

**Connecticut's One-Stop  
Readiness Under the  
Workforce Investment Act**

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## ACRONYMS

CETC Connecticut Employment and Training Commission

CTDOL Connecticut Department of Labor

ETA Employment and Training Administration

JTPA Job Training Partnership Act

WIA Workforce Investment Act

## EXECUTIVE SUMMARY

This report presents the results of the audit of the State of Connecticut's One-Stop career center system. The audit objective was to assess the status of Connecticut's One-Stop career center system relative to where it needs to be to meet Workforce Investment Act (WIA) requirements. This report provides the reader with a snapshot as of August 20, 1999, of where Connecticut stands in implementing WIA requirements and actions to be taken by July 1, 2000.

WIA was passed in August 1998, to reform Federal job training programs and create a new, comprehensive workforce investment system. The cornerstone of the new workforce investment system is a One-Stop service delivery which unifies numerous training, education and employment programs into a single, customer-friendly system in each community. WIA requires that states complete full implementation by July 1, 2000.

### AUDIT RESULTS

Connecticut has established a One-Stop center in each local area. However, Connecticut needs to address the following areas to meet the requirements for a One-Stop career center

system under WIA:

- ! include required partners on the Local Workforce Investment Boards and required programs/services in the One-Stop system;
- ! develop and execute comprehensive Memoranda of Understanding with program partners;
- ! allocate a fair share of operating costs to all partner programs and other benefitting entities;
- ! develop required reports and expand the data collection system to include all required data elements; and
- ! Improve customer access to self-service activities.

The Commissioner of the Connecticut Department of Labor (CTDOL) responded to the draft report on December 21, 1999. The Commissioner generally recognized that changes needed to be made in its existing systems to comply with WIA by July 1, 2000. The response has been incorporated into the report with our comments, when appropriate, and included in its entirety as an Appendix.

## INTRODUCTION

### BACKGROUND

WIA was passed in August 1998 to reform Federal job training programs and create a new, comprehensive workforce investment system. The cornerstone of the new workforce investment system is a One-Stop service delivery which unifies numerous training, education and employment programs into a single, customer-friendly system in each community. WIA requires that states complete full implementation by July 1, 2000. Interim final regulations, effective May 17, 1999, provided further direction on WIA requirements.

In 1994, Connecticut was awarded a planning and implementation grant to establish a One-Stop system. The grant, as modified, provided \$9.5 million in funding through September 1999.

### OBJECTIVES AND SCOPE

The audit objective was to assess the status of Connecticut's One-Stop career center system relative to where it needs to be to meet WIA requirements by July 1, 2000.

Subobjectives were to assess the status of Connecticut's One-Stop career center system in:

1. opening centers in each local area,
2. including all WIA required One-Stop partners,
3. establishing agreements with agencies providing WIA required partner services,
4. developing a financial system to meet One-Stop needs under WIA,
5. developing a data collection system to meet One-Stop needs under WIA, and
6. providing access to services at the One-Stop centers.

In performing this audit, we conducted interviews with officials from the Employment and Training Administration (ETA), CTDOL, and two One-Stop centers in the cities of Hartford and Hamden. We reviewed and analyzed minutes from State-level planning committee meetings, agreements for cost sharing and services to be provided, services for job seekers and employers, and other planning and implementation documents from various sources. We visited the Hartford, Hamden and Manchester One-Stop centers and a kiosk located in the Meriden Public Library. We did not assess One-Stop center performance, customer satisfaction, or customer choices. We also did not review internal controls relative to the One-Stop career center system.

The audit was performed in accordance with Government Auditing Standards issued by the Comptroller General of the United States. We conducted fieldwork from August 2, 1999, to August 20, 1999. We held an exit conference with CTDOL officials on December 21, 1999.

## AUDIT RESULTS

### **1. Opening Centers in Each Local Area**

WIA, Title I, Subtitle B, Chapter 5, Section 134(c)(2)(A) requires, at a minimum, that each of the required programs, services, and activities be accessible in at least one physical center in each local area of the State.

Connecticut has at least one physical One-Stop center in each of its 8 local areas, opening a total of 19 centers across the State. However, the State was unable to demonstrate that each local area had at least one full service One-Stop center providing core services as required under WIA Section 134(d)(2).

In its response, CTDOL stated:

*“ . . . Under the Workforce Investment Act we will be required to have at least eight full service centers with all the required partners and services. . . . ”*

### **2. Including All WIA Required One-Stop Partners**

WIA, Title I, Subtitle B, Chapter 3, Section 121(b)(1)(B) requires as partners those entities that carry out specific employment, training and education programs and activities. WIA requires the program partners be accessible through One-Stop centers and be represented on State and local Workforce Investment Boards.

#### One-Stop Career Centers

Connecticut's One-Stop career center system did not meet the WIA requirement for including all WIA required partners in the system. Connecticut does not have a plan or existing agreements with program partners at either the State or local levels which would indicate a partner's participation through the One-Stop career center system. Connecticut has not taken steps to ensure that specific customer groups, such as those served through the Migrant and Seasonal Farmworkers and Indian and Native American programs, are served through the One-Stop career center system.

#### State Workforce Investment Board

In February 1999, the Governor designated the Connecticut Employment and Training Commission (CETC) as the State Workforce Investment Board. CETC was created in 1989, to carry out the

duties and responsibilities of the State Job Training Coordinating Council pursuant to the Job Training Partnership Act (JTPA). CETC complies with the alternative entity criteria of WIA Chapter 3, Section 111(e), and is substantially similar to a WIA compliant board in membership with members representing most of the required program partners under WIA. If there is a change in membership structure, the CETC will have to be reconstituted to fully comply with WIA.

### Local Workforce Investment Boards

During the audit, each local area had a Workforce Investment Board which was established under JTPA rules. However, CETC had not yet settled the issue of local Workforce Investment Board composition, whether to grandfather in the existing board or reconstitute the board according to WIA requirements. State staff believed the local boards would be grandfathered in. After concluding fieldwork, we were informed by ETA that the CETC had decided to reconstitute the local boards according to the requirements of WIA. We have not examined the membership of the reconstituted boards.

### **3. Establishing Agreements with Agencies Providing WIA Required Partner Services**

20 CFR 662.230(c) states that all WIA required partners must:

*“Enter into a memorandum of understanding (MOU) . . . relating to the operation of the One-Stop system . . . including a description of services, how the cost of the identified services and operating costs of the system will be funded, and methods of referral.”*

Connecticut was unable to provide us with executed memoranda of understanding with WIA required program partners or agreements addressing commitments of funding as well as service delivery.

### **4. Developing a Financial System Able to Meet One-Stop Needs Under WIA**

WIA, Subtitle E, Section 184(a)(1) requires each State establish fiscal controls and fund accounting procedures. The Interim Final Rule under 20 CFR 662.270 provides further direction, stating:

*“. . . Each partner must contribute a fair share of the operating costs of the One-Stop delivery system proportionate to the use of the system by individuals attributable to the partner’s program. . . . Some of these (allocation) methodologies include allocations based on direct charges, cost pooling, indirect cost rates and activity-based cost allocation plans. . . .”*

CTDOL administers the One-Stop system for the State and operates the One-Stop centers at the local level. CTDOL has an accounting system which is adequate for capturing center operating costs in aggregate. However, CTDOL does not have an allocation method in place for fairly charging One-Stop center operating costs to benefiting partner programs.

#### **5. Developing a Data Collection System Able to Meet One-Stop Needs Under WIA**

WIA, Subtitle B, Chapter 6, Section 136(d)(2) requires that a One-Stop data collection system be able to collect and report certain data elements for all customers who receive more than self-service and informational services.

Connecticut has not expanded its data collection system to include data elements needed for WIA required reports. Connecticut One-Stop career centers use multiple data collection systems to collect and report customer activities. Each program partner uses its own data collection system and provides that information to CTDOL who merges the data for the One-Stop system-wide reports. However, the data collection system needs to be upgraded to include WIA required data elements such as retention in unsubsidized employment after 12 months, return on investment linking the cost of workforce investment activities to the outcomes, and training provider effectiveness.

#### **6. Providing Access to Services at the One-Stop Centers**

The introduction to the Interim Final Rule (page 18668-9), states that One-Stop delivery systems should be user friendly and local boards should coordinate with the broader community, including transportation agencies to ensure the centers are accessible to all customers.

We visited three One-Stop career centers and a kiosk site. We found the centers offer self-service and staff assisted services while the kiosk was limited to self-service. Facilities were clean and well equipped with standard and specialized equipment for visually, hearing and mobility impaired persons. The aisles were wide enough to accommodate wheelchairs. Free parking, including designated handicapped spaces, was available and access to public transportation was available.

UI activities dominate the One-Stop centers leaving the impression that the centers are not user friendly and conducive for self-service. In two of the three offices visited, the layout is designed to accommodate UI customer flow which requires individual service rather than the One-Stop concept of universal access and self-service. The entrance areas of the centers were designed to serve UI claimants and to contain customer flow with an orderly queue for individualized service.

Center computers are configured to minimize the risk of damage by the public and utilize programs which are user friendly. However, access to information via center computers could be improved.

- ! The general public can use the computer to find jobs listed on the State’s automated labor exchange system without registering with the center. The customer can search for a job by a specific location or occupational title. However, the State’s jobs listing does not contain full employer information and if customers find jobs that they are interested in, they then need to register with the One-Stop center and speak with center staff to obtain the necessary information.
  
- ! To access computers in the resource room, the customer needs to attend orientation, register with the One-Stop and obtain a card which allows them access to the resource room. These computers have word processing capabilities, resume writing programs as well as job listings, labor market information, and Internet access. Also, the resource room computers have access to the same jobs listing as the general public computers, with the same restriction that the customer needs to contact center staff to get complete employer information.

In its response, CTDOL stated:

*“The first sentence . . . indicates our centers leave the impression of being dominated by UI activities. The auditors happen to visit the Hartford Connecticut Works on a Monday after our Voice Response system had malfunctioned on Sunday. UI customers were unable to enter their continued claims by telephone and therefore the office had an unusually high flow of UI customers. . . .”*

During our visit to the Hartford One-Stop center, we inquired about the seemingly high volume of UI customers and were informed that it was normal for a Monday. We followed up on this issue at the Hamden One-Stop center and were told that there is usually a higher number of UI customers on Mondays than any other day. Currently, Connecticut has automated continuing claims with its Voice Response system but UI customers filing initial claims and those with fact finding issues are still served individually.

## RECOMMENDATION

We recommend that the Assistant Secretary for Employment and Training ensure Connecticut continues its efforts to implement WIA requirements. Connecticut needs to:

1. Include all WIA required One-Stop partners by ensuring:
  - the local Workforce Investment Boards are reconstituted in conformity with WIA requirements and all WIA required partner programs are represented.

- the required programs and services are linked into the One-Stop career center system and accessible throughout the State.
- 2. Ensure the local Workforce Investment Boards develop and execute comprehensive memoranda of understanding with all WIA required partners which include provisions covering:
  - services to be provided,
  - the funding of services and operating costs, and
  - methods for referring customers between partners and services coordination.
- 3. Develop cost allocation plans that fairly charge One-Stop operating costs to partner programs and other benefiting entities.
- 4. Develop the WIA required reports and expand the data collection system to include all WIA required data elements.
- 5. Improve customer access to self-service activities.

#### CTDOL Response

*“In response to your Recommendation section on the five issues to be addressed, the following is an update from the time of the audit:*

1. *Connecticut has decided to reconstitute its Workforce Development Boards, rather than grandfather them.*
2. *The Office of Workforce Competitiveness has begun to work with the required partners to develop agreements around services, cost and referring customers.*
3. *The Office of Workforce Competitiveness and the Office of Policy Management are working on developing allocation methods to fairly charge operating costs to partners.*
4. *The Performance Measurement Unit and JTPA Monitoring are working on data collection for required reports under WIA.*
5. *CTDOL continues to work on unsuppressing our job bank to improve self-services to customers as indicated in our WIA Five-Year Plan.”*

