



**MAYOR'S OFFICE OF
EMPLOYMENT DEVELOPMENT**

BIENNIAL PERFORMANCE AUDIT

**FISCAL YEARS ENDED
JUNE 30, 2017 AND 2016**

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CITY OF BALTIMORE

JOAN M. PRATT, CPA
Comptroller



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Honorable Joan M. Pratt, Comptroller
and Other Members
of the Board of Estimates
City of Baltimore, Maryland

Executive Summary

We conducted a performance audit of selected functions within the Mayor's Office of Employment Development (MOED) for the fiscal years ended June 30, 2017 and 2016 (the stated period). The purpose of our performance audit was to determine whether MOED met its performance measure targets, and to determine whether its internal controls and the related policies and procedures were effectively designed and placed in operation to monitor, control, and report valid and reliable information that is significant to selected performance measures or functions for the stated period.

As a result of our audit, we determined MOED met the targets for the selected performance measures, and its internal controls and the related policies and procedures were effectively designed and placed in operations to monitor, control, and report valid and reliable information that is significant to the selected performance measures or functions for the stated period.

A handwritten signature in black ink, appearing to read "Audrey Askew".

Audrey Askew, CPA
City Auditor

November 9, 2018

Mayor's Office of Employment Development
Biennial Performance Audit
Background Information
Fiscal Years Ended June 30, 2017 and 2016

The Mayor's Office of Employment Development (MOED) coordinates and directs workforce development initiatives responsive to the needs of Baltimore City employers and job seekers in order to enhance and promote the local economy.

MOED's career center services are available at city-wide One-Stop Career Centers and neighborhood-based Satellite Employment Centers. The one-stop centers are full-service facilities, with comprehensive services offered by MOED staff and workforce partners with expertise in specific job preparation areas. Located on the east and west sides of the city, each career center provides a comprehensive, seamless delivery of services conveniently located in one facility. Direct services are provided onsite for persons who are unemployed, underemployed or employed and for targeted populations such as veterans, disabled persons, senior citizens and youth, such as:

- Recruitment events for job openings
- Job search assistance
- Resume assistance
- Skills training
- GED training
- Criminal record expungement
- Internet access
- Digital learning labs to learn basic computer skills
- Self-service access to fax machines, telephones, copiers, scanners and printers
- Assistive technology

Job seekers learn skills to become "job ready" as defined by the 21st-Century Job Readiness Standards. These standards, developed with business input through the Baltimore Workforce Development Board to create a common language and precise description for employers and job seekers, of the knowledge and combination of skills required for workplace success.

Baltimore City's One-Stop partners include, the Baltimore Workforce Development Board, Maryland Department of Labor, Licensing and Regulation - Maryland Job Service, Veterans Services, Department of Vocational Rehabilitation, Unemployment Insurance, Trade Act Programs, Baltimore City Department of Social Services, Maryland Adult Education, South Baltimore Learning, Strong City, Baltimore City Community College, Maryland Educational Opportunity Center (MEOC), Department of Labor, Job Corps, Senior Service America, Baltimore Cash Campaign, SEEDCO and Anne Arundel Workforce Development Corporation.

**Mayor's Office of Employment Development
Biennial Performance Audit
Audit Scope
Fiscal Years Ended June 30, 2017 and 2016**

The following is a summary of the various services provided by the Mayor's Office of Employment Development (MOED) that were included as part of our Biennial Performance Audit:

A. SERVICE 793: EMPLOYMENT ENHANCEMENT SERVICES FOR BALTIMORE CITY RESIDENTS

- What is the total number of Baltimore City registrants that obtained job placements through the career center network?

B. SERVICE 795: WORKFORCE SERVICES FOR BALTIMORE RESIDENTS

- What is the total number of participants who received employment assistance services through MOED? How many of the participants are Baltimore City residents?
- What is the percentage of job seekers who commence service delivery from the one stop centers are still employed a year after being hired?

C. SERVICE 796: WORKFORCE SERVICES FOR EX-OFFENDERS

- What is the total number of Baltimore City ex-offenders who received employment assistance through the Re-Entry Center?

D. SERVICE 798: YOUTH WORKS SUMMER JOB PROGRAM

- What is the total Baltimore City youths who received placement in a summer job?

**Mayor's Office of Employment Development
Biennial Performance Audit
Audit Objectives and Methodology
Fiscal Years Ended June 30, 2017 and 2016**

We conducted a performance audit of selected functions within the Mayor's Office of Employment Development (MOED) for the stated period. The purpose of our performance audit was to determine: a) whether MOED met its performance measure targets, and b) whether its internal controls and the related policies and procedures were effectively designed and placed in operation to monitor, control, and report valid and reliable information that is significant to selected performance measures or functions for the stated period. We conducted our performance audit in accordance with *Generally Accepted Government Auditing Standards*. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The objectives of our audit were to determine whether MOED met its targets for selected performance measures in the stated period and to assess whether MOED's internal controls and related policies, processes, and procedures were effectively designed and placed in operation to monitor, control, and report valid and reliable information related to those performance measures. In addition to our follow-up on the findings and recommendations contained in of previous performance audits, our audit included selected performance measures within the following MOED service areas:

- a. Employment Enhancement Services for Baltimore City Residents - Service 793:** We conducted our audit of the Employment Enhancement Services Division to determine effectiveness of the MOED's operations. To determine effectiveness, we reviewed a summary of the job placements from both the One Stop Career Centers and the Community Job Hub locations to support the number of job placements for Baltimore City residents. Additionally, we performed analytical procedures on the population of the job placements for each fiscal year to determine the validity and the accuracy of the amounts reported in the Budget Books. As a result, the Department of Audits concluded that MOED met the performance measure in both fiscal years.

- b. Workforce Services for Baltimore Residents - Service 795:** We conducted our audit of the Workforce Services Division to determine the effectiveness and output of program's services. To determine the effectiveness of the program, we reviewed the Detail Master Summary Report which reports the number of city residents who receive employment assistance services for all locations. We extracted and summarized the totals from the report that were related to Workforce Services and compared the results to the amounts reported in the Budget Books. Additionally, we reviewed and recalculated Workforce Investment Act (WIA) data for FY 2016 and Workforce Innovation and Opportunity Act (WIOA) data for FY 2017 to confirm the

Mayor's Office of Employment Development
Biennial Performance Audit
Audit Objectives and Methodology
Fiscal Years Ended June 30, 2017 and 2016

b. Workforce Services for Baltimore Residents - Service 795: (Continued)

number of individuals who remained employed one year after exiting services. As a result of these procedures, the Department of Audits concluded that MOED met the two performance measures in both fiscal years.

c. Workforce Services for Ex-Offenders - Service 796: We conducted our audit of the Workforce Services for Ex-Offenders Division to determine the output of the program. We reviewed the FY 2017 and FY 2016 summary report from the Re-Entry Center at the Northwest Career Center to support the number of ex-offenders who received services and compared the totals to the amounts reported in the Budget Books. We performed analytical procedures on the population of the ex-offenders for each fiscal year to determine the validity and the accuracy of the amounts reported in the Budget Book. To protect the privacy of the ex-offenders, we requested the first initial of the first name and the last name. In instances where records reflected the same first initial and last name, we requested the date of birth to ensure the records were not duplicated. As a result, the Department of Audits concluded that MOED met the performance measure in both fiscal years.

d. Youth Works Summer Job Program - Service 798: We conducted our audit of the Youth Works Summer Job Program to determine the outcome of the program's operations. We obtained the population of Youth Work applicants offered positions during FY 2016 and FY 2017 and traced and agreed those amounts to the Budget Book. Additionally, we selected a random sample for each fiscal year to verify each applicants eligibility and each file contained a completed and signed application, I-9 and work permit.

To accomplish our objectives, we conducted inquiries of key individuals to obtain an understanding of the internal controls and related policies, processes and procedures, and systems established by the MOED for the selected performance measures. Where possible, we also utilized the systems' documentation obtained as part of our audit of the City's Comprehensive Annual Financial Report (CAFR). We also performed tests, as necessary, to verify our understanding of the applicable policies and procedures; reviewed applicable records and reports utilized to process, record, monitor, and control MOED's functions pertaining to the selected performance measures; assessed the efficiency and effectiveness of those policies and procedures; and determined whether MOED met its performance measure targets.

Mayor's Office of Employment Development
Biennial Performance Audit
Audit Results
Fiscal Years Ended June 30, 2017 and 2016

Audit Result #1 – Number of Baltimore City Registrants that Obtain Job Placements through the Career Center Network (Effectiveness) – **Performance Target Met**

Audit Result #2 – Number of City Residents Who Received Employment Assistance Services through the Career Center Network (Output) – **Performance Target Met**

Audit Result #3 – Percentage of Jobseekers who Commence Service Delivery from the One Stop Centers and also Employed One Year Later (Outcome) – **Performance Target Met**

Audit Result #4 – Number of Baltimore City Ex-Offenders Receiving Employment Assistance through the Re-Entry Center (Output) – **Performance Target Met**

Audit Result #5 – Number of Baltimore City Youth Ages 14-21 Place in Paid Summer Work Experiences (Outcome) – **Performance Target Met**