



CITY OF ATLANTA

City Auditor's Office
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Why We Did This Audit

We undertook this audit at the request of the Atlanta City Council, which requested information on the effectiveness and efficiency of the agency's operations and verification of the number of clients who use its services and receive training and job placement. City Council also requested that we review prior audits and reviews of the agency.

What We Recommended

To reduce performance and compliance risk, the mayor and city council should consider discontinuing the AWDA; 57% of AWDA's clients over the period we reviewed lived outside of the city, and similar services are provided by workforce development agencies in Fulton and DeKalb counties and by the Atlanta Regional Commission. If officials determine that the potential strategic benefits of retaining Atlanta as a separate local workforce area outweigh the costs of fixing problems, the chief operating officer should:

- Exercise additional oversight of the agency by including AWDA in its ATLStat program, overseeing agency responses to state and federal program monitors, and following up on corrective actions.
- Work with the AWDA Board to procure a consultant to assist the agency in revising its processes to use existing systems to collect and report complete, accurate, reliable, and timely information.

If the agency continues, the chief information officer should:

- Ensure that personally identifiable information maintained in AWDA information systems is protected.

For more information regarding this report, please contact Stephanie Jackson at 404.330.6678 or sjackson@atlantaga.gov.

Performance Audit:

Atlanta Workforce Development Agency

What We Found

AWDA has no systematic information on performance outcomes for 88% of clients entered into AWDA's client tracking database. AWDA registers only about 12% of its clients into the state system that allows the state to monitor employment outcomes. State performance reports, therefore, are based on a small subset of clients and provide stakeholders an incomplete assessment of AWDA's effectiveness.

Because most services provided by AWDA are lower-level core services, agency spending primarily supports staff and is not tied to individual clients, which increases compliance risks. Under the federal Workforce Investment Act, core services such as providing information about job vacancies, career options, student financial aid, relevant employment trends, and instruction on how to conduct a job search, write a resume, or interview with an employer, are to be available to jobseekers meeting minimum eligibility requirements and do not require registration into the state tracking system. Unlike core services, recipients of intensive or training services are required to be registered in the state workforce system. Discrepancies between client records in AWDA's database and the state system indicate a risk that not all clients who should be entered into the state system have been entered.

State and federal auditors have also raised concerns about inability to reconcile financial information, and program reviews have questioned records documenting client eligibility. Neither the state system nor AWDA's database contains information to match expenses to clients. AWDA's inability to reconcile grant expenditures with other city reports and budgets has been a long-standing concern.

AWDA does not reliably track employers in either the state system or in its own database. The agency therefore lacks information on the extent to which employers participating in job fairs, in the city's First Source program, or in subsidized on-the-job training have hired AWDA clients. AWDA's database contains records of employment subsequent to the client's initial visit for only about 5% of clients. Because we found AWDA's data to be incomplete and partly unreliable, we conclude that long-term outcome evaluation of their current data is not feasible or cost effective.

AWDA's client tracking database stores unencrypted personally identifiable information, such as social security numbers and birth dates, which also poses significant risk.