<b>% of ITAs where Expenditures &gt; Awards</b>	<b>Minimum ITA Award</b>	<b>Maximum ITA Award</b>
10	219	\$704,333	\$3,216	\$449,749	\$2,054	\$355	11	5.02%	\$350	\$5,300
11	179	854,588	4,774	459,800	2,569	4,282	4	2.23%	550	15,250
12	403	1,459,025	3,620	1,045,853	2,595	1	1	0.25%	178	6,094
14	72	284,175	3,947	154,146	2,141	0	0	0.00%	2,500	6,000
20	243	884,131	3,638	593,010	2,440	0	0	0.00%	138	15,575
21	304	1,936,656	6,371	1,308,833	4,305	4,908	7	2.30%	1,300	18,900
31	152	339,794	2,235	240,373	1,581	0	0	0.00%	95	6,000
40	1,475	5,168,884	3,504	2,884,597	1,956	9,831	101	6.85%	135	25,200
41	157	719,434	4,582	607,001	3,866	0	0	0.00%	532	11,856
50	123	328,847	2,674	245,669	1,997	240	1	0.81%	200	5,000
51	237	746,482	3,150	479,468	2,023	990	13	5.49%	395	6,928
60	248	661,264	2,666	302,538	1,220	73	2	0.81%	300	5,795
61	94	285,655	3,039	199,934	2,127	6	1	1.06%	493	9,159
70	446	875,153	1,962	544,437	1,221	82,686	124	27.80%	250	36,000
71	263	1,097,916	4,175	1,011,726	3,847	41	3	1.14%	336	13,877
81	112	347,160	3,100	166,615	1,488	0	0	0.00%	223	5,000
82	132	643,633	4,876	154,491	1,170	336	3	2.27%	1,000	5,000
83	177	634,280	3,584	361,502	2,042	0	1	0.56%	339	10,273
<b>Unknowns</b>	174	484,798	2,786	N/A	N/A	N/A	N/A	N/A	350	13,877
<b>With Unknowns</b>	<b>5,210</b>	<b>\$18,456,208</b>	<b>\$3,542</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>		
<b>Without Unknowns</b>	<b>5,036</b>	<b>\$17,971,410</b>	<b>\$3,569</b>	<b>\$11,209,743</b>	<b>\$2,226</b>	<b>\$103,749</b>	<b>272</b>	<b>5.40%</b>		

Source: Prepared by legislative auditor's staff from unaudited data obtained from LDOL and LWIAs.





## **Appendix C**

# **ITA Award Utilization by LWIA**

# Appendix C: ITA Award Utilization by LWIA

<b>ITA Award Utilization by LWIA</b> <b>Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>First Planning District (10)</b>	L.T.C. Slidell Campus	71	\$151,497	21.5%	\$2,134	\$25,372
	Council Development Corp. dba PEC	46	133,950	19.0%	2,912	107,550
	Diesel Driving Academy, Inc.	28	133,560	19.0%	4,770	128,260
	Coastal College Truck Driving School	20	84,930	12.1%	4,247	79,878
	Elaine P. Nunez Community College	17	72,000	10.2%	4,235	10,068
	New Horizons Computer Learning Center	12	49,808	7.1%	4,151	42,579
	Transportsafe Training Center, Inc.	12	45,400	6.4%	3,783	45,400
	L.T.C. West Jefferson Campus	2	10,000	1.4%	5,000	945
	L.T.C. Sullivan Campus	5	6,482	0.9%	1,296	2,562
	Delgado Community College	2	6,210	0.9%	3,105	1,773
	Cameron College	1	3,916	0.6%	3,916	3,916
	Louisiana Community College, Inc.	1	2,500	0.4%	2,500	300
	UFCW Local 496 LA Barber Board	1	2,200	0.3%	2,200	930
	L.T.C. Hammond Campus	1	1,880	0.3%	1,880	216
	<b>Totals:</b>	<b>219</b>	<b>\$704,333</b>	<b>100%</b>		<b>\$449,749</b>
<b>Jefferson Parish (11)</b>	Sclafani's Cooking School, Inc.	27	\$151,990	17.8%	5,629	\$70,085
	Waivers Enterprises, Inc.	20	115,980	13.6%	5,799	113,620
	Office of the Social Apostolate	13	78,000	9.1%	6,000	33,930
	Louisiana Community College, Inc.	17	76,125	8.9%	4,478	40,093
	Cameron College	19	72,399	8.5%	3,810	55,573
	New Horizons Computer Learning Center	13	70,000	8.2%	5,385	27,890
	L.T.C. Jefferson Campus	16	66,000	7.7%	4,125	6,412
	Diesel Driving Academy, Inc.	11	44,000	5.1%	4,000	40,000
	Coastal College Truck Driving School	10	40,000	4.7%	4,000	40,000
	L.T.C. West Jefferson Campus	10	39,995	4.7%	4,000	811
	Delgado Community College	5	35,069	4.1%	7,014	7,763
	Professional Technology Training Institute	2	12,000	1.4%	6,000	0
	Training Connection, Inc.	5	10,260	1.2%	2,052	3,450
	ITI Technical College	2	8,000	0.9%	4,000	7,320
	Transportsafe Training Center, Inc.	2	8,000	0.9%	4,000	6,800
	Council Development Corp. dba PEC	1	6,000	0.7%	6,000	2,850
	Herzing College	1	6,000	0.7%	6,000	0
	L.T.C. Sidney Collier Campus	1	4,000	0.5%	4,000	0
	UFCW Local 496 Louisiana Barber Board	1	4,000	0.5%	4,000	225
	Gretna Career College	1	2,775	0.3%	2,775	0
	University of New Orleans Metro College	1	2,000	0.2%	2,000	983
Moler Beauty College	1	1,995	0.2%	1,995	1,995	
	<b>Totals:</b>	<b>179</b>	<b>\$854,588</b>	<b>100%</b>		<b>\$459,800</b>

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Orleans Parish (12)</b>	Diesel Driving Academy, Inc.	118	\$578,200	39.6%	\$4,900	\$539,000
	Transportsafe Training Center, Inc.	81	267,000	18.3%	3,296	184,400
	Waivers Enterprises, Inc.	24	141,735	9.7%	5,906	65,695
	Cameron College	62	127,437	8.7%	2,055	70,517
	Uptown Professional Real Estate School	43	103,584	7.1%	2,409	49,213
	Professional Technology Training Institute	15	71,573	4.9%	4,772	15,000
	Coastal College Truck Driving School	14	59,500	4.1%	4,250	55,250
	Sclafani's Cooking School, Inc.	17	50,925	3.5%	2,996	40,433
	South Louisiana Institute of Massage, LLC	4	20,550	1.4%	5,138	10,000
	Delgado Community College	20	17,696	1.2%	885	7,412
	Cassia Beauty College	2	10,600	0.7%	5,300	6,620
	Louisiana Institute of Massage Therapy	1	5,000	0.3%	5,000	1,880
	Herzing College	1	4,425	0.3%	4,425	0
	WICS	1	800	0.1%	800	433
	<b>Totals:</b>	<b>403</b>	<b>\$1,459,025</b>	<b>100%</b>		<b>\$1,045,853</b>
<b>River Parishes Consortium (14)</b>	L.T.C. River Parishes Campus	25	\$103,000	36.2%	4,120	\$9,310
	Diesel Driving Academy, Inc.	20	80,000	28.2%	4,000	76,000
	National Driving Academy, Inc.	4	15,500	5.5%	3,875	15,500
	Sclafani's Cooking School, Inc.	5	14,975	5.3%	2,995	14,975
	Coastal College Truck Driving School	3	12,000	4.2%	4,000	12,000
	Delgado Community College	3	11,000	3.9%	3,667	2,533
	Cameron College	2	8,000	2.8%	4,000	4,788
	L.T.C. Baton Rouge Campus	2	8,000	2.8%	4,000	1,552
	L.T.C. Jefferson Parish	2	8,000	2.8%	4,000	1,440
	South Louisiana Institute of Massage, LLC	1	4,900	1.7%	4,900	4,900
	Herzing College	1	4,000	1.4%	4,000	2,650
	Medical Training College	1	4,000	1.4%	4,000	4,000
	Nicholls State University	1	4,000	1.4%	4,000	4,000
	L.T.C. Westside Campus	1	3,800	1.3%	3,800	54
	L.T.C. Sidney Collier Campus	1	3,000	1.1%	3,000	444
	<b>Totals:</b>	<b>72</b>	<b>\$284,175</b>	<b>100%</b>		<b>\$154,146</b>
<b>Second Planning District Consortium (20)</b>	Diesel Driving Academy, Inc.	75	\$296,550	33.5%	3,954	\$225,150
	Coastal College Truck Driving School	39	153,630	17.4%	3,939	113,630
	Ruth Cook's School of Computer Operation	26	104,000	11.8%	4,000	72,000
	National Driving Academy, Inc.	22	87,550	9.9%	3,980	83,550
	Court Reporting Institute of Louisiana	8	76,475	8.6%	9,559	11,200
	M & D Enterprise	18	52,164	5.9%	2,898	49,183
	Advantage Learning Center	5	17,678	2.0%	3,536	10,264
	L.T.C. Westside Campus	13	14,399	1.6%	1,108	0

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Second Planning District Consortium (20) (Cont.)</b>	L.T.C. Hammond Campus	12	\$13,263	1.5%	\$1,105	\$3,335
	Council Development Corp. dba PEC	4	11,400	1.3%	2,850	0
	ITI Technical College	1	9,850	1.1%	9,850	0
	Governor's Office of Women's Services	4	9,600	1.1%	2,400	6,400
	Baton Rouge School of Computers	2	8,000	0.9%	4,000	5,333
	Delta College of Arts and Technology, Inc.	2	8,000	0.9%	4,000	4,000
	L.T.C. Ascension Campus	3	7,652	0.9%	2,551	0
	Medvance Institute	2	7,075	0.8%	3,538	4,180
	Cameron College	1	2,717	0.3%	2,717	2,717
	L.T.C. Sullivan Campus	3	2,064	0.2%	688	972
	L.T.C. Florida Parishes Campus	1	1,369	0.2%	1,369	706
	L.T.C. Jumonville Memorial Campus	2	695	0.1%	348	390
	<b>Totals:</b>	<b>243</b>	<b>\$884,131</b>	<b>100%</b>		<b>\$593,010</b>
<b>East Baton Rouge Parish (21)</b>	Diesel Driving Academy, Inc.	111	\$561,741	29.0%	5,061	\$484,122
	Advantage Learning Center, Inc.	73	512,592	26.5%	7,022	435,925
	L.T.C. Baton Rouge Campus	35	258,420	13.3%	7,383	9,142
	Baton Rouge School of Computers	25	214,458	11.1%	8,578	152,198
	King's Career College	18	151,493	7.8%	8,416	87,637
	National Driving Academy, Inc.	15	66,544	3.4%	4,436	52,091
	ITI Technical College	6	57,210	3.0%	9,535	44,110
	Medical Training College	9	51,015	2.6%	5,668	17,017
	Domestic Health Care Institute	3	21,171	1.1%	7,057	10,652
	Camelot Career College	1	10,000	0.5%	10,000	0
	Southern Medical Corporation School of Ultrasound	1	10,000	0.5%	10,000	3,800
	Baton Rouge Community College	2	8,257	0.4%	4,129	1,430
	Governor's Office of Women's Services	2	7,200	0.4%	3,600	4,800
	Coastal College Truck Driving School	1	3,605	0.2%	3,605	3,989
	Burk Baker School of Real Estate and Appraising	1	1,650	0.1%	1,650	620
Technology Training Unlimited, LLC	1	1,300	0.1%	1,300	1,300	
<b>Totals:</b>	<b>304</b>	<b>\$1,936,656</b>	<b>100%</b>		<b>\$1,308,833</b>	
<b>Lafourche Parish Consortium (31)</b>	Diesel Driving Academy, Inc.	22	\$114,400	33.7%	5,200	\$114,400
	L.T.C. Lafourche Campus	36	66,528	19.6%	1,848	23,918
	L.T.C. L.E. Fletcher Campus	64	66,065	19.4%	1,032	27,458
	Council Development Corp. dba PEC	16	45,600	13.4%	2,850	44,900
	Coastal College Truck Driving School	5	20,850	6.1%	4,170	20,850
	Nicholls State University	2	10,498	3.1%	5,249	6,828
	L.T.C. Young Memorial Campus	5	10,185	3.0%	2,037	1,727
	L.T.C. Westside Campus	2	5,668	1.7%	2,834	292
<b>Totals:</b>	<b>152</b>	<b>\$339,794</b>	<b>100%</b>		<b>\$240,373</b>	

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Fourth Planning District Consortium (40)</b>	Coastal College Truck Driving School	189	\$1,011,450	19.6%	\$5,352	\$663,981
	M & D Enterprise	235	677,548	13.1%	2,883	635,661
	L.S.U. Eunice	84	479,837	9.3%	5,712	95,871
	L.T.C. T.H. Harris Campus	195	445,172	8.6%	2,283	126,767
	Unitech Training Academy	79	373,858	7.2%	4,732	351,141
	Council Development Corp. dba PEC	150	360,000	7.0%	2,400	244,800
	Diesel Driving Academy, Inc.	70	337,902	6.5%	4,827	272,486
	L.T.C. Evangeline Campus	84	181,735	3.5%	2,164	24,987
	Delta School of Business and Technology	7	176,400	3.4%	25,200	43,106
	L.T.C. Charles B. Coreil Campus	66	140,065	2.7%	2,122	37,736
	University of Louisiana at Lafayette	11	112,260	2.2%	10,205	10,948
	L.T.C. Acadian Campus	52	96,251	1.9%	1,851	39,140
	L.T.C. Gulf Area Campus	50	91,207	1.8%	1,824	27,131
	Acadiana Regional Development District	24	87,900	1.7%	3,663	64,800
	Lafayette General Medical Center	10	71,906	1.4%	7,191	32,012
	L.T.C. Teche Area Campus	32	69,411	1.3%	2,169	11,531
	L.T.C. Young Memorial Campus	33	51,336	1.0%	1,556	13,894
	Governor's Office of Women's Services	20	48,000	0.9%	2,400	43,200
	L.T.C. Lafayette Campus	19	43,918	0.8%	2,311	8,726
	Cosmetology Training Center	6	40,535	0.8%	6,756	17,368
	Thomas Training and Development Center, Inc.	10	35,000	0.7%	3,500	25,667
	New Horizons Computer Learning Center	4	32,399	0.6%	8,100	31,392
	Blue Cliff School of Therapeutic Massage	5	31,695	0.6%	6,339	21,950
	L.S.U. Alexandria	5	27,172	0.5%	5,434	1,511
	Camelot Career College	3	26,430	0.5%	8,810	2,715
	L.T.C. Morgan Smith Campus	8	21,386	0.4%	2,673	4,970
	Nicholls State University	2	21,312	0.4%	10,656	2,633
	L.S.U. Medical Center School of Radiology	3	13,650	0.3%	4,550	5,346
	Neill Institute	2	13,480	0.3%	6,740	3,000
	South Louisiana Community College	2	12,000	0.2%	6,000	2,027
	CBS Computer Training	8	9,395	0.2%	1,174	6,540
	Career Technical College	1	7,500	0.1%	7,500	7,400
McNeese State University	1	6,780	0.1%	6,780	734	
Medical Training College	1	4,772	0.1%	4,772	2,025	
University Medical Center of Louisiana	1	4,500	0.1%	4,500	0	
L.T.C. Sowela Campus	1	2,102	<0.1%	2,102	781	
Northwestern State University	1	2,000	<0.1%	2,000	0	
Burk Baker School of Real Estate and Appraising	1	620	<0.1%	620	620	
<b>Totals:</b>		<b>1,475</b>	<b>\$5,168,884</b>	<b>100%</b>		<b>\$2,884,597</b>

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Lafayette Parish (41)</b>	Coastal College Truck Driving School	64	\$262,910	36.5%	\$4,108	\$228,809
	Lafayette General Medical Center	24	153,882	21.4%	6,412	112,987
	New Horizons Computer Learning Center	17	144,943	20.1%	8,526	143,303
	Diesel Driving Academy, Inc.	11	53,900	7.5%	4,900	53,900
	L.T.C. Lafayette Campus	22	49,400	6.9%	2,245	28,792
	CBS Computer Training	7	12,861	1.8%	1,837	9,442
	Blue Cliff School of Therapeutic Massage	2	12,750	1.8%	6,375	12,575
	Cosmetology Training Center	2	9,720	1.4%	4,860	1,284
	Council Development Corp. dba PEC	3	8,550	1.2%	2,850	8,550
	L.T.C. T.H. Harris Campus	1	3,055	0.4%	3,055	1,516
	University of Louisiana at Lafayette	1	2,731	0.4%	2,731	2,731
	Governor's Office of Women's Services	1	2,400	0.3%	2,400	2,400
	L.T.C. Gulf Area Campus	1	1,800	0.3%	1,800	382
L.T.C. Acadian Campus	1	532	0.1%	532	330	
<b>Totals:</b>		<b>157</b>	<b>\$719,434</b>	<b>100%</b>		<b>\$607,001</b>
<b>Fifth Planning District Consortium (50)</b>	Coastal College Truck Driving School	48	\$195,788	59.5%	4,079	\$188,102
	L.T.C. Lamar Salter Campus	51	75,751	23.0%	1,485	27,576
	Diesel Driving Academy, Inc.	4	19,600	6.0%	4,900	19,600
	L.T.C. Oakdale Campus	9	10,719	3.3%	1,191	1,918
	Central Texas College	2	10,000	3.0%	5,000	2,423
	L.T.C. Sowela Campus	4	9,302	2.8%	2,326	2,506
	McNeese State University	1	3,684	1.1%	3,684	1,317
	Northwestern State University	2	2,255	0.7%	1,128	932
	L.T.C. T.H. Harris Campus	1	1,229	0.4%	1,229	879
	L.T.C. Sabine Valley Campus	1	519	0.2%	519	416
<b>Totals:</b>		<b>123</b>	<b>\$328,847</b>	<b>100%</b>		<b>\$245,669</b>
<b>Calcasieu Parish Consortium (51)</b>	Coastal College Truck Driving School	71	\$285,264	38.2%	4,018	\$278,440
	L.T.C. Sowela Campus	106	226,139	30.3%	2,133	78,433
	McNeese State University	21	111,324	14.9%	5,301	34,743
	Future Barber College	14	59,106	7.9%	4,222	42,222
	Louisiana Institute of Massage Therapy	6	29,610	4.0%	4,935	22,914
	L.T.C. Morgan Smith Campus	6	15,727	2.1%	2,621	3,726
	Governor's Office of Women's Services	5	12,000	1.6%	2,400	12,000
	M & D Enterprise	2	4,800	0.6%	2,400	4,800
	Economic Development Assistant Center	5	1,975	0.3%	395	1,795
	L.T.C. Acadian Campus	1	537	0.1%	537	395
<b>Totals:</b>		<b>237</b>	<b>\$746,482</b>	<b>100%</b>		<b>\$479,468</b>

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Sixth Planning District Consortium (60)</b>	Coastal College Truck Driving School	49	\$237,655	35.9%	\$4,850	\$155,641
	L.T.C. Shelby M. Jackson Campus	61	110,244	16.7%	1,807	24,146
	L.T.C. Huey P. Long Campus	49	93,636	14.2%	1,911	29,847
	L.S.U. Alexandria	13	58,000	8.8%	4,462	9,097
	L.T.C. Avoyelles Campus	45	51,210	7.7%	1,138	8,109
	Diesel Driving Academy, Inc.	9	44,100	6.7%	4,900	44,100
	M & D Enterprise	8	23,184	3.5%	2,898	23,184
	Northwestern State University	3	15,000	2.3%	5,000	703
	L.T.C. T.H. Harris Campus	4	9,600	1.5%	2,400	2,077
	L.T.C. Alexandria Campus	5	8,525	1.3%	1,705	4,031
	Pineville Beauty School	1	5,110	0.8%	5,110	168
	University of Louisiana at Lafayette	1	5,000	0.8%	5,000	1,435
<b>Totals:</b>	<b>248</b>	<b>\$661,264</b>	<b>100%</b>		<b>\$302,538</b>	
<b>Rapides Parish (61)</b>	Coastal College Truck Driving School	39	\$159,750	55.9%	4,096	\$133,961
	L.T.C. Alexandria Campus	30	38,547	13.5%	1,285	12,124
	L.S.U. Alexandria	9	36,100	12.6%	4,011	5,915
	Diesel Driving Academy, Inc.	4	19,600	6.9%	4,900	19,600
	M & D Enterprise	4	11,592	4.1%	2,898	11,540
	Council Development Corp. dba PEC	4	9,600	3.4%	2,400	9,600
	Alexandria Academy of Beauty Culture	1	6,850	2.4%	6,850	6,165
	L.T.C. Oakdale Campus	3	3,616	1.3%	1,205	1,029
	<b>Totals:</b>	<b>94</b>	<b>\$285,655</b>	<b>100.0%</b>		<b>\$199,934</b>
<b>Seventh Planning District Consortium (70)</b>	L.T.C. Mansfield Campus	95	\$172,900	19.8%	1,820	\$47,124
	L.T.C. Northwest Louisiana Campus	91	104,447	11.9%	1,148	58,572
	Ayers Institute, Inc.	14	86,715	9.9%	6,194	60,690
	American School of Business	11	74,100	8.5%	6,736	61,047
	Northwestern State University	29	55,200	6.3%	1,903	30,732
	New Horizons Computer Learning Center	4	46,629	5.3%	11,657	57,904
	L.T.C. Shreveport-Bossier Campus	13	40,703	4.7%	3,131	9,511
	L.T.C. Natchitoches Campus	76	38,100	4.4%	501	63,160
	Louisiana Tech University	1	36,000	4.1%	36,000	6,648
	L.T.C. Sabine Valley Campus	52	35,354	4.0%	680	26,027
	Career Technical College	3	34,200	3.9%	11,400	23,793
	Commercial Trucking Academy	5	26,250	3.0%	5,250	24,517
	Diesel Driving Academy, Inc.	5	23,550	2.7%	4,710	18,800
	Coastal College Truck Driving School	5	22,000	2.5%	4,400	14,476
	L.T.C. Ruston Campus	11	20,260	2.3%	1,842	6,329
	Bossier Parish Community College	18	19,900	2.3%	1,106	22,544
	Southern University at Shreveport	3	12,186	1.4%	4,062	4,419
Grambling State University	1	8,700	1.0%	8,700	3,078	



<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Seventh Planning District Consortium (70) (Cont.)</b>	L.T.C. Delta-Ouachita Campus	4	\$7,109	0.8%	\$1,777	\$3,526
	Pat Goins Beauty School	1	6,250	0.7%	6,250	529
	L.S.U. Shreveport	1	1,800	0.2%	1,800	36
	Delta Training Academy	1	1,000	0.1%	1,000	108
	L.T.C. Huey P. Long Campus	1	900	0.1%	900	324
	M & D Enterprise	1	900	0.1%	900	543
	<b>Totals:</b>	<b>446</b>	<b>\$875,153</b>	<b>100%</b>		<b>\$544,437</b>
<b>City of Shreveport (71)</b>	American School of Business	46	\$281,280	25.6%	6,115	\$262,655
	Ayers Institute, Inc.	45	243,680	22.2%	5,415	221,626
	Diesel Driving Academy, Inc.	43	208,625	19.0%	4,852	193,295
	New Horizons Computer Learning Center	8	103,707	9.4%	12,963	103,708
	Delta Training Academy	40	51,713	4.7%	1,293	51,704
	Southern University at Shreveport	20	44,000	4.0%	2,200	39,600
	Governor's Office of Women's Services	18	43,860	4.0%	2,437	43,200
	Commercial Trucking Academy	9	42,905	3.9%	4,767	33,250
	Coastal College Truck Driving School	8	34,500	3.1%	4,313	29,750
	L.T.C. Shreveport-Bossier Campus	12	16,310	1.5%	1,359	5,851
	M & D Enterprise	5	14,490	1.3%	2,898	14,464
	Council Development Corp. dba PEC	2	4,800	0.4%	2,400	4,800
	Bossier Parish Community College	4	4,726	0.4%	1,182	4,506
	Pat Goins Beauty School	1	1,990	0.2%	1,990	1,990
	L.T.C. Northwest Louisiana Campus	2	1,330	0.1%	665	1,327
<b>Totals:</b>	<b>263</b>	<b>\$1,097,916</b>	<b>100%</b>		<b>\$1,011,726</b>	
<b>Ouachita Parish (81)</b>	L.T.C. Delta-Ouachita Campus	62	\$180,772	52.1%	2,916	\$49,429
	Coastal College Truck Driving School	16	66,280	19.1%	4,143	60,433
	Career Technical College	21	61,488	17.7%	2,928	36,310
	Diesel Driving Academy, Inc.	3	15,000	4.3%	5,000	15,000
	OIC of Ouachita	3	10,500	3.0%	3,500	1,815
	L.T.C. Ruston Campus	3	8,000	2.3%	2,667	2,286
	L.T.C. Bastrop Campus	3	4,500	1.3%	1,500	722
	Burk Baker School of Real Estate and Appraising	1	620	0.2%	620	620
	<b>Totals:</b>	<b>112</b>	<b>\$347,160</b>	<b>100%</b>		<b>\$166,615</b>
<b>Union Parish Consortium (82)</b>	L.T.C. Bastrop Campus	51	\$250,000	38.8%	4,902	\$19,941
	Coastal College Truck Driving School	29	137,133	21.3%	4,729	112,375
	L.T.C. North Central Campus	23	115,000	17.9%	5,000	13,362
	L.T.C. Tallulah Campus	16	80,000	12.4%	5,000	3,497
	Forest Echoes (Arkansas)	3	15,000	2.3%	5,000	0
	L.T.C. Delta-Ouachita Campus	3	15,000	2.3%	5,000	377
	L.T.C. Ruston Campus	2	10,000	1.6%	5,000	1,146

<b>ITA Award Utilization by LWIA Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Union Parish Consortium (82) (Cont.)</b>	University of Louisiana at Monroe	2	\$6,500	1.0%	\$3,250	\$1,317
	Grambling State University	1	5,000	0.8%	5,000	105
	Louisiana Tech University	1	5,000	0.8%	5,000	1,562
	South Arkansas Community College	1	5,000	0.8%	5,000	809
	<b>Totals:</b>	<b>132</b>	<b>\$643,633</b>	<b>100%</b>		<b>\$154,491</b>
<b>Franklin Parish Consortium (83)</b>	Coastal College Truck Driving School	44	\$186,920	29.5%	4,248	\$174,895
	L.T.C. Tallulah Campus	50	129,014	20.3%	2,580	21,758
	Diesel Driving Academy, Inc.	22	116,120	18.3%	5,278	104,528
	University of Louisiana at Monroe	7	47,264	7.5%	6,752	15,184
	L.T.C. Northeast Louisiana Campus	13	47,193	7.4%	3,630	7,403
	L.T.C. Ruston Campus	9	26,989	4.3%	2,999	7,427
	L.T.C. Huey P. Long Campus	8	17,756	2.8%	2,220	7,144
	L.T.C. Delta-Ouachita Campus	8	16,705	2.6%	2,088	4,824
	L.T.C. Shelby M. Jackson Campus	7	15,091	2.4%	2,156	3,934
	Career Technical College	2	13,498	2.1%	6,749	7,846
	Bossier Parish Community College	1	6,206	1.0%	6,206	1,878
	Pineville Beauty School	1	2,853	0.4%	2,853	0
	L.S.U. Alexandria	1	2,765	0.4%	2,765	1,499
	L.T.C. Northwest Louisiana Campus	1	2,349	0.4%	2,349	719
	L.T.C. North Central Campus	1	2,171	0.3%	2,171	1,231
	L.T.C. Bastrop Campus	2	1,386	0.2%	693	1,232
<b>Totals:</b>	<b>177</b>	<b>\$634,280</b>	<b>100%</b>		<b>\$361,502</b>	
<b>Unknowns</b>	Diesel Driving Academy, Inc.	24	\$113,945	23.5%	4,748	N/A
	Coastal College Truck Driving School	25	110,400	22.8%	4,416	N/A
	Commercial Trucking Academy	10	46,850	9.7%	4,685	N/A
	L.T.C. Northwest Louisiana Campus	34	34,605	7.1%	1,018	N/A
	New Horizons Computer Learning Center	2	27,754	5.7%	13,877	N/A
	American School of Business	4	27,400	5.7%	6,850	N/A
	L.T.C. Mansfield Campus	16	26,000	5.4%	1,625	N/A
	Ayers Institute, Inc.	4	22,500	4.6%	5,625	N/A
	Professional Technology Training Institute	2	9,900	2.0%	4,950	N/A
	M & D Enterprise	4	9,594	2.0%	2,399	N/A
	L.T.C. Natchitoches Campus	13	7,500	1.5%	577	N/A
	Bossier Parish Community College	7	7,050	1.5%	1,007	N/A
	L.T.C. Ruston Campus	4	6,890	1.4%	1,723	N/A
	Uptown Professional Real Estate School	2	6,648	1.4%	3,324	N/A
	Northwestern State University	4	6,500	1.3%	1,625	N/A
	L.T.C. Sabine Valley Campus	9	6,004	1.2%	667	N/A
	L.T.C. Shreveport-Bossier Campus	2	5,900	1.2%	2,950	N/A
	L.T.C. Delta-Ouachita Campus	2	2,444	0.5%	1,222	N/A

<b>ITA Award Utilization by LWIA</b> <b>Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>						
<b>LWIA</b>	<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>	<b>Total ITA Amount Expended</b>
<b>Unknowns (Cont.)</b>	Grambling State University	1	\$2,125	0.4%	\$2,125	N/A
	IT Careers	1	1,454	0.3%	1,454	N/A
	Southern University at New Orleans	1	1,032	0.2%	1,032	N/A
	Delta Training Academy	1	1,000	0.2%	1,000	N/A
	ASAP Program	1	900	0.2%	900	N/A
	Southern University at Shreveport	1	403	0.1%	403	N/A
<b>Totals:</b>		<b>174</b>	<b>\$484,798</b>	<b>100%</b>		<b>N/A</b>

**Note:** Percentages may be off due to rounding.

**Source:** Prepared by legislative auditor's staff from unaudited data obtained from LDOL and LWIAs.



# Appendix D

## Overall ITA Award Utilization

*Listed by total award amount*

# Appendix D: Overall ITA Award Utilization

## *Listed by total award amount*

<b>Overall ITA Award Utilization Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>				
<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>
Coastal College Truck Driving School	679	\$3,084,565	16.71%	\$4,543
Diesel Driving Academy, Inc.	580	2,760,793	14.96%	4,760
M & D Enterprise	277	794,272	4.30%	2,867
Council Development Corp. dba PEC	226	579,900	3.14%	2,566
Advantage Learning Center, Inc.	78	530,270	2.87%	6,798
L.S.U. Eunice	84	479,837	2.60%	5,712
New Horizons Computer Learning Center	60	475,240	2.57%	7,921
L.T.C. T.H. Harris Campus	201	459,056	2.49%	2,284
American School of Business	61	382,780	2.07%	6,275
Unitech Training Academy	79	373,858	2.03%	4,732
Ayers Institute, Inc.	63	352,895	1.91%	5,602
Transportsafe Training Center, Inc.	95	320,400	1.74%	3,373
L.T.C. Baton Rouge Campus	37	266,420	1.44%	7,201
Waivers Enterprises, Inc.	44	257,715	1.40%	5,857
L.T.C. Bastrop Campus	56	255,886	1.39%	4,569
L.T.C. Sowela Campus	111	237,543	1.29%	2,140
Lafayette General Medical Center	34	225,788	1.22%	6,641
Baton Rouge School of Computers	27	222,458	1.21%	8,239
L.T.C. Delta-Ouachita Campus	79	222,030	1.20%	2,811
Sclafani's Cooking School, Inc.	49	217,890	1.18%	4,447
Cameron College	85	214,469	1.16%	2,523
L.T.C. Tallulah Campus	66	209,014	1.13%	3,167
L.T.C. Mansfield Campus	111	198,900	1.08%	1,792
L.T.C. Evangeline Campus	84	181,735	0.98%	2,164
Delta School of Business and Technology	7	176,400	0.96%	25,200
National Driving Academy, Inc.	41	169,594	0.92%	4,136
L.T.C. Slidell Campus	71	151,497	0.82%	2,134
King's Career College	18	151,493	0.82%	8,416
L.T.C. Northwest Louisiana Campus	128	142,731	0.77%	1,115
L.T.C. Charles B. Coreil Campus	66	140,065	0.76%	2,122
L.T.C. Shelby M. Jackson Campus	68	125,335	0.68%	1,843
L.S.U. Alexandria	28	124,037	0.67%	4,430
Governor's Office of Women's Services	50	123,060	0.67%	2,461
McNeese State University	23	121,788	0.66%	5,295

**Overall ITA Award Utilization  
Fiscal Years 2001 and 2002 (As of March 31, 2002)**

<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>
University of Louisiana at Lafayette	13	\$119,991	0.65%	\$9,230
L.T.C. North Central Campus	24	117,171	0.63%	4,882
Career Technical College	27	116,686	0.63%	4,322
Commercial Trucking Academy	24	116,005	0.63%	4,834
L.T.C. Huey P. Long Campus	58	112,292	0.61%	1,936
Uptown Professional Real Estate School	45	110,232	0.60%	2,450
Ruth Cook's School of Computer Operation	26	104,000	0.56%	4,000
L.T.C. River Parishes Campus	25	103,000	0.56%	4,120
L.T.C. Acadian Campus	54	97,320	0.53%	1,802
Professional Technology Training Institute	19	93,473	0.51%	4,920
L.T.C. Lafayette Campus	41	93,318	0.51%	2,276
L.T.C. Gulf Area Campus	51	93,007	0.50%	1,824
Acadiana Regional Development District	24	87,900	0.48%	3,663
Northwestern State University	39	80,955	0.44%	2,076
Louisiana Community College, Inc.	18	78,625	0.43%	4,368
Office of the Social Apostolate	13	78,000	0.42%	6,000
Court Reporting Institute of Louisiana	8	76,475	0.41%	9,559
L.T.C. Lamar Salter Campus	51	75,751	0.41%	1,485
ITI Technical College	9	75,060	0.41%	8,340
L.T.C. Jefferson Campus	18	74,000	0.40%	4,111
L.T.C. Ruston Campus	29	72,139	0.39%	2,488
Elaine P. Nunez Community College	17	72,000	0.39%	4,235
Delgado Community College	30	69,975	0.38%	2,333
L.T.C. Teche Area Campus	32	69,411	0.38%	2,169
L.T.C. Lafourche Campus	36	66,528	0.36%	1,848
L.T.C. L.E. Fletcher Campus	64	66,065	0.36%	1,032
L.T.C. Shreveport-Bossier Campus	27	62,913	0.34%	2,330
L.T.C. Young Memorial Campus	38	61,521	0.33%	1,619
Medical Training College	11	59,787	0.32%	5,435
Future Barber College	14	59,106	0.32%	4,222
Southern University at Shreveport	24	56,589	0.31%	2,358
University of Louisiana at Monroe	9	53,764	0.29%	5,974
Delta Training Academy	42	53,713	0.29%	1,279
L.T.C. Avoyelles Campus	45	51,210	0.28%	1,138
Cosmetology Training Center	8	50,255	0.27%	6,282
L.T.C. West Jefferson Campus	12	49,995	0.27%	4,166
L.T.C. Northeast Louisiana Campus	13	47,193	0.26%	3,630
L.T.C. Alexandria Campus	35	47,072	0.26%	1,345

<b>Overall ITA Award Utilization Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>				
<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>
L.T.C. Natchitoches Campus	89	\$45,600	0.25%	\$512
Blue Cliff School of Therapeutic Massage	7	44,445	0.24%	6,349
L.T.C. Sabine Valley Campus	62	41,877	0.23%	675
Louisiana Tech University	2	41,000	0.22%	20,500
Bossier Parish Community College	30	37,882	0.21%	1,263
L.T.C. Morgan Smith Campus	14	37,113	0.20%	2,651
Camelot Career College	4	36,430	0.20%	9,108
Nicholls State University	5	35,810	0.19%	7,162
Thomas Training and Development Center, Inc.	10	35,000	0.19%	3,500
Louisiana Institute of Massage Therapy	7	34,610	0.19%	4,944
South Louisiana Institute of Massage, LLC	5	25,450	0.14%	5,090
L.T.C. Westside Campus	16	23,867	0.13%	1,492
CBS Computer Training	15	22,256	0.12%	1,484
Domestic Health Care Institute	3	21,171	0.11%	7,057
Grambling State University	3	15,825	0.09%	5,275
L.T.C. Hammond Campus	13	15,143	0.08%	1,165
Forest Echoes	3	15,000	0.08%	5,000
Herzing College	3	14,425	0.08%	4,808
L.T.C. Oakdale Campus	12	14,335	0.08%	1,195
L.S.U. Medical Center School of Radiology	3	13,650	0.07%	4,550
Neill Institute	2	13,480	0.07%	6,740
South Louisiana Community College	2	12,000	0.07%	6,000
Cassia Beauty College	2	10,600	0.06%	5,300
O.I.C. of Ouachita	3	10,500	0.06%	3,500
Training Connection, Inc.	5	10,260	0.06%	2,052
Central Texas College	2	10,000	0.05%	5,000
Southern Medical Corporation School of Ultrasound	1	10,000	0.05%	10,000
L.T.C. Sullivan Campus	8	8,546	0.05%	1,068
Baton Rouge Community College	2	8,257	0.04%	4,129
Pat Goins Beauty School	2	8,240	0.04%	4,120
Delta College of Arts and Technology, Inc.	2	8,000	0.04%	4,000
Pineville Beauty School	2	7,963	0.04%	3,982
L.T.C. Ascension Campus	3	7,652	0.04%	2,551
Medvance Institute	2	7,075	0.04%	3,538
L.T.C. Sidney Collier Campus	2	7,000	0.04%	3,500
Alexandria Academy of Beauty Culture	1	6,850	0.04%	6,850
UFCW Local 496 Louisiana Barber Board	2	6,200	0.03%	3,100
South Arkansas Community College	1	5,000	0.03%	5,000



<b>Overall ITA Award Utilization Fiscal Years 2001 and 2002 (As of March 31, 2002)</b>				
<b>Training Provider</b>	<b>Number of Participants</b>	<b>Total ITA Award Amount</b>	<b>% of Overall Award</b>	<b>Average Award per Participant</b>
University Medical Center of Louisiana	1	\$4,500	0.02%	\$4,500
Burk Baker School of Real Estate and Appraising	3	2,890	0.02%	963
Gretna Career College	1	2,775	0.02%	2,775
University of New Orleans Metro College	1	2,000	0.01%	2,000
Moler Beauty College	1	1,995	0.01%	1,995
Economic Development Assistant Center	5	1,975	0.01%	395
L.S.U. Shreveport	1	1,800	0.01%	1,800
IT Careers	1	1,454	0.01%	1,454
L.T.C. Florida Parishes Campus	1	1,369	0.01%	1,369
Technology Training Unlimited, LLC	1	1,300	0.01%	1,300
Southern University at New Orleans	1	1,032	0.01%	1,032
ASAP Program	1	900	<.01%	900
WICS	1	800	<.01%	800
L.T.C. Jumonville Campus	2	695	<.01%	348
<b>Totals:</b>	<b>5,210</b>	<b>\$18,456,208</b>	<b>100.00%</b>	

**Note:** Percentages may be off due to rounding.

**Source:** Prepared by legislative auditor's staff from unaudited data obtained from LDOL and LWIAs.

# **Appendix E**

## **Listing of Providers and Vendors Receiving IWTP Contracts**

## Appendix E: Listing of Providers and Vendors Receiving IWTP Contracts

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
American Training Standards Institute	Conwell Corporation	Coastal Truck Driving School		\$267,750
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$267,750</b>
Baton Rouge Community College	Honeywell Chemical Plant	River Parishes Community College		\$450,647
	NRG Louisiana Generating L.L.C.	❖ Houston Marine Training School ❖ LanTEC Computer Training School	❖ Applications Solutions L.L.C. ❖ PSDI ❖ Siemens/Westinghouse	365,612
	Georgia Gulf			361,240
	Cajun Contractors			131,414
	Kean's the Cleaner		❖ National Fabric Care Inst. ❖ SPOT Dry-cleaning Management Software	128,331
<b>SUB-TOTAL</b>	<b>5 IWTP contracts</b>			<b>\$1,437,244</b>
Houston Marine Services d.b.a. BISYS Education Services	Hornbeck-Leevac Marine Operators, Inc.			\$235,788
	Dixie Offshore Transportation Company			105,596
	Torch Offshore L.L.C.			269,949
	MNM Boats	LTC-L.E. Fletcher Campus		138,681
	Four Star Marine, Inc.			149,947
	Dyn Marine			270,000
	Global Industries			353,170
	Stolt Offshore, Inc.			199,320
<b>SUB-TOTAL</b>	<b>8 IWTP contracts</b>			<b>\$1,722,451</b>

<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Bossier Parish Community College	BailSco Blades		<ul style="list-style-type: none"> <li>❖ Stahl Specialty Company</li> <li>❖ Pro-Bal</li> <li>❖ MLC - Cad Systems</li> <li>❖ Machine Tools, Inc.</li> </ul>	\$123,013
	Sonic Drive-in Franchise of North Louisiana		SSA Consultants	154,362
	Sears Roebuck & Co.		SSA Consultants	201,565
	Praeses Corporation	<ul style="list-style-type: none"> <li>❖ LSU-Shreveport</li> <li>❖ Louisiana Tech University</li> <li>❖ New Horizons Computer Learning Center - Shreveport</li> </ul>	<ul style="list-style-type: none"> <li>❖ Career Track</li> <li>❖ International Institute for Learning, Inc.</li> <li>❖ Lorman Business Center</li> <li>❖ Lorman Educational Services</li> <li>❖ Louisiana State Bar Association</li> <li>❖ Padgett-Thompson</li> <li>❖ Practising Law Institute</li> <li>❖ Resource Center for Customer Service Professionals</li> <li>❖ Society of Louisiana CPAs</li> <li>❖ SSA Consultants, Inc.</li> <li>❖ TelCom Associates</li> <li>❖ Tulane Law School</li> </ul>	266,414
<b>SUB-TOTAL</b>	<b>4 IWTP contracts</b>			<b>\$745,354</b>
Chevron Employee Resources & Training Center	Production Management Industries	LTC-L.E. Fletcher Campus	Marine Survival Training Center	\$803,515
	C & D Production Specialists	University of Louisiana at Lafayette		777,720
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$1,581,235</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Delgado Community College	C. F. Bean Dredging L.L.C.		Transas	\$298,453
	Semco L.L.C.			207,883
	Reeled Tubing L.L.C.			312,820
	Treasure Chest Casino			151,739
	Bisso Marine Co., Inc.			55,581
	Westbank Riverboat Services, Inc.			111,954
	Superior Energy Services L.L.C.	LTC-L.E. Fletcher Campus	<ul style="list-style-type: none"> <li>❖ Capital Leadership</li> <li>❖ Page &amp; Kraemer</li> <li>❖ Safety Connection</li> <li>❖ Well Control School</li> </ul>	2,238,616
	Noble Drilling (U.S.) Inc., Gulf Coast Marine		<ul style="list-style-type: none"> <li>❖ Martin International, Inc.</li> <li>❖ Siemens Energy &amp; Automation</li> <li>❖ Vital Training Services</li> <li>❖ WCS</li> </ul>	2,234,390
	Louisiana Casino Cruises, Inc.		Transas	250,790
	Argosy of Louisiana			94,689
	Montco, Inc.			257,949
	Crosby Tugs L.L.C.			605,649
	Kilgore Offshore			170,376
	E. N. Bisso and Son, Inc.			244,140
	Canal Barge			273,968
	L&L Oil & Gas Services, L.L.C. (ASCO Fuel & Lubricants)			403,128
	Adams Land & Marine LTD			46,845

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Delgado Community College (Cont.)	Florida Marine Group		❖ CBT/TGB ❖ Dowdy Enterprises, Inc. ❖ Foret Enterprises, Inc. ❖ Mariner Electric Company ❖ Tech Training Consulting	\$474,103
	Gulf Fleet Offshore L.L.C.			159,436
	Harrah's Consortium			238,905
	Isle of Capri Consortium			174,879
<b>SUB-TOTAL</b>	<b>21 IWTP contracts</b>			<b>\$9,006,293</b>
Delta School of Business & Technology	Home Health Care 2000, Inc.	❖ LSU-Baton Rouge ❖ LSU-Eunice ❖ McNeese State University		\$637,980
Edison Chouest Offshore Training Center d.b.a. Galliano Marine Services	Sea & Sea / Can Do Consortium			\$73,425
	Galiano Tugs., Inc. / Gisclair Marine, Inc. Consortium			147,710
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$221,135</b>
Excellence in Training Network, Inc.	Modern Woodmen of America		❖ Kinder Brothers Int. Group, Inc. ❖ Turning Point Solutions Group	\$114,827
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$114,827</b>
Fulghum Fisher Marketing	Rebowe & Company, CPAs, APC	University of New Orleans		\$92,266
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$92,266</b>
Learn, Inc.	The Hotel Monteleone L.L.C.		Eighty-Twenty, Inc.	\$269,820
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$269,820</b>

<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Louisiana Tech University	Federal Home Products	LTC-Ruston Campus	<ul style="list-style-type: none"> <li>❖ Certex</li> <li>❖ FRANKE Tooling Division</li> <li>❖ J. Dieffenbacher GmbH &amp; Co.</li> <li>❖ Lien Chieh Hydraulic Industrial</li> <li>❖ Metabo Schlief-und (Germany)</li> <li>❖ Triton s.r.l. Via G. DiVittorio</li> </ul>	\$496,127
	Willamette Industries	LTC-Natchitoches Campus	<ul style="list-style-type: none"> <li>❖ Andritz, Inc.</li> <li>❖ Dieffenbacher</li> <li>❖ DP Solutions, Inc.</li> <li>❖ Golden Opportunities</li> <li>❖ GPM Hydraulic Consulting</li> <li>❖ Intellect Controls Group</li> <li>❖ Life Cycle Engineering</li> <li>❖ Lubrication and Fluid Power</li> <li>❖ New Horizons-Shreveport</li> <li>❖ PdMA Corporation</li> <li>❖ S.E. Maintenance Consulting Serv.</li> <li>❖ Schelling</li> <li>❖ Strategic Work Systems, Inc.</li> <li>❖ The UE Group (d.b.a. UE Training Systems, Inc.)</li> <li>❖ Universal Technologies</li> <li>❖ Valmet</li> <li>❖ Wes Rich Steam System Consulting</li> <li>❖ Westec America, Inc.</li> </ul>	2,249,768
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$2,745,895</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LSU-Alexandria	Alexandria House of Flowers		<ul style="list-style-type: none"> <li>❖ Excellence in Training</li> <li>❖ Floral Accounting Systems</li> <li>❖ Frankie Shelton</li> </ul>	\$36,826
	Community Receiving Home d.b.a. Renaissance	Northwestern State University		56,283
	Canaan Leasing L.L.C.		<ul style="list-style-type: none"> <li>❖ Astec Industries</li> <li>❖ Primavera Systems, Inc.</li> <li>❖ Excellence in Training Network</li> <li>❖ Explorer Software, Inc.</li> <li>❖ Heavy Construction Systems Spec, Inc.</li> <li>❖ Top Quality Paving</li> </ul>	269,981
<b>SUB-TOTAL</b>	<b>3 IWTP contracts</b>			<b>\$363,090</b>
LSU-Baton Rouge	Associated Grocers	University of New Orleans	<ul style="list-style-type: none"> <li>❖ Achieve Global</li> <li>❖ Daily Equipment Company</li> <li>❖ Lawson Software</li> <li>❖ PM HazMat</li> <li>❖ RORC</li> <li>❖ Safety &amp; Occupational Health Council</li> <li>❖ Society for Human Resource Managers</li> <li>❖ The Stellar Group</li> <li>❖ Ultimate Software Group, Inc.</li> </ul>	\$556,356
	Louisiana Lottery Corporation		Eighty-Twenty, Inc.	212,689
	Hi Nabor Grocery	Baton Rouge Community College	<ul style="list-style-type: none"> <li>❖ Associated Grocers, Inc.</li> <li>❖ Michael's Craft Store</li> <li>❖ Retailer Owned Research Company</li> </ul>	267,975



<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LSU-Baton Rouge (Cont.)	All Star Automotive Group	LTC-River Parishes Campus	<ul style="list-style-type: none"> <li>❖ ADP Dealer Services</li> <li>❖ ASC Retail Consulting</li> <li>❖ Automotive Dealer Management, Inc.</li> <li>❖ Grant Cardone Enterprises, Inc.</li> <li>❖ I-Car</li> </ul>	\$978,340
	West Feliciana Tourism Consortium	<ul style="list-style-type: none"> <li>❖ Baton Rouge Community College</li> <li>❖ LTC-Baton Rouge Campus</li> <li>❖ LTC-Folkes Campus</li> </ul>	<ul style="list-style-type: none"> <li>❖ Aurora Consultants, Inc.</li> <li>❖ BarberMedia &amp; Comm. Group</li> <li>❖ David Humphrey, Photographer</li> <li>❖ Janie Wiltshire, Consultant</li> <li>❖ John Patrick, Consultant</li> <li>❖ Managing Editor, Inc.</li> <li>❖ Otto Frei/Jules Borel Company</li> <li>❖ REMo Software, Inc.</li> </ul>	283,600
	Food Bank Consortium		<ul style="list-style-type: none"> <li>❖ Becker Convisor</li> <li>❖ Blackbaud</li> <li>❖ DataHouse, Inc.</li> </ul>	85,052
	Team Automotive Consortium		<ul style="list-style-type: none"> <li>❖ Casey &amp; Casey: Auto Title Express</li> <li>❖ Automatic Data Processing (ADP)</li> <li>❖ Autothority</li> <li>❖ Robert Noell &amp; Associates</li> <li>❖ Rory Aplanalp &amp; Associates</li> </ul>	180,819
<b>SUB-TOTAL</b>	<b>7 IWTP contracts</b>			<b>\$2,564,831</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LSU-Shreveport	The Times - Gannett River States Publishing Co., Inc.		❖ Micro Center ❖ Venture Training Solutions	\$270,000
	Libbey Glass		❖ ANVIL ❖ DelaPorte Company ❖ ICWUC Center Worker Health/Safety ❖ SDRC	287,519
	Printpack, Inc.		❖ Eurotherm ❖ Proven Design, Inc. ❖ Xrite	207,819
	General Motors - Shreveport		Raytheon	2,249,777
	McElroy Metal Mill, Inc.		❖ Bradbury CNC Machine ❖ Hurco Metal Fab CNC Autobend ❖ Jours CNC Machine 101/102 ❖ March 1 <sup>ST</sup> ❖ Pacific Press CNC Machine ❖ Venture Training Solutions	185,787
	GE Industrial Systems - Commercial Transfer		❖ General Physics Corp. ❖ Rand Worldwide	863,561
	Shreveport EMT Consortium			266,407
	Software & Services of Louisiana, Inc.	❖ University of Louisiana at Lafayette ❖ New Horizons-Shreveport		165,865
<b>SUB-TOTAL</b>	<b>8 IWTP contracts</b>			<b>\$4,496,735</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LTC-Acadian Campus	Dupre Transport	❖ LTC-Young Memorial Campus ❖ Diesel Driving Academy	❖ New Horizons-Lafayette ❖ Productivity Point International, Inc. ❖ Randy Smith Training School ❖ The Pyramid Group	\$128,025
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$128,025</b>
LTC-Alexandria Campus	Dousay Custom Homes			\$62,045
	Central Louisiana Collision Repair Consortium		❖ Environmental Remediation Services ❖ I-Car	265,910
	Med Express Ambulance Service, Inc.		❖ American Burn Association ❖ Medical Priority Consultants ❖ National Association of EMTs ❖ University of Maryland ❖ LA Urban Search Task Force ❖ Taylor-Made Communications	376,642
	Procter and Gamble - Alexandria		❖ Allen Bradley ❖ ATR ❖ AVO	398,154
	D & J Tire, Inc.		❖ Anderson & Anderson ❖ JMK Computerized TDIS	149,079
<b>SUB-TOTAL</b>	<b>5 IWTP contracts</b>			<b>\$1,251,830</b>
LTC-Baton Rouge Campus	Greater Baton Rouge Machinist Training Consortium	Baton Rouge Community College		\$111,013
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$111,013</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LTC-Delta Ouachita Campus	Northeast Louisiana Automotive Technology Consortium			\$268,896
	Association for Retarded Citizens - Ouachita (ARCO)	Louisiana Delta Community College	❖ Henry Cumpton ❖ Michael Callahan ❖ Michael Tusa ❖ Rose Daigle ❖ Sherri Antley ❖ Susan Audrish	65,298
	Monroe Plumbing Consortium			55,638
	Financial Institution Service Corporation (FISC) Training Consortium		Alltel	99,069
<b>SUB-TOTAL</b>	<b>4 IWTP contracts</b>			<b>\$488,901</b>
LTC-Hammond Campus	Options, Inc.			\$72,178
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$72,178</b>
LTC-Jumonville Memorial Campus	Comcar / CTL Distribution Consortium	Diesel Driving Academy	❖ Explore Interactive ❖ National Safety Council ❖ USDOT/TSI	\$1,407,130
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$1,407,130</b>
LTC-Lafourche Campus	Litton Avondale Industries	❖ LTC-Sidney N. Collier Campus ❖ LTC-West Jefferson Campus		\$1,138,802
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$1,138,802</b>
LTC-L.E. Fletcher Campus	Nabors Offshore Corporation		ON-SITE Training & Instruction	\$269,992
	Gulf Island L.L.C.			184,466
	Guidry Brothers Towing Co., Inc.		❖ NREC ❖ Womack	292,197
<b>SUB-TOTAL</b>	<b>3 IWTP contracts</b>			<b>\$746,655</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LTC-Natchitoches Campus	TCA Management Company	LTC-Acadian Campus		\$254,003
	Wayne Farms L.L.C.		<ul style="list-style-type: none"> <li>❖ Boren Loss Prevention Consulting</li> <li>❖ FMC Food Tech</li> <li>❖ Formax</li> <li>❖ Heat and Control, Inc.</li> <li>❖ PACMAC, Inc.</li> </ul>	407,493
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$661,496</b>
LTC-Northwest Campus	Fibrebond Corporation			\$194,846
	The Trane Company			257,313
	Ruskin Company			163,108
	Inland Paperboard and Packaging		<ul style="list-style-type: none"> <li>❖ ARC International</li> <li>❖ Fosbar America, Inc.</li> <li>❖ H. B. Fuller Company</li> <li>❖ MHI America, Inc.</li> <li>❖ Progressive Coatings</li> <li>❖ R. L. Smith Associatives</li> <li>❖ Right Angle Dies</li> <li>❖ UNICO</li> <li>❖ Vortx</li> </ul>	283,830
<b>SUB-TOTAL</b>	<b>4 IWTP contracts</b>			<b>\$899,097</b>
LTC-River Parishes Campus	Becon Construction			\$266,044
	Monsanto Company		<ul style="list-style-type: none"> <li>❖ Aspentech</li> <li>❖ Technology Training Systems</li> </ul>	269,946
	Cytec Industries			697,793
<b>SUB-TOTAL</b>	<b>3 IWTP contracts</b>			<b>\$1,233,783</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
LTC-Ruston Campus	Smurfit Stone Container Corporation		A. H. Lundberg	\$237,366
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$237,366</b>
LTC-Shreveport-Bossier Campus	Shreveport / Bossier Manufacturers Consortium		❖ Performance Management ❖ Safety & Occupational Health Council	\$148,060
	Brock's Collision Center, Inc.		❖ Allagi ❖ CCC Information Service ❖ I-Car ❖ Masters ❖ PPG ❖ Wilson Learning	176,019
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$324,079</b>
LTC-Sowela Campus	Stine Lumber Company		❖ Ace Hardware Corporation ❖ Lee Resources International, Inc. ❖ Lorman Educational Services ❖ Southland Industrial Rehabilitation ❖ Quality Talk ❖ Rader Solutions	\$564,254
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$564,254</b>
LTC-Tallulah Campus	Goldman Consortium		❖ Dr. Jay Hardwick ❖ John Deere Information Systems ❖ John Deere Road Scholars	\$179,045
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$179,045</b>
LTC-Teche Area Campus	Omega Natchiq		STARS	\$385,898
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$385,898</b>

<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
Primary Training Provider	Employer	Secondary Training Provider(s)	Vendor(s)	Contract Amount
LTC-T.H. Harris Campus	Cabot Corporation	<ul style="list-style-type: none"> <li>❖ LTC-Young Memorial Campus</li> <li>❖ LTC-Charles B. Coreil Campus</li> </ul>	<ul style="list-style-type: none"> <li>❖ Roco</li> <li>❖ AirDyne</li> <li>❖ American Red Cross</li> <li>❖ County Agents Office</li> <li>❖ New Horizons-Lafayette</li> </ul>	\$204,494
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$204,494</b>
LTC-West Jefferson Campus	Technical Compression Services, Inc.			\$238,392
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$238,392</b>
LTC-Young Memorial Campus	Trico Marine Operators, Inc.		Houston Marine Training School	\$269,999
	L&M Bo-Truc Rentals, Inc.	Delgado Community College		268,228
	J. Ray McDermott			451,254
	Laborde Marine L.L.C.	Delgado Community College		154,420
	North Bank Towing Corporation			270,000
<b>SUB-TOTAL</b>	<b>5 IWTP contracts</b>			<b>\$1,413,901</b>
McNeese State University	PPG Industries, Inc.		<ul style="list-style-type: none"> <li>❖ Academy of Infrared Thermography</li> <li>❖ AG Safety Sales, Inc.</li> <li>❖ Anderson Greenwood Varec</li> <li>❖ Barringer &amp; Associates</li> <li>❖ Bierman Group</li> <li>❖ BVZ, Inc.</li> <li>❖ Dresser Rand</li> <li>❖ Dresser Valve Division</li> <li>❖ Franklin-Covey</li> <li>❖ Groth Corporation</li> <li>❖ IEC Simulations</li> <li>❖ In Control Technologies</li> </ul>	\$1,433,618

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
McNeese State University (Cont.)	PPG Industries, Inc. (Cont.)		<ul style="list-style-type: none"> <li>❖ Innova Training &amp; Consulting</li> <li>❖ InService Inspection Co.</li> <li>❖ Ken Hall</li> <li>❖ Learning Edge</li> <li>❖ Loctite</li> <li>❖ LSU Fire &amp; Emer Img Institute</li> <li>❖ Lufkin Industries, Inc.</li> <li>❖ Meridium</li> <li>❖ Metco</li> <li>❖ Micro Motion, Inc.</li> <li>❖ Siemens Westinghouse</li> <li>❖ SKM Systems</li> <li>❖ Snap-On Tool</li> <li>❖ Vibration Institute</li> <li>❖ Vibratronics, Inc.</li> </ul>	
	Amerisafe		<ul style="list-style-type: none"> <li>❖ New Horizons-Lafayette</li> <li>❖ CompuEd Solutions, Inc.</li> <li>❖ Michigan State University</li> <li>❖ Premium Audit Advisory Service</li> </ul>	\$380,080
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$1,813,698</b>
Micro Teachers d.b.a. New Horizons - New Orleans	Red Simpson, Inc.			\$216,000
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$216,000</b>
NATCO Education Center	Flow Petroleum			\$194,076
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$194,076</b>



<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
New Horizons Computer Learning Center - Shreveport	North Louisiana Business Consortium			\$51,289
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$51,289</b>
Northwestern State University	Alliance Compressors		<ul style="list-style-type: none"> <li>❖ CCC Destination DDI 2.0</li> <li>❖ DDI-Personal Feedback</li> <li>❖ Six Sigma Six</li> </ul>	\$503,171
	Con Agra	<ul style="list-style-type: none"> <li>❖ Grambling State University</li> <li>❖ LTC-Natchitoches Campus</li> <li>❖ LTC-North Central Campus</li> </ul>	Safety & Occupational Health Council	1,064,917
	North Louisiana Childcare Consortium		<ul style="list-style-type: none"> <li>❖ Arkansas State University</li> <li>❖ Memorial Medical Center</li> </ul>	140,487
<b>SUB-TOTAL</b>	<b>3 IWTP contracts</b>			<b>\$1,708,575</b>
Safety, Environmental & Operational Training, Inc. (SEOT)	Coastline Process Equipment			\$42,740
	Riceland Foods, Inc.			73,587
	John H. Carter, Inc.			127,792
	Fair Grounds Corporation			307,150
	Reliable Production			122,388
	Louisiana Valve Source, Inc.			108,198
	Timco Services Inc. (Southcoast Services, Inc.)			203,520
	Pintail Enterprises, Inc.			35,477
	American Pneumatics, Inc.			222,212
	Crain Brothers, Inc.			162,246
	H. Brown Machine Shop, Inc.			85,258
	Doise and Miller, Inc.			111,460

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Safety, Environmental & Operational Training, Inc. (SEOT) (Cont.)	Mar-Con, Inc.			\$324,159
	T & T Pipeline Construction Company, Inc.			96,598
	Rigs Tools, Inc.			50,032
	Fred's Radiator Service, Inc.			44,416
	Integrated Directional Resources			62,388
	Sola Communications, Inc.			669,225
	Lafayette Well Testing, Inc.			125,040
	Coil Tubing Services			267,645
	Slick Construction Co., Inc.			135,072
	PSC Industrial Outsourcing, Inc.			991,478
	Roy Bailey Construction, Inc.			60,329
	Calcasieu Rentals, Inc.			43,584
	Deep South Chemicals Inc.			88,322
	Apollo Services			416,922
3 Star Clean, Blast & Paint, Inc.			77,226	
<b>SUB-TOTAL</b>	<b>27 IWTP contracts</b>			<b>\$5,054,464</b>
South Louisiana Community College	Bruce Foods Corporation			\$56,396
	Unifab Consortium		Vital Training Services, Inc.	260,043
<b>SUB-TOTAL</b>	<b>2 IWTP contracts</b>			<b>\$316,439</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
Southeastern Louisiana University	Gulf South Machine, Inc.		❖ Intercim ❖ ISCAR ❖ Rexroth Indramat ❖ American Society of Mechanical Engineers ❖ Eurotech	\$197,602
	Crossover, Inc.		Sandvik Coromant	59,702
	Gilsbar, Inc.		❖ Dynel, Inc. ❖ Productivity Point International, Inc.	541,318
	Amite Foundry and Machine	❖ LSU-Baton Rouge ❖ University of New Orleans ❖ LTC-Florida Parishes Campus	Cast Metals Institute	221,383
<b>SUB-TOTAL</b>	<b>4 IWTP contracts</b>			<b>\$1,020,005</b>
Southern University-Shreveport	Horseshoe Entertainment L.L.P.	❖ Delgado Community College ❖ University of Louisiana at Lafayette	New Horizons-Shreveport	\$413,267
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$413,267</b>
Technical Resource Services, Inc.	Twin Hills Wireline Services, Inc.			\$78,020
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$78,020</b>
Turning Point Solutions Group	Louisiana Community Care, Inc.		Excellence in Training	\$211,522
<b>SUB-TOTAL</b>	<b>1 IWTP contract</b>			<b>\$211,522</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
University of Louisiana at Monroe	Faulk & Foster		<ul style="list-style-type: none"> <li>❖ ACA Group</li> <li>❖ Alexander Resources</li> <li>❖ Bill Barrett Seminars</li> <li>❖ Charlotte Owens</li> <li>❖ Comsearch</li> <li>❖ Cyberexpert</li> <li>❖ IRWA</li> <li>❖ Lorman Educational Services</li> <li>❖ Map Information</li> </ul>	\$195,903
	Riverwood International Corporation		<ul style="list-style-type: none"> <li>❖ Center for Manufacturing Technology</li> <li>❖ Jansen Corporation</li> <li>❖ Life Cycle Engineering</li> <li>❖ Marconi</li> <li>❖ Qual Pro</li> <li>❖ Rockwell</li> <li>❖ Shanle Consulting Services, Inc</li> <li>❖ Southwest Consulting</li> </ul>	1,281,084
	Summerlin Lane Nursing Home	LTC-Bastrop Campus	<ul style="list-style-type: none"> <li>❖ ETSI, Inc.</li> <li>❖ Ken Taylor</li> <li>❖ Nursing Care Specialists, Inc.</li> <li>❖ Johnson Training Group</li> <li>❖ Rene Jackson</li> </ul>	221,910

<b>Providers and Vendors Receiving IWTP Contracts                      Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
University of Louisiana at Monroe (Cont.)	Allied Building Stores, Inc.		<ul style="list-style-type: none"> <li>❖ AcuBench</li> <li>❖ American Red Cross</li> <li>❖ HR Certification Institute</li> <li>❖ Lisa Ford</li> <li>❖ Lorman Educational Services</li> <li>❖ New Horizons-Shreveport</li> <li>❖ Padgett-Thompson</li> <li>❖ SHRM Learning System</li> </ul>	\$304,326
	Luv N' Care Ltd. Consortium		<ul style="list-style-type: none"> <li>❖ Best Software</li> <li>❖ Digital Training &amp; Designs, Inc.</li> <li>❖ Macola, Inc.</li> <li>❖ New Horizons-Shreveport</li> </ul>	983,086
	Guide Corporation		<ul style="list-style-type: none"> <li>❖ EDS</li> <li>❖ Enviro-Tek, Inc.</li> <li>❖ Gayla Godfrey-Management Consultant</li> <li>❖ Hobart Institute of Welding</li> <li>❖ National Fluid Power Institute</li> <li>❖ National Technology Transfer</li> <li>❖ Paulson Training Programs, Inc.</li> </ul>	986,072
<b>SUB-TOTAL</b>	<b>6 IWTP contracts</b>			<b>\$3,972,381</b>

<b>Providers and Vendors Receiving IWTP Contracts Fiscal Years 2001 and 2002 (through March 31, 2002)</b>				
<b>Primary Training Provider</b>	<b>Employer</b>	<b>Secondary Training Provider(s)</b>	<b>Vendor(s)</b>	<b>Contract Amount</b>
University of New Orleans	Albert Garaudy & Associates		Project Management and Cost Consultants	\$269,910
	Diamond Data Systems	Delgado Community College	❖ Lockheed Martin Advanced Concepts Center ❖ Sales Training of Louisiana, Inc. ❖ SBDC-UNO	267,408
	Science & Engineering Associates, Inc.	Delgado Community College	Lockheed Martin Advanced Concepts Center	267,668
	Sizeler Architects			133,754
	Lockheed Martin Corporation		❖ General Physics Corp. ❖ United McGill ❖ Ingersoll Milling	279,775
	New Orleans Marriott Hotel	Delgado Community College	❖ Bob Brown Service Solutions ❖ Culinary Institute-Graystone ❖ Stationary Engineering Certification	332,114
	Wink, Inc.		❖ Datec ❖ Techcad	268,441
	American Lifecare			84,721
	Oreck Corporation	Delgado Community College	Kelly Services, Inc.	180,910
	Allfax Specialties, Inc.	LSU-Baton Rouge	❖ Beth Bowers ❖ Julie Harkness	260,923
	Parish National Bank		❖ New Horizon Financial Group ❖ Financial Selling Systems ❖ Jack Henry & Associates	311,639
<b>SUB-TOTAL</b>	<b>11 IWTP contracts</b>			<b>\$2,657,263</b>
<b>FY01 and 02 TOTAL</b>	<b>167 IWTP CONTRACTS</b>			<b>\$55,660,244</b>

## **Appendix F**

### **Listing of Principal Officers for Non-Public Primary Training Providers**

# Appendix F: Listing of Principal Officers for Non-Public Primary Training Providers

Non-Public Training Provider	Name(s) and Title(s) of Principal Officers/Directors (Sec. of State's Corporation Database and Internet search)	Name(s) and Title(s) of Principal Officers (Obtained from LDOL files and staff)
American Training Standards Institute	Dr. Jack L. Foreman Dr. Larry Key Dr. John Carnes	Dr. Jack L. Foreman, President
BISYS Education Services d.b.a. Houston Marine Training Services	Dennis Sheehan Anthony Pascotti Kevin Dell	George Trowbridge, General Manager Danielle Dillon, Marine Sales Project Manager
Chevron Global Technology Services (also known as Chevron Employee Resources & Training Center)	P.J. Robertson H.B. Sheppard W.C. Taylor	J.H. Guenard III, Manager Jackie Hebert, Business Analyst
Delta School of Business & Technology	Gary Holt Janette Hamilton	Gary Holt, President
Edison Chouest Offshore Training Center d.b.a. Galliano Marine Services	Gary Chouest, Member/Manager Laney Chouest, Member/Manager Kirk Chouest, Member/Manager	Chad Hebert, Manager - Safety & Training Damon Chouest, Office Manager
Excellence in Training Network, Inc.	Roger Z. Toney Sharon R. Toney	Doug Constant, Vice President
Fulghum Fisher Marketing	Terry Fisher	Terry Fisher, Owner & President
Learn, Inc.	Jennifer Wolfe Guidry	Jennifer Wolfe Guidry, Founder & President
Micro Teachers d.b.a. New Horizons - New Orleans	Charles Zewe Gayle Zewe Gloria O'Leary	Gary Winker, Owner



Non-Public Training Provider	Name(s) and Title(s) of Principal Officers/Directors (Sec. of State's Corporation Database and Internet search)	Name(s) and Title(s) of Principal Officers (Obtained from LDOL files and staff)
NATCO Education Center	Eric Crawford C. Frank Smith Nathaniel A. Gregory Patrick M. McCarthy J. Michael Mayer C. Frank Smith	C. Frank Smith, President - U.S. Operations
New Horizons Computer Learning Center - Shreveport	Wilson Dexter Grant Jamy Hall Grant	Jamy Grant, Owner
Safety, Environmental & Operational Training, Inc. (SEOT)	Bill Berkenmeier Kurt Lacoste	Bill Berkenmeier, President Kurt Lacoste, Vice President
Technical Resources Services, Inc.	James Neil Collins Jeannine Callicot Collins	James Neil Collins, C.S.P. -President
Turning Point Solutions Group	James A. Hurst D. Lynn Hudgens	James A. Hurst, Owner
<p><b>Source:</b> Compiled by legislative auditor's staff using information from LDOL IWTP files, LDOL staff, the Louisiana Secretary of State's Corporation Database, and the Internet.</p>		

## **Appendix G**

# **Louisiana Department of Labor's Response**



# LOUISIANA WORKS

DEPARTMENT OF LABOR

M.J. "Mike" Foster, Jr.  
Governor

Dawn Romero Watson  
Secretary

02 SEP 24 11:14:44

September 20, 2002

OFFICE OF THE SECRETARY

Daniel G. Kyle, PH.D., CPA, CFE  
Legislative Auditor  
State of Louisiana  
1600 North Third Street  
P.O. Box 94397  
Baton Rouge, LA 70804

Dear Dr. Kyle:

Please accept this as our written response to your September 9, 2002 letter regarding Performance Audit issues for the Louisiana Department of Labor Training activities.

### **Recommendation #1:**

The Louisiana Workforce Commission should direct the LWIAs to develop standard and consistent policies regarding ITAs.

### **Management Response #1:**

Louisiana Department of Labor (LDOL) has met with the Local Workforce Investment Areas (LWIA's) to discuss local policies and procedures related to Individual Training Accounts (ITA's). Several LWIA's have worked together to begin development of regional ITA policies. LDOL is working on an instruction to ensure that all LWIA ITA policies address the same elements or issues to ensure consistency; however, Section 663.420(c) of the WIA Regulations states that, "limitations established by State or local board policies...should not be implemented in a manner that undermines the Act's requirement that training services are provided in a manner that maximizes customer choice in the selection of an eligible training provider." Furthermore, local control and customer choice are cornerstones of WIA. Therefore, any standards or policies adopted at the state level should not be so restrictive as to hinder such.

### **Recommendation #2:**

The Louisiana Workforce Commission and the LDOL should work with the LWIAs to continue to develop a system to maintain complete and accurate documentation on ITAs and other services provided through the Workforce Investment Act.

Mr. Greer

**Management Response #2:**

LDOL's Management Information System currently contains information on all services provided to WIA participants, including those receiving ITA's, training dates and the amount. To further enhance our documentation efforts, our staff is currently working on linking this system to our Eligible Training Provider list (ETPL) and Labor Market Information (LMI) demand occupation data. This linkage will provide another edit on the system to ensure data integrity. This program year, LDOL is also adding a module to our MIS system to track the expenses associated with the ITA by program year. This feature will provide documentation for planned versus expended ITA dollars.

**Recommendation #3:**

The Louisiana Workforce Commission should monitor the types of training being provided through the ITAs to ensure that excessive or inappropriate training is not being provided. In addition, the commission should monitor to ensure that funds are effectively and equitably distributed throughout the LWIAs and among different training programs.

**Management Response #3:**

The WIA Regulations Section 663.310(c) requires that ITA's can only be provided for training in demand occupations. LDOL's ETPL contains an indicator for those programs that are in demand occupations in each region. On October 5, 2001, the Louisiana Workforce Commission (LWC) adopted a definition for demand occupations for WIA purposes. (see Attachment) This clarification provides guidance to the LWIA's on determining demand occupations in their region.

Each LWIA receives funding according to a formula based allocation to provide services. This formula is based on unemployment and poverty statistics in each area. (See 20 CFR 667.130) This process ensures equitable distribution of funds. As to the distribution of ITA's, the number of ITA's issued in an LWIA is a consequence of Workforce Investment Board (WIB) policy. Local WIBs are empowered to set policies regarding ITA's in their respective areas in accordance with the needs of the applicant pool in the local area and the status of the local economy. The members of the local board have the authority to continuously adjust policy to ensure a balance between the customer's need for immediate labor market attachment and the necessity of the provision of training before such can occur. Local WIB policies impact the speed with which a customer can transition from core to intensive to training services. Also, as indicated earlier, Section 663.420 of the WIA Regulations states that, "limitations established by State or local board policies... should not be implemented in a manner that undermines the Act's requirement that training services are provided in a manner that maximizes customer

choice in the selection of an eligible training provider.” Customers, working with LWIA staff, have the right of customer choice in which training provider they choose to redeem their ITA, as long as the provider meets the standards set by the LWC and has been approved by the local boards to be on the ETPL. Directives that are more restrictive than this would undermine the competition among providers. Such restrictions would also interfere with the ability of the customer to make informed selections among providers considering the track record of program success and the expected wage upon labor force attachment.

**Recommendation #4:**

The Louisiana Workforce Commission should monitor the LWIBs to ensure that they are providing adequate oversight to ensure that the One-Stops are guiding people to training programs in which they will be successful and employed.

**Management Response #4:**

LDOL has provided training and tools to LWIA's to assist their staff in delivering effective case management to their customers in selecting types of training and training providers. In addition, each LWIA is required to meet performance measures based on employment, retention, earnings gain, training credential and customer satisfaction. If they fail to assist customers in making good training choices, it will adversely affect each of these performance measures. LDOL monitors these measures and provides technical assistance in those areas where needed.

**Recommendation #5:**

LDOL should establish an accountability mechanism for the Job Challenge Program contract to verify that deliverables meet contract terms before issuing payments.

**Management Response #5:**

As of May 2002, LDOL implemented a more stringent verification process for the Job Challenge contract. This change in process was prompted by ongoing assessment of the current procedures. The request for payment documentation is currently being reviewed by both the contract monitor of the technical assistance unit and the staff officer of the budgeting/monitoring unit. Both positions review documentation against contract deliverables prior to submission to management for payment approval. These steps were taken to improve the system of checks and balances, thereby enhancing internal control.

Additional steps have been taken to modify the current contract to further refine employment outcomes and require additional documentation for verification of performance. Verification of training related job placement has been refined to include both the use of LDOL's Unemployment Insurance database and the United States Department of Labor's (USDOL) O'Net labor market information Code Connector module. The O'Net tool provides cross- references between job families and related job titles.

**Recommendation #6:**

LDOL should develop formal written policies and procedures for the Incumbent Worker Training Program.

**Management Response #6:**

The Incumbent Worker Training Program currently uses state statutes, the rules, internal procedures, and program instructions to operate. Policies, in the form of instructions, continue to be developed to address new issues as they arise due to the limited history and ongoing development of this program. We currently have several policies in place and in various stages of development as shown in the chart below. Once finalized, these instructions are issued to all IWTP Grant Recipients, Regional Managers, Area Office Managers and Regional Business Liaisons. The active approved instructions will soon be available on the LDOL web site. Portions of these instructions are being incorporated into a revised IWTP Contract boilerplate for future contracts.

Instruction No.	Subject	Status
1	Transmittal of Questions and Answers	Now available on the LDOL Website – (to be updated this month)
2	Quarterly Report	Now available on the LDOL Website- (to be updated this month)
3	Policies and Procedures to Access New Funding Level	Active (undergoing revision)
4	Clarification of Training Time Allowable	Active
5	Increase in Approved Funding Levels	Active
6	Employer Contributions	Active
7	Contract Revisions, Modifications and Closeouts	Pending Approval
8	Measures to Prevent Audit Exceptions/Guidelines for Subcontractors and/or Third Party Agreement	Pending Approval
9	Disallowed Costs	Pending Approval
10	Sign In Sheet Requirements for IWTP Invoices	DRAFT
11	Final Contract Performance Evaluation	DRAFT
12	Invoice Guidelines	DRAFT

The following summarizes the internal procedures available to all IWTP staff on the LDOL Share Drive and in handbook format:

1. Application Intake Process
2. Order of IWTP Folders
3. IWTP Folder Check Out Log System
4. Processing Application
5. Creating an IWTP Contract
6. Emailing Contract Checklist
7. Procedures for Receipt of Signed Contracts
8. Contract Modification Procedures when Company is acquired by Another Company
9. Early Contract Closeout
10. Close Out of Contracts to OCR
11. Invoice Processing
12. Disallowed Costs
13. Quarterly Report Reminder – Contact Schedule
14. Responses to Monitoring Reports
15. Public Records Requests

**Recommendation #7:**

LDOL should develop guidelines for the types of training allowed through the Incumbent Worker Training Program. For instance, should the IWTP be providing skills training or providing assistance in the completion of a formal college education?

**Management Response #7:**

In accordance with the statutes governing the IWTP, funds are pledged and dedicated for use solely and exclusively to fund “customized” training for the benefit of businesses operating in Louisiana. While the majority of training funded by IWTP is considered “skills” training, funds have been provided for training in other areas (i.e. basic skills, soft skills, leadership and safety) in order to meet the needs of businesses operating in the state of Louisiana. The majority of the training courses are not formal college courses; however, we feel it important to note that by not allowing some justifiable formal college courses, some participants would not be able to advance, such as in the case of progression from LPN to RN.

In an effort to determine the needs of Louisiana employers in the spring of 2000, the LDOL hosted Employer Forums statewide to obtain feedback from employers on labor shortages and how the public sector can be more responsive to employer’s needs. A total of 627 employers participated in the forums. Among other questions, the employers were asked the questions listed below relating specifically to training. The answers provided to these questions have played an important part in implementing all training funded by LDOL, including the IWTP.

1. What are public and private institutions lacking to equip employees with the skills needed for jobs in your business?
2. What specific technology skills are needed for jobs in your business?

In summary, all regions indicated a need for "*hard skills*", all Regions indicated a lack of "*basic skills*" in Reading, Writing, and Math, in addition to "*soft skills*" such as Team Work, Work Ethic, Motivation, Professional Communication, Customer Service, Sales, etc. Some regions indicated a need for "*leadership*" and "*safety*" training. Complete results of the employer forums are available on the LDOL web site at: <http://www.laworks.net/laworksweb/rmla.asp>. Guidelines that would restrict the type of training offered could impede the department from responding to the needs identified by the employers the program is intended to serve.

**Recommendation #8:**

LDOL should specifically define when a performance objective is considered successfully met for an Incumbent Worker Training Program contract.

**Management Response #8:**

LDOL concurs that now that we have had experience with this program and have collected enough data to analyze results, we will agree to reexamine the IWTP performance objectives to determine how to best reflect program goals. In addition, as we bring our IWTP MIS system online it will better collect data for and document these data elements.

**Recommendation #9:**

LDOL should clearly define how the performance objective "Number of Employees to Complete Training" is calculated and standardize this definition for all contracts.

**Management Response #9:**

LDOL concurs that now that we have had experience with this program and have collected enough data to analyze results, we will agree to reexamine this IWTP performance objective to determine how to best reflect program goals for all contracts. In addition, as we bring our IWTP MIS system online it will better collect data for this element.



**Recommendation #10:**

LDOL should modify the performance objective "Number of Additional Jobs Created" so that it reflects the effect of the training provided through the contract.

**Management Response #10:**

LDOL concurs that now that we have had experience with this program and have collected enough data to analyze results, we will agree to reexamine this IWTP performance objective to determine how to best reflect program goals. In addition, as we bring our IWTP MIS system online it will better collect data for and document this element.

**Recommendation #11:**

LDOL should modify the performance objective "Average Wage Increase" to include all employees that participated in the training. This will also ensure that the information in the Executive Budget is accurate and meaningful.

**Management Response #11:**

LDOL is currently redefining this indicator in the contracts to reflect those persons for whom a wage increase following training was a program objective. LDOL is also establishing a procedure to identify the total number of employees who were trained, the percentage of those for whom a wage increase was the intended outcome, and the proportion of those employees actually receiving said increase at the conclusion of training. LDOL will work with legislative and administrative staff to determine the most feasible way to report this data to the legislature.

**Recommendation #12:**

LDOL should set limitations or standards on the cost of training classes at public institutions for the IWTP.

**Management Response #12:**

When the Program was in the early stages of development, the IWTP staff recognized the need for a source to determine if training costs identified in IWTP applications were consistent and in alignment with the normal cost of conducting training by public and private training providers. As a result, the IWTP Unit established an internal Access

Database to track published and non-published training costs for customized training. The database includes:

1. Courses that have been approved through the IWTP - This section of the database tracks courses by year, course name, maximum class size, whether course is tuition or instructor based (if instructor based, hourly instructor rate plus percentage of fringe benefits), training provider, training provider type and region.
2. Published Courses - Data in this section is updated during the spring and fall semesters from web sites and training provider catalogs of both public and private training providers. Data is tracked by course name, training provider name, training provider type, tuition catalog price, catalog publication date, course hours, tuition web site price, and web site date of reference.
3. Vendors - This section of the database was added within the last month and is currently being updated.

In addition, the IWTP staff has been trained to use the Louisiana Occupational Information System (LOIS) Education/Training Provider Information that includes training costs by training provider and course. However, it is important to note that a large portion of training received by IWTP is “**customized**” and does not appear in the data collected and maintained on LOIS. The IWTP staff is currently coordinating with the LDOL-WIA staff to develop more comprehensive methods for tracking and determining appropriate costs for training. The purpose of tracking information relative to costs of courses is to provide adequate background information for negotiating from a point of strength the costs of training as opposed to arbitrarily setting a price.

**Recommendation #13:**

LDOL should develop a mechanism to track the cost of the training provided through the various programs (including IWTP and WIA) so that comparisons can be made. This information should be reported to the Legislature on a regular basis.

**Management Response #13:**

Each of the programs mentioned fundamentally differ in terms of intent and targeted audiences, making comparisons of training costs between the two programs unreliable. The IWTP was designed to be employer focused, while the WIA was designed to be applicant focused. Training costs are not tracked separately under WIA. The USDOL does not require this and we agree with this given that case management and the cost of supportive services are critical in order for the applicant to succeed. Thus, under the WIA, case management and supportive services designed to help individuals gain attachment to the labor force should be reflected in the cost to serve a participant, although such services are not considered to be training. Therefore, delineation of

training costs would yield a number that is not representative of the total cost to serve a participant. If this recommendation were to be implemented, state funds would have to be provided for this mandate since federal dollars do not require reporting the data in this manner. For the IWTP, case management and supportive services are not required because the individual is already employed. The IWTP costs per participant are based mainly upon the cost of training and training related equipment. In cases where equipment was purchased in prior contracts, the subsequent per participant cost would be artificially deflated due to the exclusion of equipment figures.

**Matter for Legislative Consideration #1:**

The legislature may wish to consider reducing the amount of funds collected for this program due to the large fund balance available for expenditures and the low levels of completion rates for the contracts that have been completed.

**Management Response #1**

We have identified three primary reasons why the expenditure levels appear low.

1. **LAG TIME PRIOR TO START OF TRAINING PROGRAMS** - In many cases there is a significant lag time between the start date indicated on an IWTP Contract and the actual date training begins and invoices are submitted to LDOL for payment. Many of these problems are due to the inexperience of the employers and training providers in planning for a customized training program as no program of this type was offered or operated by LDOL prior to the inception of IWTP. Lag time can result from various problems including:
  - a. Insufficient Preparation for beginning training after contract is finalized: For many programs a delay of several weeks may be necessary for order and receipt of equipment, books, materials and supplies. In some instances additional time may be needed to correct mistakes in equipment and supply orders. Additional time is also needed for recruiting and hiring appropriate staff, instructors and coordinators for the program.
  - b. Scheduling of trainees according to employer's workload: Many employers underestimate the ability of their business to function without staff and as a result may delay scheduling the start dates of training.
  - c. Excessive, unplanned increase or decrease in employers' workload: Dramatic increases or decreases in workload many times delay and/or cause the cancellation and rescheduling of training classes/programs and seminars. Workload may be affected by various problems such as weather conditions, seasonal fluctuations, general economic conditions or unanticipated events, resulting in insufficient or excessive staffing

and layoffs, thus interfering with the plans and goals set forth in the IWTP application/contract.

- d. Fluctuations in turnover rates and unexpected events affecting business: Loss of contracts, rise or fall in the price of oil, September 11<sup>th</sup> Terrorists Attacks, or weather conditions delaying completion of business projects.

**Solution initiated by LDOL** – The IWTP Program hired and trained Field Specialists to assist employers and training providers in writing the applications and allowing adequate research and sufficient time for the start-up of programs. On July 22, 2002, the IWTP Administrative Unit completed the process of hiring Field Program Advisors. These positions are being used to monitor progress of training programs, and assist in resolution of difficulties identified. The advisors also develop solutions and program reform measures to reduce the problems identified as frequently reoccurring. Advisors also prepare and forewarn employers and training providers of the possibility of problems.

## **2. SUBMISSION OF INCOMPLETE/INADEQUATE INVOICES** - IWTP

contracts are on a cost reimbursement basis, which inherently adds a delay to the expenditure of funds. In addition, some training providers submit invoices for payment to LDOL with inadequate, insufficient, or unclear supporting documentation. When invoices are reviewed by LDOL and found to contain errors or omissions in documentation, the LDOL IWTP Unit puts the invoices in “hold” status and notifies the training providers of what information is needed for LDOL to approve payment of the invoice. Invoices cannot be paid nor included in the IWTP total expenditures until all errors are corrected and proper documentation is submitted.

**Solution initiated by LDOL** - The IWTP Administrative Unit has developed an Invoice Review Unit to streamline and track the invoice review process. The Unit has drafted an Invoice Guideline Policy, which was distributed to all training providers/accounting offices. The Invoice Guidelines give instructions on what information to include when submitting invoices, and what types of supporting documentation are acceptable. In addition, invoice training for all providers has been scheduled for October 2002. Individual visits with training providers/employers have also been scheduled on an as needed basis when risk factors are identified.

- ## **3. OVERESTIMATION OF TRAINING NEEDS AND FUNDING** - Many training providers and employers were inexperienced in the process of planning and estimating training needs. As a result, many employers find it necessary to reevaluate their training plan and make reductions in the training requirements or number of employees to be trained after the contract is implemented.

**Solution initiated by LDOL** - The IWTP Field Specialists have been instructed to closely scrutinize all incoming applications for sufficient justification for the proposed training plan and the number of workers to be trained. Specialists renegotiate these

Dr. Kyle  
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numbers when needed. In addition, the Field Specialists remind employers and training providers that the modification process is available to add employees and funding at a later date if necessary. In addition, the IWTP Administrative Unit has developed and initiated the use of an internal New Hire Policy which limits employers to training the number of workers for which they paid Unemployment Insurance (UI) taxes to the state of Louisiana. In addition, the new hire rate under this policy is limited to the lesser of 50 workers or 20% of the total employed as reported to LDOL for UI purposes.

**Matter for Legislative Consideration #2:**

The legislature may wish to further define or make clearer the intent and expectations of this program.

**Management Response #2:**

Between the legislative hearings during the passage and expansion of the IWTP and the rule oversight hearings as well as the law itself, the department feels comfortable with the legislative intention and expectations. Obviously, the legislature can refine or change the program's direction during any session. It is our hope that the legislature will continue to allow flexibility in the program to maintain the customized nature of the program and to meet the changing needs of the businesses it is designed to serve.

I am willing to answer any questions that you have regarding this response.

Sincerely,



Dawn Romero Watson  
Secretary

Attachment

***DEFINING OCCUPATIONS IN DEMAND FOR THE PURPOSES OF WIA***  
**Recommendation from the Occupational Forecasting Conference**

**Issue:** The preamble to the final regulations governing the Workforce Investment Act (WIA) states, "Section 663.310 requires that, to receive training, an individual must select a program of services directly linked to **occupations in demand** in the area, based on information provided by the One-Stop operator or partner."<sup>1</sup> For the purposes of WIA, how should "occupations in demand" be defined? The Occupational Forecasting Conference is providing the following recommendation to the Workforce Commission for consideration to establish acceptable standards for defining occupations in demand.

**Discussion:** There are different levels of "demand," including criteria that define the "Top Demand Occupations." At issue is the question of how local areas define "occupations in demand" for the purposes of WIA. Various localities are likely to range from very stringent to very loose definitions of demand. The Top Demand Occupations reflect a high level of demand, but arguably there are other sources of demand information that may reflect either a lower level of demand (but demand nonetheless) or short-term demand rather than long-term. The objective of the proceeding pages is to provide guidance for the local Workforce Investment Boards in determining occupations in demand. As this is a policy decision, the Occupational Forecasting Conference is forwarding this draft to the Workforce Commission for consideration and adoption. This draft has been reviewed and edited with input from the Department of Labor's Office of Workforce Development.

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<sup>1</sup> 20 CFR Part 652 et al. Workforce Investment Act; Final Rules; p. 49327

## **Approved Occupations in Demand – Recommendation from the Occupational Forecasting Conference**

**General:** Level 1 and level 2 demand occupations are only derived at the regional labor market area (RLMA). In order for an occupation to be added to the demand list under level 3, an annual demand of \*15 will be determined at the RLMA, **but may** include area(s) outside the RLMA. For example, RLMA 3, which is comprised of three parishes, may be limited in the ability to derive a demand of 15 for an occupation. Therefore, it would be acceptable to include area(s) within typical commuting patterns to the RLMA in determining the demand for an occupation.

Note that if the WIA participant declares intent to relocate, the listing from the region to which she/he plans to relocate should be considered.

### **Level 1: Top Demand**

Any occupation that appears on the Top Demand Occupations list for that particular region as approved by the Occupational Forecasting Conference shall automatically be considered a demand occupation for WIA purposes.

### **Level 2: Demand**

Occupations that appear in the Louisiana Department of Labor's occupational projections that reflect **20** or more annual openings shall automatically be considered a demand occupation for WIA purposes.

### **Level 3: Locally determined:**

Occupations in demand as determined by the Local Workforce Investment Board (WIB). Supporting documentation from reputable sources must be included. These occupations should be reviewed on an annual basis to determine continued inclusion on the list.

#### **a) Job Orders:**

Bona fide job listings through the Louisiana Department of Labor, local newspaper, or other reputable Internet sites (i.e. America's Job Bank (AJB), Monster.com, etc.). The number of non-duplicated regional listings should be no less than **five** openings over a 4-month period which translates to \*15 in a 12-month period.

#### **b) Employer Surveys:**

Employer surveys that try to determine current and projected occupational shortages. Local WIBs, chambers of commerce, economic development entities, business and trade organizations, LDOL, and/or academic institutions can conduct surveys. Results should support an annual demand of \*15 or more.

#### **c) Targeted Industries:**

Identified occupations within "targeted industries"; to be locally determined by the local WIBs, through coordination with chambers of commerce, economic development entities, and business and trade organizations. Such targeted industries may be identified in economic development plans whose objectives are to attract or expand specific industry

sectors within the region. It should be demonstrated that occupations within these industries would result in an annual demand of \*15 or more.

**d) Other:** Identified occupations that are not justified in 3 a, b, & c. Inclusion of these occupations to the RLMA demand list **must** be substantiated with documentation which is subject to review by the Louisiana Department of Labor and the Louisiana Workforce Commission.

*\* The total annual demand figures were rounded in the occupational forecasting process; hence, any value 15 - 24 would round to 20. Using 20 as the threshold would be in accordance with the criteria established in the process of developing the top demand occupations, previously adopted by the OFC.*



## **Appendix H**

# **Louisiana Workforce Commission's Response**



M. J. "MIKE" FOSTER, JR.  
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September 23, 2002

Dr. Daniel Kyle, PhD, CPA, CFE  
Office of the Legislative Auditor  
Post Office Box 94397  
Baton Rouge, LA 70804-9397

Dear Dr. Kyle:

Attached you will find a copy of the Louisiana Workforce Commission's response to recommendations in your audit report on the Louisiana Department of Labor: Training Activities. We appreciated the opportunity to meet with members of your staff to discuss the report and to clarify our questions.

If you have any further questions regarding our response, please do not hesitate to contact me at 342-2462, or Andrala Walker of my staff at 219-4494. Again, we express our thanks for your staff's assistance in this matter.

Sincerely,

Chris Weaver, Director  
Governor's Office of the Workforce Commission

Enclosure

*Office of the Legislative Auditor – Performance Audit Division*  
*Response to Audit Recommendations for Louisiana Department of Labor: Training Activities*

**Background:**

The Louisiana Workforce Commission was created by Act 1 of the 1997 regular legislative session (LRS 23:2071) to serve as the review and policy-making body for all issues relating to workforce education and training services within the state. In its role, the Commission reviews policies and makes recommendations to the governor on issues of strategic concern to the successful development of the state's workforce development system. Key to this successful development has been the passage and subsequent implementation of the Workforce Investment Act (WIA) of 1998. Under the Workforce Investment Act, the Job Training Partnership Act (JTPA) was replaced with Title I and the Wagner-Peyser Act was amended. Also included in WIA are the Adult Education and Family Literacy Act (Title II), and the Rehabilitation Act Amendments of 1998 (Title IV). Louisiana opted to submit a unified state plan, including Titles I, II, and IV of the Workforce Investment Act and the Carl D. Perkins Act.

As indicated in the Legislative Auditor's report, WIA provides significant reform to Federal job training programs and creates a new way of meeting the needs of businesses for skilled workers and the training and employment needs of citizens. As a result, the Act places a great deal of emphasis on several key principles. Among them:

- a. **Streamlining services** – WIA mandates the creation of a One-Stop service delivery system that provides services, either onsite or through a technology linkage to nineteen required partner programs, including HUD, Adult Education, and Carl D. Perkins.
- b. **Empowering individuals** – WIA gives participants the use of Individual Training Accounts (or ITAs) at eligible training providers. These providers are chosen by the individual through a system of consumer reports focused on performance outcomes and results. There is an inherent goal of increased customer choice, informed by greater levels of information.
- c. **Increased accountability** – The Act identifies core performance indicators that State and local entities managing the workforce investment system must meet – or suffer sanctions. Training providers and their programs must demonstrate successful performance in order to remain eligible to receive ITAs. This system forces providers to make performance accountability and customer satisfaction a high priority.
- d. **State and local flexibility** – States and localities have increased flexibility and authority to implement innovative strategies and comprehensive reforms tailored to meet the particular needs of local and regional labor markets.

After careful review of WIA implementation in Louisiana by Workforce Commission staff, it is clear that this law has provided an unprecedented opportunity for the type of significant reforms embodied in these principles. However, it is also clear that these same principles have provided considerable challenges, and in some cases, barriers, to the creation of a truly comprehensive and successful workforce investment system. For example, the U.S. Department of Labor required the creation of a One-Stop system and the participation of nineteen federal partners, but provided no programmatic guidance or fiscal accountability guidance for the system's development. This resulted in over a year of delay as these federal program partners worked to sort out the myriad issues involved, including co-location, cost-allocation methodologies, and service delivery. In another example, WIA creates an eligible training provider list

(ETPL), which requires training providers to meet established minimum performance levels for continued eligibility. If a training provider fails to meet the minimum performance levels, it is removed from the list. Yet WIA regulations enable a local area to initiate a “request for proposal” process if it determines that there is an “insufficient” number of providers available within the local area. This allows for the possibility of LWIAs contracting with providers that may have been removed from the ETPL for non-performance.

The Louisiana Workforce Commission, as many of its peer state Workforce Investment Boards, hopes that many of these “loopholes” will be closed during the re-authorization of the Workforce Investment Act, scheduled for 2003. Until such time, the Commission continues in the role that has been defined by statute and in the Unified State Plan: “For the purposes of planning and development of policies related to the Unified State Plan, the Commission shall review, comment, and make workforce policy recommendations to the governor for consideration. The state agencies that have been designated by the Governor or Legislature as the administrative entities for such title shall have the authority and responsibility to administer those specific titles and shall work closely with the Commission as required by Act 1.”

It is in this context that the Louisiana Workforce Commission provides its responses to the Legislative Auditor’s report on the Department of Labor: Training Activities.

## Responses

**Recommendation 1:** The Louisiana Workforce Commission should direct the LWIAs to develop standard and consistent policies regarding ITAs.

**Response:**

**Disagree.**

Although the role of the Louisiana Workforce Commission is to provide broad policy oversight to the state’s workforce investment system, the federal Workforce Investment Act, through its rules and regulations issued August 11, 2000, *gives Local Workforce Investment Areas, the responsibility and the authority to design policies regarding Individual Training Accounts*. For example, the regulations specifically state in the case of limitations on the amount and the duration of ITAs:

“§ 663.420(b)(2) allows Local Boards to set a range of limits, based on a participant’s needs. This option provides considerable flexibility to the Local Board to support a policy that provides for variations in the funding of ITAs. Thus, particular occupational training that leads to self sufficiency, or furthers other goals of the workforce investment system, could be set at different dollar limits.” (p.49329)

At minimum, the Louisiana Workforce Commission requires that each local workforce investment board has written Individual Training Account policies and participant grievance procedures that are available to the public upon request and

that these policies are kept and monitored by the state Department of Labor. The Commission exerts the most influence for the ITA system on the side of the training providers. Annually, the Commission sets minimum performance standards that all training providers must meet in order to be placed on the Eligible Training Provider List. As of August 2002, training providers must meet three standards: (1) 40% program completion rate; (2) 60% program participant employment rate; and (3) \$5.60 hourly wage rate.

Training providers who are unable to meet all three standards are removed from the ETPL until such time that verifiable data is presented that shows the programs have achieved the minimum levels of performance for the year. Although local areas are given considerable flexibility in determining local policies, they can *only issue ITAs to providers who are on the current ETPL list.*

**Recommendation 2:** The Louisiana Workforce Commission and the Louisiana Department of Labor (LDOL) should work with the LWIAs to continue to develop a system to maintain complete and accurate documentation on ITAs and other services provided through the Workforce Investment Act.

**Response:**

**Agree.**

*Since 1997, the Commission has overseen the Department of Labor's development of Louisiana's Occupational Information System, or LOIS.* LOIS contains three parts: (1) the Consumer Information System; (2) the Occupational Forecasting Conference; and (3) the Scorecard – an online performance-based rating of education and training providers. For the first time in history, Louisiana citizens can review a listing of all education and training providers within their localities and regions. Moreover, they can access performance data about providers, including completion rate and percentage of persons who have graduated from a program and who are employed. As WIA requires, the LDOL has developed LAVOS, (Louisiana's Virtual One Stop) an online case management system that documents services provided through the One-Stop service delivery system and ITAs that are issued. It is anticipated that all 18 LWIAs will have the capacity to report accurate counts and other relevant information concerning ITAs and other core and intensive services provided through the LAVOS system within the year.

**Recommendation 3:** The Louisiana Workforce Commission should monitor the types of training being provided through the ITAs to ensure that excessive or inappropriate training is not being provided. In addition, the Commission should monitor to ensure that funds are effectively and equitably distributed throughout the LWIAs and among different training programs.

**Response:**

**Disagree.**

The Louisiana Workforce Commission serves as the policy-making and coordinating body for the state's workforce development system. As indicated earlier, the LDOL is the administrative entity that manages the day-to-day

oversight of WIA implementation and has been directed through the federal law, as the state's designated entity, to provide monitoring and evaluation for the program. The Commission believes that the performance and accountability expectations inherent in the Workforce Investment Act provide the balance needed between state and local entities. Under Title I, the State is required to meet a minimum level of performance for 18 indicators that are negotiated with the US DOL. Among these indicators are: entry into unsubsidized employment, retention in employment six months after entry into employment; earnings gains received six months after employment; and attainment of recognized credentials. State-level negotiated performance measures are based on negotiations of these measures that have occurred between LDOL and the 18 LWIAs. Sanctions may be imposed against both local-level and state-level Title I programs for failure to achieve the negotiated and agree-upon levels of performance. In an effort to guard against performance-based sanctions, ***the Commission requires reports regarding progress being made toward the attainment of the performance goals*** from all the federal and state funded workforce education and training programs it oversees.

However, in an effort to develop relevant accountability, staff will recommend to the Workforce Commission to convene the LWIAs and LDOL staff to discuss this report and gain feedback about strategies that might be further employed to determine how ITAs are being used and to evaluate their long-term effectiveness.

**Recommendation 4:** The Louisiana Workforce Commission should monitor the LWIBs to ensure that they are providing adequate oversight to ensure that the One-Stops are guiding people to training programs in which they will be successful and employed.

**Response:**

**Disagree.**

As indicated in the above responses, the Workforce Commission views its role as that of a policy-making and coordinating entity. It believes the Department of Labor is the administrative entity designated by law and the Governor to provide monitoring and evaluation functions for WIA Title I federal funds. However, staff will recommend to the Workforce Commission to convene the LWIAs and LDOL staff for a discussion of this recommendation, in an effort to determine if more effective strategies might exist. As a result, there is a possibility that increased technical assistance and staff development might be provided for One-Stop staff to help people make more informed career decisions.