



OFFICE OF THE STATE AUDITOR



KERRI L. HUNTER, CPA
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STATE AUDITOR

November 22, 2021

WORKFORCE INNOVATION AND OPPORTUNITY ACT – STATUS REPORT

Members of the Legislative Audit Committee:

Attached is the status report from the Division of Employment and Training and the Colorado Workforce Development Council, both within the Department of Labor and Employment, on the implementation of recommendations contained in the Office of the State Auditor's (OSA) *Workforce Innovation and Opportunity Act Performance Audit*.

OSA REVIEW OF DOCUMENTATION

As part of the status report process, we requested and received supporting documentation for each recommendation that the Division of Employment and Training and the Colorado Workforce Development Council reported as having been implemented or partially implemented. Specifically, we reviewed the following documentation:

- Local workforce area training slide deck from October 2021 on requiring data entry into the case management system related to training completion and employment.
- A report commissioned by the Department of Labor and Employment, completed by the Northern Illinois University Center for Governmental Studies in 2021: *Training Placement and Outcomes in Colorado Workforce Areas: A Sequential Mixed-Methods Evaluation and Accompanying Implementation Guidance for Evaluation of WIOA Programs*.

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- Division of Employment and Training emails sent October 2021 to the Workforce Development Council and Local Workforce Areas sharing best practices.
- Policy Guidance Letter issued by the Division of Employment and Training in November 2021 on local area utilization of the evaluation tool.
- The Colorado Workforce Development Council's website as of November 2021.

Based on our review, the supporting documentation substantiates the Division's reported implementation status.



October 15, 2021

Kerri L. Hunter, CPA
State Auditor
Colorado Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203

Dear Auditor Hunter:

In response to your request, we have prepared the attached status report regarding the implementation status of audit recommendations resulting from the Workforce Innovation and Opportunity Act Performance Audit conducted in 2019 and 2020. The report provides a brief explanation of the actions taken by the Colorado Department of Labor and Employment to implement each recommendation.

If you have any questions about this status report and the Colorado Department of Labor and Employment's efforts to implement the audit recommendations, please contact Robert Hanni at (720) 413-0937 or rob.hanni@state.co.us.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joe Barela', with a long horizontal line extending to the right.

Joe Barela
Executive Director



AUDIT RECOMMENDATION STATUS REPORT

AUDIT NAME	Workforce Innovation and Opportunity Act
AUDIT NUMBER	1930P
AGENCY	Division of Employment and Training, Colorado Department of Labor and Employment
DATE OF STATUS REPORT	November 15, 2021

SECTION I: SUMMARY

REC. NUMBER	AGENCY'S RESPONSE	ORIGINAL IMPLEMENTATION DATE	CURRENT IMPLEMENTATION STATUS	CURRENT IMPLEMENTATION DATE
1A	Agree	July 2021	Partially Implemented	December 2021
1B	Agree	July 2021	Implemented	July 2021
1C	Agree	July 2021	Implemented	November 2021
1D	Agree	July 2022	Not Implemented	July 2023

SECTION II: NARRATIVE DETAIL

RECOMMENDATION 1A

The Division of Employment and Training should implement mechanisms to assess the cost-effectiveness of training and services provided with Workforce Innovation and Opportunity Act (WIOA) Title I funds by:

- A. Implementing written policy guidance to require local workforce areas to enter data into the case management system fields related to training completion and employment in the field, and incorporating a control in the system to ensure that the data is entered.

CURRENT IMPLEMENTATION STATUS	Partially Implemented	CURRENT IMPLEMENTATION DATE	December 2021
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AGENCY UPDATE

The training related placement field on the program exit screen in the state's data system is now mandatory, and training was provided to local area staff on its use. A work group comprised of state and local stakeholders has devised a solution for mandatory tracking of training results that aligns with the United States Department of Labor's approach, which will be programmed by year's end. At that point, corresponding policy guidance will be issued.

RECOMMENDATION 1B

The Division of Employment and Training should implement mechanisms to assess the cost-effectiveness of training and services provided with Workforce Innovation and Opportunity Act (WIOA) Title I funds by:

- B. Using the data required in part A, in conjunction with data already collected, to analyze participants' rates of training completion and training-related employment by local workforce area, training providers' success rates, and any connections between support services and rates of training completion and employment in the field of training.

CURRENT IMPLEMENTATION STATUS	Implemented	CURRENT IMPLEMENTATION DATE	July 2021
AGENCY UPDATE			
The Division contracted with Northern Illinois University's (NIU) Center for Governmental Studies to conduct an evaluation study of training completions and related placements in Colorado. NIU also delivered an evaluation tool for use at the state and local level for program evaluation.			

RECOMMENDATION 1C			
The Division of Employment and Training should implement mechanisms to assess the cost-effectiveness of training and services provided with Workforce Innovation and Opportunity Act (WIOA) Title I funds by:			
C. Using the results of the data analysis required in part B to (1) identify best practices and share them with the Colorado Workforce Development Council and local workforce areas; and (2) identify any areas of needed technical assistance for local workforce areas and provide that technical assistance through any needed revisions to written policy guidance, development of monitoring procedures, or other direct technical support.			
CURRENT IMPLEMENTATION STATUS	Implemented	CURRENT IMPLEMENTATION DATE	November 2021
AGENCY UPDATE			
The Division disseminated the results of the Northern Illinois University study to the Local Workforce Area Directors by email on October 11, 2021. The report was shared with the State Council on October 15, 2021. The report identifies several recommendations and opportunities for both the Division and our Local Area partners. A policy guidance letter on local area utilization of the evaluation tool was released on November 3, 2021.			

RECOMMENDATION 1D			
The Division of Employment and Training should implement mechanisms to assess the cost-effectiveness of training and services provided with Workforce Innovation and Opportunity Act (WIOA) Title I funds by:			
D. Assessing after the first year, with input from the Colorado Workforce Development Council, whether the analyses conducted in parts B and C provided information that is beneficial to the program, and if so, developing procedures to implement the routine analysis of the data and identification of best practices and needed technical assistance.			
CURRENT IMPLEMENTATION STATUS	Not Implemented	CURRENT IMPLEMENTATION DATE	July 2023
AGENCY UPDATE			
Due to the pandemic, impacts to training provider availability and employer engagement may result in inconclusive data comparisons. Evaluation will be conducted on Program Year 2020 data. However, since training and employment outcomes are likely to be skewed by the pandemic economy, the Division wishes to extend the timeline for full implementation of this recommendation so as not to base ongoing, routine analysis on an outlier year's data.			



Colorado Workforce
Development Council

Jared Polis, *Governor*

Joe Barela, *Executive Director*
Department of Labor and Employment

Lisanne McNew, *Chair*

Lee Wheeler-Berliner, *Managing Director*

November 15, 2021

Kerri L. Hunter, CPA
State Auditor
Colorado Office of the State Auditor
1525 Sherman St., 7th Floor
Denver, CO 80203

Dear Auditor Hunter:

In response to your request, we have prepared the attached status report on the implementation status of audit recommendations contained in the Workforce Innovation and Opportunity Act Performance Audit. The report provides a brief explanation of the actions taken by the Colorado Workforce Development Council (CWDC) to implement each recommendation.

We are pleased to share that all of the recommendations for the CWDC have been implemented at this time.

If you have any questions about this status report and the CWDC's efforts to implement the audit recommendations, please contact Lee Wheeler-Berliner at 303-859-0147 or lee.wheeler-berliner@state.co.us.

Sincerely,

A handwritten signature in black ink that reads "Lisanne McNew".

Lisanne McNew
CWDC Chair

AUDIT RECOMMENDATION STATUS REPORT

AUDIT NAME	Workforce Innovation and Opportunity Act
AUDIT NUMBER	1930P
AGENCY	Colorado Workforce Development Council
DATE OF STATUS REPORT	November 15, 2021

SECTION I: SUMMARY

REC. NUMBER	AGENCY'S RESPONSE	ORIGINAL IMPLEMENTATION DATE	CURRENT IMPLEMENTATION STATUS	CURRENT IMPLEMENTATION DATE
2	Agree	August 2021	Implemented	October 2021

SECTION II: NARRATIVE DETAIL

RECOMMENDATION 2

The Colorado Workforce Development Council should use the results of the Division of Employment and Training's data analysis on the cost effectiveness of training provided with Workforce Innovation and Opportunity Act (WIOA) funds to identify best practices related to which local workforce areas, training providers, and support service characteristics are associated with better training completion and in-the-field employment rates, and share the best practices with local workforce areas.

CURRENT IMPLEMENTATION STATUS	Implemented	CURRENT IMPLEMENTATION DATE	October 2021
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AGENCY UPDATE

Best practices identified in the NIU evaluation report were posted to the Colorado Workforce Development Council website in October 2021. The report, along with other Best Practices, can be found on the Case Studies page of the website at <https://cwdc.colorado.gov/resources/case-studies>.