
Office of Legislative Auditor

Daryl G. Purpera, CPA, Legislative Auditor



Informational Report: Potential Duplication Among Agencies That Provide Workforce Training Programs

May 2010

Audit Control # 40090008

About This Informational Report

Louisiana Revised Statute 24:522(C) requires the Louisiana Legislative Auditor (LLA) to evaluate programs and services of state government agencies and identify areas needing improvement. In the last regular session, the legislature formed the Commission on Streamlining Government (Commission), and LLA was assigned to assist the Commission. One of the topics the Commission is focusing on is duplication of services provided by two or more agencies.

To assist the Commission, we will report on areas of potential duplication by two or more agencies in delivering services. We defined duplication as identical or similar activities performed by more than one agency leading to accomplishment of the same or similar goals. We will issue individual reports addressing different areas of duplication.

We obtained information from state law, budget documents, agency interviews, and other sources. We did not conduct this audit in accordance with all government auditing standards. Though we performed procedures adequate to identify potential duplication, we did not perform sufficient procedures to make definitive conclusions or estimate potential savings, if any, that may result from any action taken by these entities to eliminate such potential duplication.

We identified potential duplication among six agencies that provide workforce training. These agencies are the Department of Social Services (DSS), the Department of Health and Hospitals (DHH), the Louisiana Workforce Commission (LWC), the Department of Education (DOE), the Louisiana Community and Technical College System (LCTCS), and the Department of Economic Development (LED). We defined workforce training as vocational and technical courses or training used by individuals to acquire and/or improve job skills.

Potential Duplication Among DSS, DHH, LWC, DOE, LCTCS, and LED

Potential duplication exists because six state agencies provide workforce training to four different client groups. Throughout this report, we present the details of potential duplication of these six agencies organized by the four client groups that they provide workforce training to. We organized the report this way to clearly illustrate where potential duplication is occurring. The six agencies, their programs, and four client groups are shown in Exhibit 1 on the following page.

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In fiscal year 2009, total expenditures for these agencies to provide workforce training were at least \$179,371,380 including \$131,165,332 in federal funding; \$16,444,926 in state general funds direct; \$30,161,122 in statutory dedications, and \$1,600,000 in fees and self-generated revenues. Approximately 756 employees arranged for or actually conducted workforce training in fiscal year 2009.

Exhibit 1 Description of Programs and Clients Served Fiscal Year 2009			
Agency	Program	Description of Program*	Clients* Served
Department of Social Services (DSS)	Vocational Rehabilitative Services (VRS)	VRS provides workforce training for individuals with disabilities.	Disabled
Department of Health and Hospitals (DHH)	Office for Citizens with Developmental Disabilities (OCDD)	OCDD provides rehabilitative services, including workforce training, for individuals with developmental disabilities.	
DSS	Strategies to Empower People Program (STEP)	STEP and JTPP provide workforce training for low income individuals.	Low Income
Louisiana Workforce Commission (LWC)	Job Training and Placement Program (JTPP)		
Department of Education (DOE)	Office of Career and Technical Education (OCTE)	OCTE and LCTCS provide workforce training for high school and some middle school students.	Students
Louisiana Community and Technical College System (LCTCS)			
Department of Economic Development (LED)	Fast Start Program (FS)	FS provides workforce training for employees of businesses desiring to expand or locate in state.	Employees
LWC	Incumbent Worker Training Program (IWTP)	IWTP provides workforce training for current or potential employees of businesses that have been in the state for at least three years.	
* The program description and clients served relate only to workforce training. Each program may have additional activities and clients. Source: Prepared by legislative auditor's staff based on information provided by agency officials.			

Exhibit 2 on the next page presents the approximate expenditures and employees involved with potentially duplicative activity. The exhibit includes the cost of contracting for workforce training and the cost of employees who arrange for and actually conduct workforce training.

Exhibit 2 Information on Potentially Duplicative Activity in Providing Workforce Training Fiscal Year 2009					
Agency	Program	Clients Served	Expenditures*	Employees	Clients Trained
DSS	VRS	Disabled	\$12,499,409	126**	2,384
DHH	OCDD		11,231,295	268	1,383
DSS	STEP	Low Income	4,436,024	20***	2,453
LWC	JTPP		100,131,651	232	160,849****
DOE	OCTE	Students	16,911,879	15	140,000
LCTCS			4,000,000	60	11,000
LED	FS	Employees	1,111,690	13	238
LWC	IWTP		29,049,432	22	69,315
Total			\$179,371,380	756	387,622
<p>*Includes costs associated with contracting for training and programs that actually conduct training. ** 126 VRS employees work varying amounts of time in arranging workforce training for clients. *** 20 STEP employees have other program responsibilities in addition to arranging workforce training for clients. **** Includes number of clients they provided workforce training to and the number of clients they provided related services to (e.g., coaching on resume building). They were not able to break out the number of clients who received only workforce training. Source: Prepared by legislative auditor's staff based on information provided by agency officials.</p>					

Potential Duplication Between DSS/VRS and DHH/OCDD

Potential duplication exists because both programs provide workforce training for individuals with disabilities. Employees of both programs assess, evaluate, and screen potential clients; develop an individual client's workforce training plan; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Total expenditures for providing workforce training for these programs were approximately \$23,730,704 in fiscal year 2009, including \$5,852,062 in state general funds direct. The programs had a total of 394 employees, including 126 VRS employees who work varying amounts of time on arranging workforce training for their clients. Exhibit 3 on the following page provides more detailed information on these employees, expenditures, and clients served.

VRS

VRS assists individuals with disabilities in obtaining employment. To receive services, individuals must have a disability that limits their ability to work. VRS employees assess, evaluate, and screen potential clients; certify potential clients' eligibility for services; perform

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aptitude and interest tests on clients; determine job skills a client needs to become self-sufficient; develop an individual client's workforce training plan; develop and prepare a list of workforce training providers; approve contracts with training providers; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Specific examples of workforce training provided include automotive, carpentry, certified nursing assistant, electrician, pipe fitter, and welding. VRS provided workforce training for 2,384 individuals in fiscal year 2009.

OCDD

OCDD provides rehabilitative services (which include workforce training) to individuals with developmental disabilities. Individuals must have a diagnosis of a developmental disability before they can receive services from OCDD.

OCDD employees assess, evaluate, and screen potential clients; certify potential clients' eligibility for workforce training services; perform aptitude and interest tests on clients; determine job skills a client needs to become self-sufficient; develop individual clients' workforce training plans; prepare a list of workforce training providers; approve contracts with training providers; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Specific examples of workforce training provided include cleaning services, horticulture, industrial packaging, landscaping, laundry services, mail distribution, restaurant services, and vending machine services. OCDD provided workforce training for 1,383 individuals in fiscal year 2009.

Exhibit 3 DSS/VRS and DHH/OCDD Providing Workforce Training Fiscal Year 2009			
Agency/Program	Employees	Expenditures	Clients Trained
DSS/VRS	126*	\$12,499,409	2,384
DHH/OCDD	268	11,231,295	1,383
Total	394	\$23,730,704	3,767
*126 VRS employees work varying amounts of time in arranging training for clients. Source: Prepared by legislative auditor's staff based on information provided by DSS and DHH officials.			

Potential Duplication Between DSS/STEP and LWC/JTPP

Potential duplication exists because both programs provide workforce training to low-income individuals. Employees of both programs assess, evaluate, and screen potential clients who need services; develop training plans for clients; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Total expenditures for providing workforce training for these programs were approximately \$104,567,675 in fiscal year 2009, including \$2,692,864 in state general funds direct. The programs had a total of 252 employees, including 20 STEP employees who work varying amounts of time on providing workforce training for their clients. Exhibit 4 on the following page provides more detailed information on these employees, expenditures, and clients served.

STEP

STEP provides opportunities for work-eligible recipients of the Family Independence Temporary Assistance Program and Temporary Assistance for Needy Families Program. STEP employees provide job preparation and support services to enable their clients to become self-sufficient. All eligible non-disabled individuals participate in workforce training that will allow them to obtain the skills needed to get out of poverty. Individuals must commit to the program for a minimum of 30 hours a week or 20 hours a week if they have children under the age of six.

STEP employees assess, evaluate, and screen potential clients who need services; certify potential clients' eligibility for training; determine clients' employability; develop individual clients' training plans; produce and/or approve contracts with workforce training providers; develop and present a list of workforce training providers to clients; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Specific examples of workforce training provided include carpentry, commercial driving, electrician, oil and gas technology, and welder apprentice. The STEP program provided workforce training for a total of 2,453 individuals in fiscal year 2009.

JTPP

The JTPP staff works to decrease welfare dependency by developing a skilled workforce. The program provides training (through vendors) to job seekers through a network of 66 Business and Career Solution Centers (BCSCs). JTPP has 18 Workforce Investment Boards (WIBs) that are the policy makers for their regions in the state. Organized under the 18 WIBs are the BCSCs, which implement WIB policies and provide supportive services (e.g., resume assistance and interviewing techniques).

JTPP employees assess, evaluate, and screen potential clients who need services; certify potential clients' eligibility for training; determine clients' employability; develop individual clients' training plans; produce and/or approve contracts with workforce training providers;

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develop and present a list of workforce training providers to clients; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Specific examples of job training provided include automotive technology, computer, certified nursing assistant, electrician, and truck driving. The JTPP provided workforce training and related services for a total of 160,849 clients in fiscal year 2009.

Exhibit 4 LWC/JTPP and DSS/STEP Providing Workforce Training Fiscal Year 2009			
Agency/Program	Employees	Expenditures	Clients Trained
LWC/JTPP	232	\$100,131,651	160,849*
DSS/STEP	20**	4,436,024**	2,453
Total	252	104,567,675	163,302
*Includes number of clients they provided workforce training to and the number of clients they provided related services to (e.g., coaching on resume building). They were not able to break out the number of clients who received only workforce training. **20 STEP employees have other program responsibilities in addition to arranging training for clients. Source: Prepared by legislative auditor’s staff based on information provided by DSS and LWC officials.			

Potential Duplication Between DOE/OCTE and LCTCS

Potential duplication exists because both programs provide workforce training to high school and some middle school students. Employees of both programs develop workforce training courses, materials, and their delivery methods. While OCTE funds local school districts to conduct workforce training, LCTCS actually conducts workforce training.

Total expenditures for providing workforce training for these programs were \$20,911,879 in fiscal year 2009, including \$7,900,000 in state general funds direct. During fiscal year 2009, the programs had a total of 75 employees. Exhibit 5 on the next page provides more detailed information on these employees, expenditures, and clients served.

OCTE

OCTE enables high school and middle school students to obtain job training which prepares them for entry into the labor force. OCTE is available to any student enrolled in a Louisiana public high school and to some middle school students. Students have the opportunity to receive college credit or an industry-based certification. Students can use these credits at community and technical colleges after they graduate from high school. OCTE employees develop workforce training courses, materials, and their delivery; provide training to teachers and school counselors in local school districts (so that they can conduct workforce training); and provide funding to school districts that conduct workforce training.

Approximately 3,000 teachers from local school districts actually conduct workforce training for students. Funding is allocated to local school districts to provide career training. Specific examples of workforce training provided include carpentry, certified nursing assistant, electrical, patient care technician, and welding. OCTE provided workforce training to 140,000 students in fiscal year 2009. Approximately 10 percent of these courses are held on LCTCS campuses. An OCTE official acknowledged that school district employees provide some of the same type of workforce training that LCTCS provides.

LCTCS

LCTCS provides high school and some middle school students with appropriate education and training to increase their success in the state’s workforce. LCTCS institutions offer certification programs and vocational training programs. LCTCS employees develop workforce training courses, materials, and their delivery and conduct actual workforce training.

Specific examples of workforce training provided include accounting technology, air conditioning and refrigeration, automotive technology, carpentry, commercial driving, computer electronics technology, licensed practical nursing, and welding.

Exhibit 5 LCTCS and DOE/OCTE Providing Workforce Training Fiscal Year 2009				
Agency	Program	Employees	Expenditures	Clients Trained
LCTCS	LCTCS	60	\$4,000,000	11,000
DOE	OCTE	15	16,911,879	140,000
Total		75	\$20,911,879	151,000
Source: Prepared by legislative auditor’s staff based on information provided by LCTCS and DOE officials.				

Potential Duplication Between LED/FS and LWC/IWTP

Potential duplication exists because both programs provide workforce training to employees of businesses either in Louisiana or wanting to move into the state. Both programs’ employees approve contracts with training providers; refer clients to training providers; and pay for the workforce training provided to clients.

In fiscal year 2009, total expenditures for providing workforce training for these two programs were \$30,161,122 which were statutory dedications. These programs employed a total of 35 staff that arrange workforce training for their clients. Exhibit 6 on page 9 provides more detailed information on these employees, expenditures, and clients served.

FS

FS focuses its workforce training on employees of out-of-state companies considering locating in Louisiana and companies in Louisiana seeking to expand. FS provides a turnkey workforce solution for business and thereby addresses a top company concern--the availability of trained/qualified employees. A company must agree to create a minimum of 15 new jobs in Louisiana after receiving workforce training to qualify for the program. In addition, a company must sign an agreement, which spells out penalties if the minimum number of jobs are not created or retained.

FS is staffed by three LED employees and 10 LCTCS employees. In addition to LCTCS, FS also contracts with the private sector to provide training. FS employees develop relationships with the business community; develop agreements with providers of workforce training; produce and/or approve contracts with training providers; refer clients to training providers; and pay training providers for the workforce training provided to clients.

Specific examples of workforce training provided include facility process operations, hydraulics, industrial math, plant safety, precision measuring, production and inventory control, programmable logic control, and project management. FS provided workforce training to 238 individuals in fiscal year 2009, which was the year the program began operating.

IWTP

IWTP provides workforce training to current and/or potential employees of businesses that have been operating in the state for at least three years and are current on their payment of state unemployment taxes. The purpose of the program is to upgrade job skills through training. IWTP employees develop relationships with employers in the business community, and refer some employers to workforce training providers. However, most employers know the provider they want to use for training. IWTP, the employer, and the provider work together to develop a training plan and then the three parties approve a training contract. These customized training contracts specify specific performance objectives to result from the training such as number of employees retained as a result of training or number of additional jobs created as a result of training.

Specific examples of workforce training provided include computer, pipefitting, safety training, technical skills, and welding. IWTP provided workforce training to a total of 69,315 individuals in fiscal year 2009.

IWTP is funded by a portion of employers' payments of quarterly Unemployment Insurance taxes being credited to the Incumbent Worker Training Account, which is established in the Employment Security Administration Fund. Under the customized training program, the employer pays the cost of training to the provider chosen by the employer to deliver training. Proof of training attendance is required for reimbursement from the IWTP, according to a program official. The reimbursements are classified as statutory dedications.

Exhibit 6 LED/FS and LWC/IWTP Providing Workforce Training Fiscal Year 2009				
Agency	Program	Employees	Expenditures	Clients Trained
LED	FS	*13	\$1,111,690	**238
LWC	IWTP	22	29,049,432	69,315
Total		35	\$30,161,122	69,553
*3 LED employees; 10 LCTCS employees. **FS began operations during fiscal year 2009. Source: Prepared by legislative auditor's staff based on information provided by LED and LWC officials.				

FOR QUESTIONS RELATED TO THIS INFORMATIONAL REPORT,
 CONTACT MIKE BATTLE, PERFORMANCE AUDIT MANAGER,
 AT 225-339-3800.
 A copy of this report is available at our Web site www.la.la.gov.

Under the provisions of state law, this report is a public document. A copy of this report has been submitted to the Governor, to the Attorney General, and to other public officials as required by state law. A copy of this report has been made available for public inspection at the Baton Rouge office of the Legislative Auditor.

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