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REPORT ON C.E.T.A.

The Comprehensive Employment
and Training Act Program
in Maine

Joint Standing Committee on
Audit and Program Review

Committee Members

Senate

James McBreairty
Thomas R. Perkins
Carroll E. Minkowsky

House

Georgette B. Berube
Sharon B. Benoit
Daniel B. Hickey
Harlan Baker
Gregory G. Nadeau
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Philip F. Peterson
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Legislative Staff

Helen Ginder
Jonathan Hull

May 15, 1980

Introduction

By order of H.P. 1474 (First Regular Session of the 109th Legislature) the Joint Standing Committee on Audit and Program Review was directed to study the program of the Comprehensive Employment and Training Act (CETA) in the State. The order authorized a broad review of all CETA programs in the State to determine the efficiency and effectiveness of the program implementation and to consider changes in its administrative structure to improve its operation.

The CETA program in Maine is organized into five "prime sponsors," which are independent administrative units directly responsible to the federal government. The five units are: four county prime sponsors: Cumberland County, Kennebec County, the Penobscot Consortium (including Penobscot, Piscataquis and Hancock Counties) and York County; and the Balance of State prime sponsor, that serves the remainder of the State. The programs provided by each prime sponsor are divided into several categories and referred to by the "Title" of the Act that created them (P.L. 95-524). The most important programs in this State are:

Title II.

- A: Financial assistance for employment and training services.
- B: Assistance and services for the economically disadvantaged.
- C: Financial assistance to employers for occupational upgrading and retraining services.
- D: Transitional employment opportunities in the public sector for the economically disadvantaged.

Title IV. Youth Services

YCCIP: Youth Community Conservation and Improvement Projects

SYEP: Summer Youth Employment Program

Title VI: Countercyclical Public Service Employment Program

During fiscal year 1979 (October 1, 1978 to September 30, 1979) almost 39.4 million dollars were obligated to the State for CETA programs. Of that amount, 28.9 million dollars were actually spent in these CETA programs.

As part of the CETA program, the Act and regulations require a detailed reporting and auditing system on expenditures. This system includes internal and external financial audits of the prime sponsors and sub-grantees. These audits and other required reports are reviewed by the U.S. Department of Labor through its Regional Administrator's office in Boston. These reports provided much of the basis for this study.

Because of the complexity and scope of the CETA program in Maine, the Committee reviewed the operations of all the prime sponsors, but chose to concentrate on the Balance of State Prime Sponsor in its detailed review.

The Balance of the State Prime Sponsor was originally established as an independent office, the Office of CETA Planning and Coordination. During the course of this study however, the structure of the Balance of State Prime Sponsor was reorganized to place the administrative responsibilities of the Office of Maine CETA under the Commissioner of Manpower Affairs.

The Committee's purpose in undertaking this study was to review the performance of CETA programs in this State from information that is available. Because of time and fiscal restraints, it was not possible to conduct an entirely independent review of such a complex and extensive program. However, from the available information and with the assistance of the Department of Audit, the Committee was able to clearly perceive the operations of CETA in Maine, particularly the problems and opportunities in the Balance of State Program. As the specific findings indicate, there are some significant problems in Maine's CETA programs, some of which are inherent in the nature of the federal program and its requirements and some of which may be corrected by prime sponsor action. Though many of these findings are known on the federal level and have appeared sporadically in news reports in Maine, they have not been reviewed in the entire context of CETA operations throughout the State. That is the basic purpose of the Committee's study and this report.

Findings

The report to the Committee by the Department of Audit, the response by the Office of Maine CETA and the subsequent response by the Department of Audit, outline some of the basic problems that have occurred in the operations of CETA programs in the State. (These reports are attached). Though these reports are self-explanatory, the Committee would like to emphasize several major conclusions that can be drawn from them.

Duplication

It is clear that the administration of the CETA program in Maine involves a large amount of unnecessary duplication of effort in several forms.

First and foremost is the duplication created by multiple Prime Sponsors within the State. It is obvious from the reports of the Prime Sponsors that a significant amount of CETA funds are used to support the administrative functions of a Prime Sponsor office. There is obviously, on the superficial

level, some duplication in these expenditures with five independent Prime Sponsors. Each of these Prime Sponsors must establish its own Internal Monitoring Unit, administrative training programs, intake-assessment programs, accounting, performance, and reporting systems and forms, personnel systems and other administrative structures.

This duplication is further aggravated by the fact that State government already performs some or all of these functions. In the case of the interviewing and assessing possible CETA recipients, the State has traditionally provided a similar service through the Department of Manpower Affairs, Employment Security Division, in its 23 locations. This Division employs experienced career personnel who with only slight additional training and manpower, have the necessary knowledge, contacts and equipment to perform the functions necessary for the CETA assessment, intake and placement programs. However, each CETA Prime Sponsor provides a similar function, often without experienced and trained personnel. In addition, the Balance of State Prime Sponsor even contracts this function out to "providers of services" in many of its individual counties, thus further fragmenting and duplicating services.

The basic reason for this fragmentation and duplication of services appears to be the "independent" structure of CETA which was established in this State as an entirely new organization without regard to the services or expertise already existing in State government. The problem has been compounded by the numerous specific and detailed federal regulations that guide CETA programs and administration. These regulations may be most easily complied with by creating new organizations rather than using services and personnel already available in State government.

The most basic indicia of this fragmentation and duplication in the Balance of State CETA program has already been recognized and corrected: the office of Maine CETA has been brought under the Commissioner of Manpower Affairs during 1979. The Committee would encourage this new trend to utilize the facilities, personnel and expertise of present State government organizations in carrying out the Balance of State program. In particular, the present capacity of the Employment Security Division of the Department should be used to the fullest extent possible, and the use of contractual or independent intake and assessment programs should be significantly diminished.

This policy of attempting to eliminate duplication and fragmentation and to use available resources to the greatest possible extent should be the policy for all CETA programs in the State. The simplest manifestation of that policy would be the consolidation of all CETA programs in a single Prime Sponsor in the State. This, however, may not be possible or desirable for other reasons. Nonetheless, many facets of individual Prime Sponsor programs could be integrated or at least coordinated throughout the State. Because the Commissioner of Manpower Affairs has authority over the largest Prime Sponsor in the State, and because his Department provides many services that have been duplicated by other Prime Sponsors, it would seem natural and appropriate for him to initiate, by example and by invitations to other Prime Sponsors, increased integration and

coordination of these services. Other Prime Sponsors should be encouraged to join in these efforts.

The purpose of increasing the integration and coordination among Prime Sponsors and with State government services would be to reduce administrative expenses and increase the effectiveness of services. The reduction of administrative expenses by the removal of redundant services would provide more money to be used for CETA recipients. The increased effectiveness would occur by reducing the fragmentation of administrative units and by using trained and experienced personnel either directly or through coordinated efforts. This would also have the advantage of reducing the bewildering array of officers that confront those seeking assistance, training and employment.

Administrative control

From the performance review and audit reports that the Committee has received, it is clear that the administrative control of the Prime Sponsors over their various programs, expenditures and personnel is very weak. The reports and the Committee review of operations make very clear that there is very little effective financial or policy control over the programs or contracted work.

In many instances, Prime Sponsors are unable to provide a basic accounting or documentation of expenditures. The reporting deadlines for audits and program reports are regularly missed. Programs that are contracted out are not reviewed on a regular basis, and there appears to be little communication on or oversight over the performance of sub-grant recipients. In most instances there appears to be little training or direction given to the sub-grantees and poor communication on changes in procedures or regulations that directly affect programs. In almost every program, more funds are obligated for services than can actually be spent in providing services. Many problems that are reported in audit reports of individual Prime Sponsors, such as the absence of documentation for expenditures or salaries, seem to continue from year to year without effective corrective action.

These problems seem to be basically caused by the rapid establishment and expansion of the CETA program in the State, the hiring of untrained and inexperienced administrative personnel, the constant shifting of programs and regulations and the lack of rigorous and effective oversight by the Department of Labor and the Prime Sponsors.

Some attempts have begun to correct these problems. As of April of 1979 all Prime Sponsors were to have established Internal Monitoring Units to improve the accountability of the programs. Increased stringency in the sub-grant auditing program is also apparent. And as the office of Maine CETA indicates in its response to the Department of Audit report, it is aware of these problems and is attempting to correct them. Other Prime Sponsors also seem to be increasingly aware of their inadequate administrative control. However, these anticipated corrections are still being developed and implemented, and it will take time

to see if each Prime Sponsor can gain effective administrative control over their program.

In this area there seems to be little that the State can do to correct these problems, other than continually illuminating them and encouraging their correction. The increased integration and coordination of activities may reduce some of these problems. But the basic solution seems to be increased training of administrative personnel in each Prime Sponsor office to increase their administrative skills, and increased oversight by the Department of Labor and each Prime Sponsor.

Purpose

The basic purpose of the CETA program is clearly stated in the enabling legislation P.L. 95-524. (29 U.S.C. 801):

"It is the purpose of this Act to provide job training and employment opportunities for economically disadvantaged, unemployed, or underemployed persons which will result in an increase in their earned income, and to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency by establishing a flexible, coordinated, and decentralized system of Federal, State, and local programs. It is further the purpose of this Act to provide for the maximum feasible coordination of plans, programs, and activities under this Act with economic development, community development, and related activities, such as vocational education, vocational rehabilitation, public assistance, self-employment training, and social service programs."

This purpose is broad, but can be focused in two phrases:

- "to assure that training and other services lead to maximum employment opportunities and enhance self-sufficiency...."
- "to provide for the maximum feasible coordination of plans, programs, and activities under this Act with economic development, community development, and related activities, such as vocational rehabilitation, public assistance, self-employment training, and social service programs."

The only conclusion that can be drawn from the present review of CETA programs in Maine is that they are failing to meet these purposes. In many instances they do not even seem to be attempting to meet them. The percentage of CETA recipients who actually enter employment after their CETA employment and training is very low. The effective training programs and expenditures are low to non-existent. Many of the "training" programs provided seem cosmetic, designed to meet reporting requirements, rather than effective training situations. Many of the employment situations are not significant training experiences but are closer to "public works" jobs that accomplish the tasks of the employer rather than effectively train an employee.

The coordination of CETA operations with development and

related activities also seems very low. Though there have been some efforts in this direction in the Balance of State program, on the whole the various Prime Sponsors have not effectively communicated with the development agencies or organizations to ascertain their needs or to attempt to meet them. Programs designed to meet specific private sector needs are rare, and even where they exist, they have not been notably effective.

In most instances the CETA program in the State seems to have most closely followed the purposes of providing employment for the unemployed or underemployed, rather than focused on training and skill improvement.

Again, the State's role in correcting this distortion of purpose seems very limited. The integration and coordination of the State's employment, training, educational and development programs with the CETA programs would be a large step. The State can encourage its agencies to improve their relationships with Prime Sponsors, and can perhaps assist by restructuring some of these programs. But without the active participation of the Prime Sponsors, these initiatives can only marginally affect the CETA programs. Thus, it seems that the State must also encourage the Prime Sponsors to place increased emphasis on training and development coordination, while it also examines its own programs to insure that they are useful for and available to CETA programs.

Excess administrative costs

The reports received by the Committee and the report of the Department of Audit also make clear that the cost of administering the CETA program is too high in return for the benefits provided. Some of the reasons for this high cost have already been discussed in the prior sections. But in addition to those, it is important to mention that it appears that as CETA funds decrease the salaries, expenses and benefits of administrative personnel appear to increase, and that administrative personnel number remain stable while CETA recipients decrease. It seems that the administrative personnel, both on the Prime Sponsor level and on the sub-grant and contract level are effectively insulated from the fluctuations in CETA funding and the changing demands for their services. They continue at comfortable salary and benefit levels even though the amount of money for CETA programs changes, and thus, with reductions, the amount for programs is even further reduced.

The discussion in the prior sections on duplication and administrative control applies to the problem as well. Improvements there will create improvements here. But, in addition, this is a basic example of the problem of the lack of accountability of Prime Sponsors in the State. Now that the Balance of State CETA is accountable to the Commissioner of Manpower Affairs, this problem should be under effective control. The County Commissioners that are responsible for the other Prime Sponsors should also be encouraged to establish a stronger accountability within their organizations to control this problem.

Conclusion

From the reports the Committee has received, it seems that the CETA programs and Prime Sponsors in Maine have several serious problems. As this report has indicated, the most serious problems appear to be the duplication of State and CETA services, and among the several Prime Sponsors; the weak administrative control of the Prime Sponsors over their programs and expenditures; the inability to effectively carry out the purposes of the CETA programs; and the excessive administrative costs in carrying out the program. These problems have been recognized by the Regional Administrator of the Department of Labor and by the Prime Sponsors, and appear in many of their reports. Some attempts are being made to correct them and further corrections are planned. The Balance of State Prime Sponsor in particular is working to resolve these problems.

The most important aspect of correcting these problems is to emphasize a closer working relationship between the Prime Sponsors and between them and the present programs in State government that serve the same or similar purposes. Prime Sponsors and State agencies should be encouraged to combine services where possible to remove unnecessary duplication, fragmentation and excessive administrative costs. The knowledge and expertise of State agencies could be very useful in assisting the CETA programs in the State. At the very least, increased communication and coordination among the Prime Sponsors, their subgrantees and State agencies will improve the effectiveness and efficiency of CETA programs.

The CETA programs in this State represent a significant proportion of federal revenues to State, and provide a great potential for improving the economic livelihood of its citizens. Though it has not yet fulfilled that potential, it could meet its purposes by improved administration and management. The CETA programs are sufficiently beneficial to encourage their continued improvement.

(4-3) On Motion of Mrs. BERUBE of Lewiston, the following Joint Order: (H. P. 1474)

WHEREAS, the Office of CETA Planning and Coordination was created to establish a program of comprehensive manpower services; and

WHEREAS, the U. S. Department of Labor indicated that inadequate monitoring and lack of managerial expertise has led to serious problems with this program; and

WHEREAS, current CETA organization includes government involvement incorporating many levels of bureaucracy, including Balance of State CETA, Other Prime Sponsors, county or city program agents, county commissioners and State Manpower Services Council; and

WHEREAS, these problems are hindering the effective delivery of manpower training and employment throughout the State; and

WHEREAS, the Department of Manpower Affairs was established to achieve the most effective utilization of the manpower resources in the State; and

WHEREAS, there may be a more efficient and unified method to deliver CETA planning and coordination services and manpower resources throughout the State; now, therefore, be it

ORDERED, the Senate concurring, subject to the Legislative Council's review and determinations hereinafter provided, that the Joint Standing Committee on Audit and Program Review shall study:

1. The effectiveness of the Office of CETA Planning and Coordination, including its cost-effectiveness;
2. The delivery of services provided by Office of CETA Planning and Coordination; and
3. The feasibility and desirability of transferring the function of the Office of CETA Planning and Coordination to the Department of Manpower Affairs to provide a unified delivery system for maximum utilization of the state's manpower resources; and be it further

ORDERED, that the committee report its findings and recommendations, together with all necessary implementing legislation in accordance with the Joint Rules, to the Legislative Council for submission in final form at the Second Regular Session of the 109th Legislature; and be it further

ORDERED, that the Legislative Council, before implementing this study and determining an appropriate level of funding, shall first ensure that this directive can be accomplished within the limits of available resources, that it is combined with other initiatives similar in scope to avoid duplication and that its purpose is within the best interests of the State; and be it further

ORDERED, upon passage in concurrence, that a suitable copy of this Order shall be forwarded to members of the committee.

SENATE

JAMES MCBREAIRTY, DISTRICT 31, CHAIRMAN
THOMAS R. PERKINS, DISTRICT 28
CARROLL E. MINKOWSKY, DISTRICT 14

MARGARET PALMER, COMMITTEE ASSISTANT
HELEN T. GINDER, LEGISLATIVE ASSISTANT



HOUSE

GEORGETTE B. BERUBE, LEWISTON, HOUSE CHAIRMAN
SHARON G. BENOIT, SOUTH PORTLAND
DANIEL B. HICKEY, AUGUSTA
HARLAN BAKER, PORTLAND
GREGORY G. NADEAU, LEWISTON
GLEN W. TORREY, POLAND
ROBERT J. GILLIS, JR., CALAIS
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PHILIP F. PETERSON, CARIBOU
MARJORIE C. HUTCHINGS, LINCOLNVILLE

STATE OF MAINE

ONE HUNDRED AND NINTH LEGISLATURE

COMMITTEE ON AUDIT AND PROGRAM REVIEW

January 28, 1980

Mr. G. J. Rainville
State Auditor
Department of Audit
State Office Building - Sta. #66
Augusta, Maine 04333

Dear Mr. Rainville:

The Committee on Audit and Program Review has been studying the Comprehensive Employment and Training Act programs in this state. As part of the study the Committee has gathered a great deal of raw financial and program audit information. Rep. Georgette Berube suggested that the Department of Audit would assist the Committee in reviewing and organizing this information. Thus, I am writing for the Committee to request that assistance.

The Committee has received detailed financial and program audit statements, for FY 78, 79 and 80, from each of the State's prime sponsors. I will be forwarding that information with this letter. What the Committee needs is to have the information summarized and presented in both table and chart forms. This information should be presented in a manner to allow easy comparison among all the prime sponsors. Another presentation should allow comparison among all the counties and sub-contractors under the Balance of State prime sponsorship. An additional breakdown of each Title and Program expenditure for each prime sponsor would also be helpful. This general preparation and presentation I hope will assist the Committee in orienting itself to the various sponsors, and give them a simple but effective comparison of these sponsors and programs.

In addition, the Committee would like a more detailed analysis of two items: administrative expenditures and cost of placement. An analysis of administrative expenditures should focus on the costs and nature of fringe benefits; travel for council and staff; telephone costs; rental equipment; and any other notable expenditures. The analysis of the cost of placement should compare that cost between the different prime sponsors, between the counties in balance of state and that cost for the Maine Job Service. It should

state the cost of positive placement and the cost per participant.

In sending the information to you I have included the numerous audit reports that have been performed in each prime sponsorship. It would be appreciated if you could review these reports and indicate areas that might warrant a close review and investigation by the Committee. Of obvious interest would be problems that reflect basic administrative flaws or policies in conflict with CETA regulations or state activities.

The Committee would like to complete its work in early March, and thus would appreciate your initial response to this request by February 15. I know that this is a great deal of information and appreciate the assistance in preparing and presenting it.

I am available at the end of this week or early next week if you would like more information.

Thank you.

Sincerely,

Jonathan Hull
Legislative Assistant

JH/lk

Attachments:

Three boxes of CETA reports

STUDY OF
BALANCE OF STATE, CUMBERLAND,
KENNEBEC, PENOBSCOT AND YORK COUNTY
CETA PRIME SPONSORS
OCTOBER 1, 1978 - SEPTEMBER 30, 1979



STATE DEPARTMENT OF AUDIT
Augusta, Maine 04333

STUDY OF
BALANCE OF STATE, CUMBERLAND,
KENNEBEC, PENOBSCOT AND YORK COUNTY
CETA PRIME SPONSORS
OCTOBER 1, 1978 - SEPTEMBER 30, 1979

C O N T E N T S

Letter of Transmittal

Funds Obligated, Total Expenditures
and Breakdown of Expenditures

Exhibit A

Summary of Percentage Breakdown of
Expenditures - By County

Schedule A-1

Summary - Percentage Breakdown of
Expenditures - By Prime Sponsor

Schedule A-2

Detail of Percentage Accomplished -
By County

Schedule A-3

Summary - Percentage Accomplished -
Prime Sponsor

Schedule A-4

Percentage of Plan Accomplished -
By Title and Prime Sponsor

Exhibit B

Relevant Costs and Percentages

Exhibit C

Breakdown of Expenditures -
By Title

Exhibit D

Findings

Observations

Special Note



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GEORGE J. RAINVILLE
STATE AUDITOR

ROGER A. LAROCHELLE
DIRECTOR OF DEPARTMENTAL AUDITS

ROBERT G. REDMAN
DIRECTOR OF MUNICIPAL AUDITS

To the Members of the Committee
on Audit and Program Review

Pursuant to the request of the Committee, as conveyed by Jonathan Hull, Legislative Assistant, a limited study of the Balance of State, Cumberland, Kennebec, Penobscot, and York County CETA Prime Sponsors has been completed. The study focused mainly on the programs and operations of the Balance of State-Prime Sponsor.

The study consisted of an analysis of the documentation provided by the Legislative Assistant and a compilation of the data involved into exhibits and schedules for use by the Committee.

The figures and percentages in the exhibits and schedules contained in this report were prepared from information provided. Therefore, they do not necessarily reflect all programs and activities of CETA in general and should not be taken out of context.

George J. Rainville
State Auditor

February 26, 1980

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
FUNDS OBLIGATED, TOTAL EXPENDITURES AND BREAKDOWN OF EXPENDITURES

FISCAL YEAR 1979

OCTOBER 1, 1978 - SEPTEMBER 30, 1979

County	Total Obligated Funds	Total Expenditures	Breakdown of Expenditures					
			Administration	Allowances	Wages	Fringe Benefits	Training	Services
Androscoggin	\$ 3,665,628.00	\$ 1,822,870.64	\$ 35,149.16	\$	\$ 1,559,878.44	\$ 214,716.06	\$ 7,081.00	\$ 6,045.93
Aroostook	5,969,159.00	3,790,988.27	121,779.06	60,159.16	2,917,863.03	324,897.84	187,544.36	173,744.52
Cumberland *	5,571,096.00	5,242,444.00	276,531.00	320,684.00	3,140,161.00	237,656.00	413,940.00	853,472.00
Franklin	1,276,369.00	786,425.14	34,188.78	20,899.01	569,544.31	66,506.79	42,667.09	52,619.16
Kennebec *	70,602.00	67,795.62	5,333.38	28,079.75	8,285.97	1,372.15	24,724.37	
Knox	1,704,825.51	1,127,736.22	33,435.65	27,398.30	865,534.64	90,151.35	41,179.00	70,037.23
Lincoln	1,273,095.00	979,074.57	51,730.99	8,248.50	699,052.09	62,812.04	92,748.00	64,452.95
Oxford	3,456,418.00	2,650,073.46	118,865.03	129,062.50	1,638,712.65	146,943.55	371,581.00	244,903.73
Penobscot *	8,422,722.00	7,478,760.00	469,260.00	261,725.00	4,944,503.00	556,988.00	571,174.00	675,110.00
Sagadahoc	1,190,091.00	841,570.72	35,918.22	13,266.83	576,280.06	51,197.26	102,267.60	62,642.75
Somerset	1,953,044.00	844,800.25	56,754.34	15,860.40	621,424.91	70,609.57	49,325.81	30,625.22
Waldo	1,579,130.00	921,899.34	29,060.69		773,949.29	81,330.51	29,873.00	7,635.85
Washington	3,197,965.80	2,288,686.79	103,345.34	144,179.31	1,590,423.54	151,544.89	159,732.00	139,461.71
York *	58,542.00	56,284.04	1,185.10	30,510.24			23,623.00	965.70
Total	\$39,428,687.31	\$28,899,409.06	\$1,372,536.74	\$1,060,073.00	\$19,905,612.93	\$2,056,726.01	\$2,117,460.23	\$2,387,000.15

* County is a Prime Sponsor - not part of Balance of State.

NOTE: See Schedule A-1 and A-2 for percentage of breakdown by County and Prime Sponsor.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
SUMMARY OF PERCENTAGE BREAKDOWN OF EXPENDITURES - BY COUNTY
FISCAL YEAR 1979
OCTOBER 1, 1978 - SEPTEMBER 30, 1979

<u>County</u>	<u>Adminis- tration</u>	<u>Allowances</u>	<u>Wages</u>	<u>Fringe Benefits</u>	<u>Training</u>	<u>Services</u>
Androscoggin	2		86	12	*	*
Aroostook	3	1	77	9	5	5
Cumberland (1)	5	6	60	5	8	16
Franklin	4	3	72	9	5	7
Kennebec (1)	10	2	70	6	6	6
Knox	3	2	77	8	4	6
Lincoln	5	1	71	6	9	7
Oxford	4	5	62	6	14	9
Penobscot (1)	6	4	66	7	8	9
Sagadahoc	4	2	69	6	12	7
Somerset	7	2	73	8	6	4
Waldo	3		84	9	3	1
Washington	5	6	69	7	7	6
York (1)(A)	2	54			42	2

* Less than one (1) Percent

(1) County is a Prime Sponsor - not part of Balance of State

(A) See Special Note on page 3

NOTE: Figures were obtained from Exhibit A

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
 SUMMARY - PERCENTAGE BREAKDOWN OF EXPENDITURES - BY PRIME SPONSOR
 FISCAL YEAR 1979
 OCTOBER 1, 1978 - SEPTEMBER 30, 1979

<u>Prime Sponsor</u>	<u>Breakdown of Expenditures - Percentages</u>					
	<u>Adminis- tration</u>	<u>Allowances</u>	<u>Wages</u>	<u>Fringe Benefits</u>	<u>Training</u>	<u>Services</u>
Balance of State	3	5	69	7	10	6
Cumberland County	5	6	60	5	8	16
Kennebec County	10	2	70	6	6	6
Penobscot County	6	4	66	7	8	9
York County (A)	2 *	54 *			42 *	2 *

* Information necessary to determine exact percentages not provided.
 Percentage is based on one (1) contract.

(A) See Special Note on page 3

NOTE: Figures summarized from figures on Exhibit A and Schedule A-1.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
DETAIL OF PERCENTAGE ACCOMPLISHED - BY COUNTY

FISCAL YEAR 1979
OCTOBER 1, 1978 - SEPTEMBER 30, 1979

<u>County</u>	<u>Planned</u>	<u>Expended</u>	<u>Percent Accomplished</u>
Androscoggin	\$3,665,628.00	\$1,822,870.64	50
Aroostook	5,969,159.00	3,790,988.27	64
Cumberland *	5,571,096.00	5,242,444.00	94
Franklin	1,276,369.00	786,425.14	62
Kennebec *	70,602.00	67,795.62	96 (1)
Knox	1,704,825.51	1,127,736.22	66
Lincoln	1,273,095.00	979,074.57	77
Oxford	3,496,418.00	2,650,073.46	76
Penobscot *	8,422,722.00	7,478,760.00	89
Sagadahoc	1,190,091.00	841,570.72	71
Somerset	1,953,044.00	844,800.25	43
Waldo	1,579,130.00	921,899.34	58
Washington	3,197,965.80	2,288,686.79	72
York *	58,542.00	56,284.04	96 (2)

NOTE: "Planned" and "Expended" figures obtained from Exhibit A.

* County is a Prime Sponsor - not part of Balance of State.

(1) Not an exact figure as this calculation is based on three (3) of the many contracts pertaining to this county. (Only information available).

(2) Not an exact figure as this calculation is based on only one (1) of the many contracts pertaining to this county. (Only information available).

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
SUMMARY - PERCENTAGE ACCOMPLISHED - PRIME SPONSOR
FISCAL YEAR 1979
OCTOBER 1, 1978 - SEPTEMBER 30, 1979

<u>Prime Sponsor</u>	<u>Percentage Accomplished</u>
Balance of State	77
Cumberland County	94
Kennebec County	96
Penobscot County	89
York County	96

NOTE: Figures are summarizations of figures on
Schedule A-3.

COMPREHENSIVE EMPLOYMENT AND TRAINING ACT
 PERCENTAGE OF PLAN ACCOMPLISHED - BY TITLE AND PRIME SPONSOR
 FISCAL YEAR 1979
 OCTOBER 1, 1978 - SEPTEMBER 30, 1979

	<u>Title II</u> <u>A,B,C</u>	<u>Title</u> <u>II-D</u>	<u>Title</u> <u>VI</u>	<u>Title</u> <u>IV</u> <u>YETP</u>	<u>Title</u> <u>IV</u> <u>SYEP</u>	<u>Title</u> <u>IV</u> <u>YCCIP</u>	<u>Total</u>
Balance of State	88	65	72	89	98	75	77
Cumberland	94	93	94	98	98	91	94
Kennebec	*	*	*	*	*	*	*
Penobscot	90	81	91	100	96	93	89
York	*	*	*	*	*	*	*

* Documentation needed to obtain necessary figures not provided.

NOTE: Figures per Exhibit obtained from information available.
 (Detail on file in Department of Audit)

YETP: Youth Employment and Training Program

YCCIP: Youth Community Conservation and Improvement Program

SYEP: Student Youth Employment Program

BALANCE OF STATE - CETA
 RELEVANT COSTS AND PERCENTAGES
 FISCAL YEAR 1979
 OCTOBER 1, 1978 - SEPTEMBER 30, 1979

	<u>Cost Per Participant</u>	<u>Cost Per Positive Termination</u>	<u>Cost Per Entered Employment</u>	<u>Positive Termination Rate</u>	<u>Entered Employment Rate</u>
Title II-B	\$ 1,403.00	\$ 2,548.00	\$ 4,516.00	75%	58%
Title II-D	5,670.00	12,232.00	17,930.00	46%	35%
Title VI	3,594.00	8,342.00	11,985.00	43%	33%
Title IV-YETP	1,516.00	2,478.00	7,972.00	74%	33%
Title IV-YCCIP	11,364.00	2,055.00	10,168.00	56%	12%
Title IV-SYEP	837.00	974.00	13,070.00	86%	7%

NOTE: Figures obtained from FY '79 performance indicators exhibits furnished by
 Balance of State CETA.

Cost per Positive Termination: Cost per person who either entered employment or
 transferred to other CETA programs.

Positive Termination Rate: Percentage of persons who obtained employment or trans-
 ferred to another CETA program.

YETP: Youth Employment and Training Program

YCCIP: Youth Community Conservation and Improvement Program

SYEP: Student Youth Employment Program

BALANCE OF STATE - CETA
 BREAKDOWN OF EXPENDITURES - BY TITLE
 FISCAL YEAR 1979
 OCTOBER 1, 1978 - SEPTEMBER 30, 1979

	<u>Adminis- tration</u>	<u>Allow- ances</u>	<u>Wages</u>	<u>Fringe</u>	<u>Training</u>	<u>Services</u>
Title II-A,B,C	9	18	31	2	29	11
Title II-D		*	87	10	3 (1)	*
Title VI		*	86	11	3 (1)	*
Title IV-YETP	9	4	64	4	7	12
Title IV-SYEP	*		82	5	2	11
Title IV-YCCIP	6		71	10	11	2

* Less than one (1) Percent

(1) Figure should be at least 10% of total expenditures.
 (Regulation 677.58 (a) of CETA Act)

YETP: Youth Employment and Training Program

YCCIP: Youth Community Conservation and Improvement Program

SYEP: Student Youth Employment Program

The following is a list of findings pertaining to the Balance of State-Prime Sponsor for the 1979 fiscal year. These findings have been communicated to the Prime Sponsor by the Regional Office of the U. S. Department of Labor-Employment and Training Administration. For expediency, the findings are categorized as either "management" or "program".

MANAGEMENT FINDINGS

The Balance of State-Prime Sponsor has internal management and organizational problems. This statement is supported by the following findings:

- (1) The Prime Sponsor lacks a clearly defined organizational structure severely limiting its ability to manage effectively its delivery system. A well defined structure should delineate plan review, monitoring, corrective action, and follow-up procedures and responsibilities.
- (2) The Prime Sponsor has a dual delivery mechanism in most of its counties. This mechanism consists of program agents running the Public Service Employment programs and a community based organization running the Intake-Assessment Center and Title II-B and Title IV programs. The Regional Office has stated that this mechanism "does not exhibit close coordination between service deliverers or provide a framework to maximize the provision of comprehensive employment and training services to applicants and participants".
- (3) The Prime Sponsor did not have its Internal Monitoring Unit in operation during the 1979 fiscal year and therefore was not in compliance with the April 3, 1979 CETA Regulations.
- (4) The Prime Sponsor's manual approach to maintaining its accounting records provides information which is not timely for management decisions. The Regional Office is of the opinion that if the Prime Sponsor continued with the system in use during the 1979 fiscal year it is doubtful that it can properly manage the programs with the manipulations required with the current system to produce useful management information.
- (5) The Prime Sponsor has a poor communication system between itself and the counties and subgrantees. This is evidenced by the fact that:
 - (a) Performance reports were not issued on a regular basis to program agents or comprehensive deliverers during fiscal year 1979.

- (b) The system for providing legislative and regulatory information to the delivery agents was less than adequate. The Regional Office stated that the routine dissemination of such information as it came from the Regional Office or as it evolved at the Prime Sponsor level was poorly evidenced.
- (6) The Prime Sponsor utilizes the Maine State Personnel System. However, a written package of rights and benefits does not exist.

PROGRAM FINDINGS

- (1) The Title II-D and Title VI programs have exceptionally high negative termination rates. Over 50% of the participants in both of these programs leave for negative reasons. (See Exhibit C)
- (2) The Prime Sponsor has experienced severe expenditure problems in the Title II-D and Title VI programs. The Prime Sponsor expended 65% of the planned funds in Title II-D and 72% in Title VI during fiscal year 1979. (See Exhibit B)
- (3) In all Balance of State programs, the entered employment rates are exceptionally low for fiscal year 1979. Figures range from a low of 7% in Title IV-Student Youth Employment Program to a high of 58% in Title II-B. (See Exhibit C)
- (4) Regulation 677.58(a) of the CETA Act states that at least 10% of Title II-D and Title VI funds must be expended for training. An analysis of fiscal year 1979 expenditures for both of the above programs revealed that 3% of the total expenditures in each program was expended for training. (See Exhibit D)

OBSERVATIONS

During the last half of the 1979 calendar year the administration of the Office of Maine CETA was placed under the Commissioner of Manpower Affairs. This action has strengthened the potential for designing and coordinating an effective manpower delivery system for residents in the Balance of State jurisdiction. Furthermore, the new Director has addressed many of the findings of the Regional Office, as enumerated in this report, and has informed that office of the preliminary steps taken by his administration to help rectify the many problems encountered.

SPECIAL NOTE

With regard to Schedules A-1 and A-2 it is noted that there are no percentage figures for York County under the columns entitled "Wages" and "Fringe Benefits". The reason for this situation is there was only one (1) contract from which to obtain the percentage figures and this contract was under the Vocational Education program of CETA. As a result, funds paid to participants were categorized as "Allowances" per CETA guidelines.

OFFICE OF MAINE CETA
RESPONSE TO
STATE DEPARTMENT OF AUDIT'S
STUDY OF
OFFICE OF MAINE CETA

Georgette E. Berube



State of Maine
OFFICE OF CETA PLANNING & COORDINATION
Hospital Street
Augusta, Maine 04330
(207) 289-3375

March 7, 1980

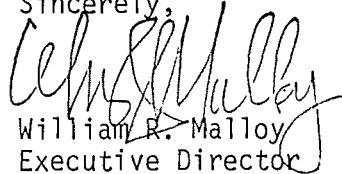
James McBreairty, Chairman
Georgette B. Berube, Chairman
Committee on Audit and Program Review
One Hundred and Ninth Legislature
State of Maine

Dear Senator McBreairty and Representative Berube:

The attached report was prepared in response to the State Department of Audit's STUDY OF BALANCE OF STATE, CUMBERLAND, KENNEBEC, PENOBSCOT AND YORK COUNTY CETA PRIME SPONSORS, OCTOBER 1, 1978 - SEPTEMBER 30, 1979.

We trust the report addresses all of the issues raised in the Study and will be happy to provide any additional information that you need in conducting your Study.

Sincerely,


William R. Malloy
Executive Director

WRM:cab

(1.)

Office of Maine CETA (OMC) has organized its response to the State Department of Audit's Study of OMC in the following manner:

1. General Statement.
2. Information pertaining to the MANAGEMENT FINDINGS in the sequence presented in the Study.
3. Information pertaining to the PROGRAM FINDINGS in the sequence presented in the Study.
4. Additional clarifying and supporting material through the use of exhibits.

GENERAL STATEMENT

We fully concur with the remarks made under the Study's OBSERVATIONS Section. Although we would be delighted to answer any questions about FY '79 and before, we see no useful purpose served in dwelling on errors of the past. Emphasis should be on the corrective and pro-active accomplishments of the present. Balance of State (BOS) in FY '80 demonstrates a positive, qualitative break from the past.

MANAGEMENT FINDINGS

1. "The Prime Sponsor lacks a clearly defined organizational structure severely limiting its ability to manage effectively its delivery system. A well defined structure should delineate plan review, monitoring, corrective action, and follow-up procedures and responsibilities."

There now is a well defined structure delineating plan review, monitoring, corrective action, and follow-up procedures and responsibilities.

Since OMC's inclusion in the Maine Department of Manpower Affairs in July, 1979, and the hiring of a new Executive Director, several significant and important changes have occurred at OMC. First, the office has been completely reorganized (see Organizational Chart, Exhibit A). The reorganization was accomplished in the latter part of 1979 and 1980, and all, excepting a few positions, are filled. The reorganization, we should point out, was accomplished with input and comment from the U.S. Department of Labor (D.O.L.), the funding agency. They, (D.O.L.), support the present organizational structure.

Obviously an organizational plan must be more than a paper document. Our goal in reorganizing was to create an organizational structure that would integrate the various functions and specialties needed to manage and administer CETA programs into a comprehensive delivery system.

The key to making such a system work is the Executive Management Team (EMT). This group, made up of the Directors of Administration, Field Operations, and Program and Resource Development, as well as the Coordinator of Program Review and Analysis and the Equal Employment Opportunity Officer, meet weekly (or more frequently as needed) with the Executive Director, to coordinate the activities and functions of the Office.

This approach has proven very effective in integrating all of the various specialties and functions of the office into a comprehensive problem solving

(2.)

team, while at the same time, maintaining the functional integrity of the various units and divisions (See Exhibit B).

While the above described organizational structure is still relatively new, a quick evolution of specific functions and responsibilities has and continues to take place. For instance, the Planning Evaluation and Research Unit is responsible for preparation of the Annual Plan, its review and monitoring. As is the case with the EMT, a coordinated and comprehensive approach is used on all major undertakings. Development and monitoring of the Annual Plan, for instance, requires the involvement of: Program Specialists, Contracts Officer, Supervisor of the Central Records Unit, Fiscal Manager, and others. Similar relationships are in place for other major undertakings such as corrective action, follow-up, training, technical assistance, etc.

It is our feeling that the present management structure is a good one, meets the needs of OMC, and will improve the delivery of CETA programs in The Balance of State jurisdiction.

2. "The Prime Sponsor has a dual delivery mechanism in most of its counties. This mechanism consists of program agents running the Public Service Employment programs and a community based organization running the Intake-Assessment Center and Title II-B and Title IV programs. The Regional Office has stated that this mechanism 'does not exhibit close coordination between service deliverers or provide a framework to maximize the provision of comprehensive employment and training services to applicants and participants.'"

The OMC has inherited a dual delivery mechanism from previous administrations. While it is true that this has presented some coordination problems in the past, OMC is working to correct this problem.

It should be noted that the dual delivery mechanism is not, in and of itself, deficient. In fact, in some counties, it works well. It is our feeling that the delivery mechanism in any one county should be assessed on an individual basis. OMC currently uses a mix of delivery systems. Some of these place complete administrative authority over all CETA programs under the County Commissioners. Others, divide various segments of CETA programs between County Commissioners and other nonprofit Community Based Organizations (CBO's).

Technical assistance and a performance based contract have certainly held the line in terms of prime sponsor-wide cost effectiveness.

In those counties which continue to fall below contracted performance, deobligation will occur. In cases of continued under-performance, an alternate delivery system will be sought.

As an indication of OMC's philosophy of assessing appropriate delivery systems on an individual county basis, it is noteworthy that in Somerset County all CETA programs have been coordinated under a single, unified delivery system; which uniquely incorporates all youth services, and even more uniquely, all job service functions.

(3.)

3. "The Prime Sponsor did not have its Internal Monitoring Unit in operation during the 1979 fiscal year and therefore was not in compliance with the April 3, 1979 CETA Regulations."

The Internal Monitoring Unit (IMU) which we call our Program Review and Analysis Unit, is in place and functioning.

The unit is staffed by a coordinator and four management analysts. The Unit works as a team in conducting broad-based reviews of our CETA delivery system. The Unit recently completed its first major review and analysis (eligibility and certification). Their findings have been turned over to the Executive Director and follow-up, corrective action is underway. (See Exhibit C - Review Distribution Form)

4. "The Prime Sponsor's manual approach to maintaining its accounting records provides information which is not timely for management decisions. The Regional Office is of the opinion that if the Prime Sponsor continued with the system in use during the 1979 fiscal year it is doubtful that it can properly manage the programs with the manipulations required with the current system to produce useful management information."

The accounting system at OMC is manual. This has presented problems in the past in terms of generating timely, required D.O.L. financial reports. A major thrust of OMC in 1980 will be to automate its manual information systems. However, as this cannot happen overnight, we have taken immediate measures to streamline and improve our manual accounting and reporting systems, and significant improvements have been made. (See D.O.L. Report, Exhibit E)

However, design, development and implementation of an automated accounting system is no quick and simple task. This is especially true when one reviews the literature documenting the many systems that have been tried and failed. While we realize the benefits of an automated accounting system, we, at the same time, are aware of the many pitfalls that await us if we act precipitously.

We are presently reviewing our options in this area and several preliminary steps have been taken:

- 1) The Director of Administrative Services has, as a primary mission, the design and development of an automated management information system.
- 2) Preliminary discussions with D.O.L. have been initiated to:
 - a. Identify existing systems used by other CETA prime sponsors nationwide, and
 - b. Locate potential sources of technical assistance moneys to undertake automation.

(4.)

5. "The Prime Sponsor has a poor communication system between itself and the counties and subgrantees. This is evidenced by the fact that:

- (a) Performance reports were not issued on a regular basis to program agents or comprehensive deliverers during fiscal year 1979.
- (b) The system for providing legislative and regulatory information to the delivery agents was less than adequate. The Regional Office stated that the routine dissemination of such information as it came from the Regional Office or as it evolved at the Prime Sponsor level was poorly evidenced."

Communication between OMC and its deliverers has vastly improved since the D.O.L. assessment quoted in the Study.

The Office has developed a performance Based Contract for use with its deliverers. This contract is presently in use and ongoing monitoring of performance is occurring on a weekly, monthly, and quarterly basis. Feedback, in the form of verbal and written communication with our deliverers is taking place. In fact, we have recently notified our deliverers in writing (See Exhibit D, February 27 and March 4, Informational Letters to deliverers) of performance indicators and needed corrective action.

The system of Informational Letters as a formal method of communicating policy and regulatory changes with our deliverers, is used extensively. All pertinent regulatory and legislative information is transmitted to our deliverers via the Informational Letter Series on a timely basis.

6. "The Prime Sponsor utilizes the Maine State Personnel System. However, a written package of rights and benefits does not exist."

The office has been and continues to provide its new staff a written package of rights and benefits made up of the following:

- 1. Maine State Retirement System application
- 2. Blue Cross - Blue Shield packet
- 3. Deferred Compensation Plan
- 4. Maine State Employees' Credit Union packet
- 5. U. S. Savings Bonds packet
- 6. MSEA Income Protection Plan
- 7. Maine Transportation and Travel Guide
- 8. Informational Handbook - Maine State Retirement System
- 9. Payroll Procedures
- 10. Grievance Procedures
- 11. Training Agreement

PROGRAM FINDINGS

1. "The Title II-D and Title VI programs have exceptionally high negative termination rates. Over 50% of the participants in both of these programs leave for negative reasons. (See Exhibit C)"

We have reduced our negative termination rate from 54 percent in Title II-D to 45 percent and from 57 percent in Title VI to 48 percent in the month of January. The January rate is cumulative for the first four (4) months of FY '80.

We expect these figures to improve in the spring and summer months due to seasonal improvements in the economy.

2. "The Prime Sponsor has experienced severe expenditure problems in the Title II-D and Title VI programs. The Prime Sponsor expended 65% of the planned funds in Title II-D and 72% in Title VI during fiscal year 1979. (See Exhibit B)"

Expenditure rates in Title II-D and VI have improved in the first quarter of FY '80.

<u>Program</u>	<u>Percent</u>	<u>Actual</u>	<u>Plan</u>
II-B	88	828,769	942,384
II-D	85	1,742,102	2,059,244
VI	79	1,161,332	1,462,861
YETP	92	228,154	247,941
<u>YCCIP</u>	<u>77</u>	<u>39,726</u>	<u>51,429</u>
Total	84	4,000,083	4,763,859

Office of Maine CETA, in the first quarter of FY '80, increased its expenditures from 65 percent to 85 percent in Title II-D and from 72 percent to 79 percent in Title VI.

Our current enrollment levels as of February, 1980 (cumulative from October, 1979) are:

<u>Title</u>	<u>Percent</u>
II-B	98%
II-D	115%
VI	70%
YETP	106%
YCCIP	240%*

*Currently over-enrolled by 24 individuals. Program plan is being modified for additional funds and projects.

3. "In all Balance of State programs, the entered employment rates are exceptionally low for fiscal year 1979. Figures range from a low of 7% in Title IV-Student Youth Employment Program to a high of 58% in Title II-B."

Youth programs traditionally have a low entered employment rate. Job placement is not a goal of these programs. The primary goal is to assure the youth an opportunity to complete high school. Summer Youth Employment Programs (SYEP) are programs for youth between the ages of 14 to 21. After completion of the program, the greatest majority of those youth return to school. Attempts at job development would be counterproductive since they may ultimately serve to deprive the youth of a high school education.

The entered employment rates in Titles II-D and VI are low. This is a serious problem that is of great concern. We are making efforts to combine our placement efforts with the job resources available from Job Service (see response to question 2, under Management Findings above). We are also putting a greater emphasis on job development and job development training for field staff, and we are coordinating those efforts with Economic Development. This area remains a critical problem and will probably not show significant improvement until later in the year. However, this could be affected by the relative health of the economy.

It should also be noted that greater and greater emphasis is being placed on job development in the private sector. This in part is due to the general tightening of governmental budgets and the resultant decrease in their ability to retain CETA participants on public payrolls.

With reference to the entered employment rate in Title II-B, our 58 percent performance was higher than our Department of Labor approved plan. Also, our entered employment rate in the first four (4) months of FY '80 was 64 percent: Again, significantly higher than our approved plan.

4. "Regulation 677.58(a) of the CETA Act states that at least 10% of Title II-D and Title VI funds must be expended for training. An analysis of fiscal year 1979 expenditures for both of the above programs revealed that 3% of the total expenditures in each program was expended for training."

We are approaching the expenditure of ten (10) percent of Titles II-D and VI with caution for at least two important reasons:

- 1) The requirement by the Department of Labor for this level of training funds to be spent is quite recent (April, 1979), and the promised package of technical assistance has not been forthcoming; and
- 2) We are in the process of developing our own program for the cost-effective expenditure of these funds. Since our data on how this training can best and least expensively benefit clients is so sparse, we are avoiding rushing into meeting the standard by virtue of spending up to the standard.

11/29/79

EXHIBIT A

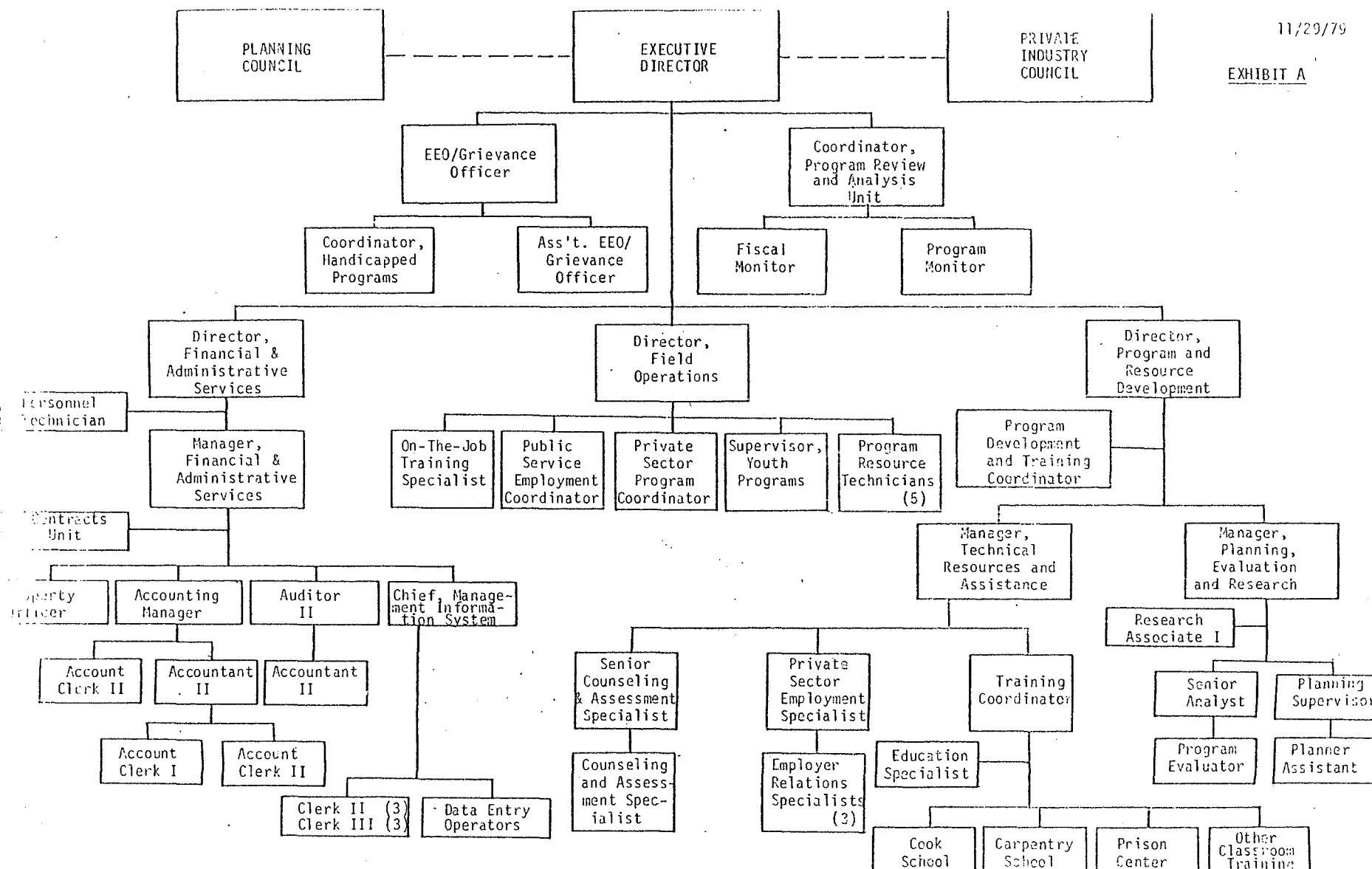
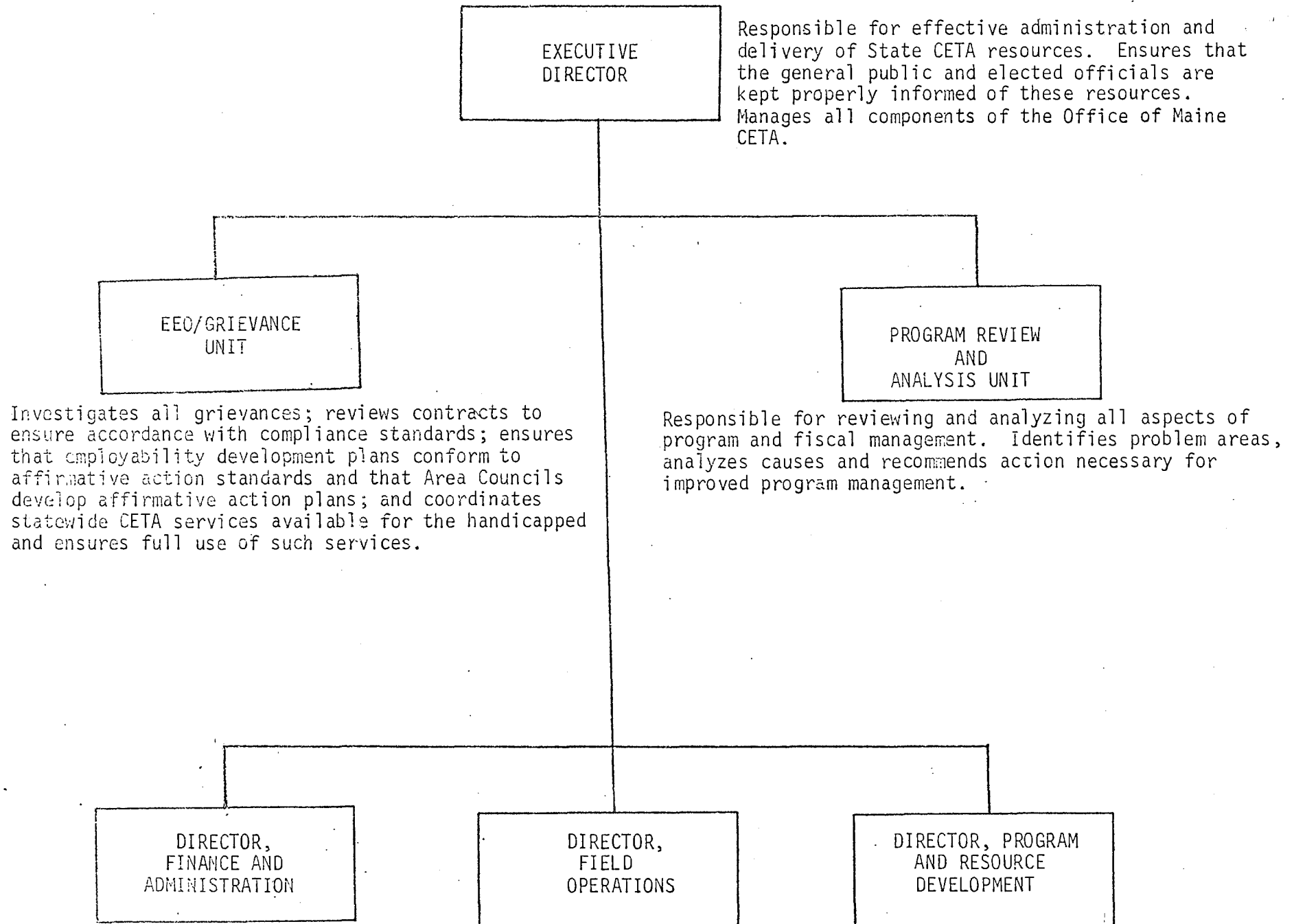


EXHIBIT B



DIRECTOR, PROGRAM
AND RESOURCE
DEVELOPMENT

Identifies potential program resources, measures actual performance against planned accomplishments, and modifies technical assistance as necessary. With management staff, identifies potential problems and develops technical assistance and/or training to be provided. Identifies and develops new uses for CETA services.

PROGRAM
DEVELOPMENT
AND TRAINING
COORDINATOR

Assists the Director of Program and Resource Development in management of unit with particular responsibility to the Planning Division and coordination with technical assistance.

MANAGER,
TECHNICAL
RESOURCES AND
ASSISTANCE

Manages technical assistance in the areas of job development, PSIP, vocational counseling, intake and assessment, and training development.

Research labor markets in a general sense through compilation of relevant indicators such as unemployment rates and employment levels in industry. Research labor market and identify characteristics of the labor supply in the context of the regional and statewide economy. Performs research as to human and economic resources within the State.

MANAGER,
PLANNING,
EVALUATION
AND RESEARCH

Responsible for all Plan writing, research efforts and evaluation models. Develops a sophisticated model for analyzing program performance, to provide other units with feedback on potential problems so that technical assistance and training can be provided.

RESEARCH
ASSOCIATE I

SENIOR
COUNSELING AND
ASSESSMENT
SPECIALIST

Provides technical assistance to staff and deliverers in the areas of vocational counseling and intake and assessment. Identifies weaknesses in delivery and develops methods of ensuring success.

TRAINING
COORDINATOR

Manages the classroom training projects with particular attention to cost effectiveness. Develops training modules for staff development and deliverers. Negotiates training contracts with education agencies.

PRIVATE
SECTOR
EMPLOYMENT
SPECIALIST

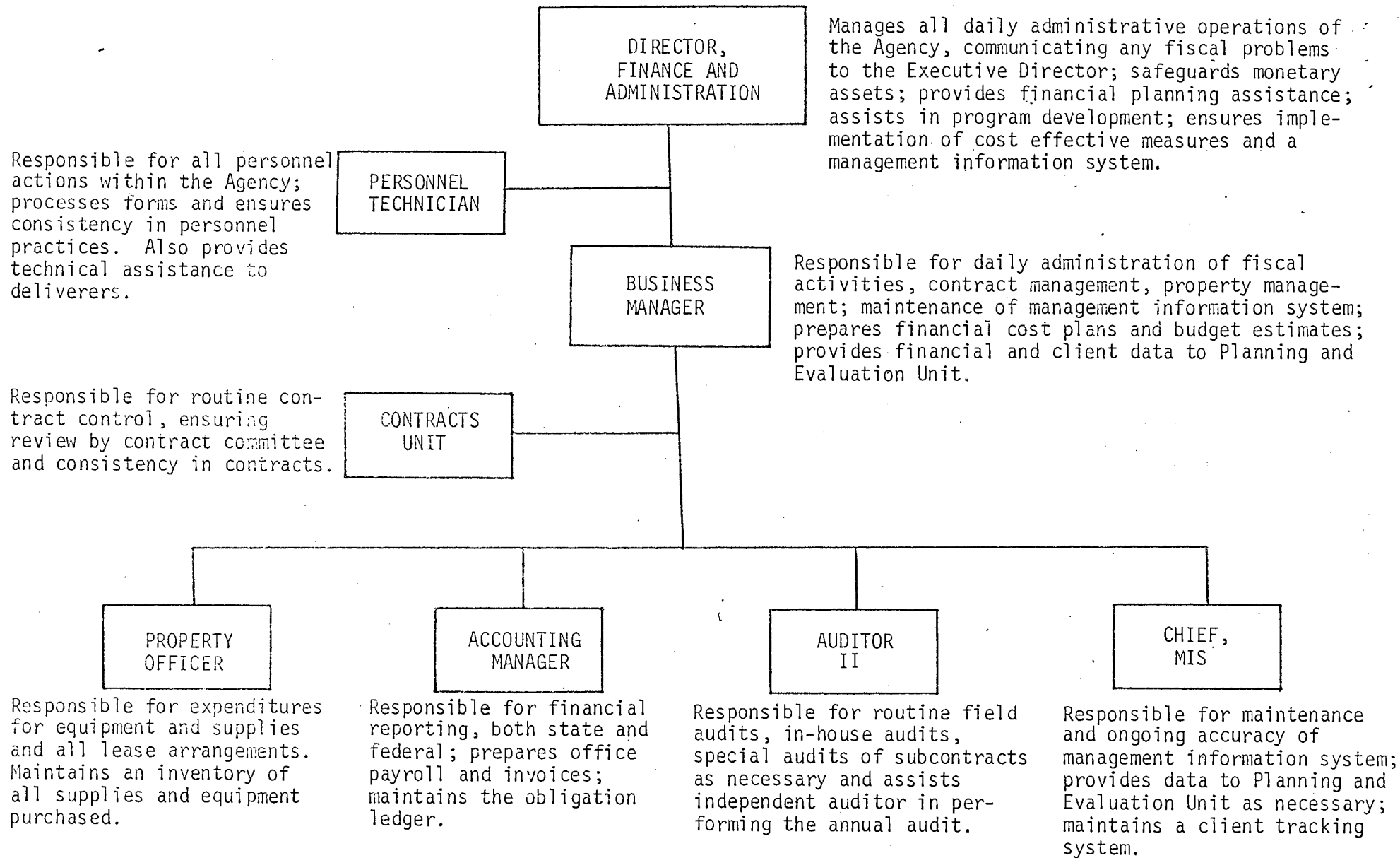
Responsible for technical assistance and resource development for PSIP. Talks with businesses to explain and sell the PSIP. Supervises job developers in contacts with employers and development of the innovative and worthwhile use of CETA services and participants.

SENIOR
ANALYST

Designs methods and tools for ongoing program evaluation. Studies program impact on participants and communities. Provides technical assistance to Agency staff in developing and implementing evaluation capabilities.

PLANNING
SUPERVISOR

Responsible for preparation and submission of Annual Plan, Master Plan, Grant application and periodic status reports. Establishes significant segment goals and target occupations. Provides technical assistance as needed in plan writing.



DIRECTOR,
FIELD
OPERATIONS

Responsible for receiving, coordinating and disseminating communications to and from the Program Resource staff. Ensures that program goals are being met by deliverers and assigns field staff to provide assistance where necessary; ensures that Area Councils are actively involved in community development activities.

ON-THE-JOB
TRAINING
SPECIALIST

Provides technical assistance to on-the-job training deliverers as necessary--both to job development staff and to hiring agents.

PUBLIC SERVICE
EMPLOYMENT
COORDINATOR

Provides technical assistance to deliverers in the area of Public Sector Employment.

PRIVATE SECTOR
PROGRAM
COORDINATOR

Provides staff assistance to Private Industry Council, speaks to individuals and groups regarding the Private Sector Initiative Program (PSIP), develops contracts to initiate private sector programs.

SUPERVISOR,
YOUTH
PROGRAMS

Manages all Youth Employment Programs, provides direction and technical assistance to deliverers.

PROGRAM
RESOURCE
TECHNICIANS

Provides technical assistance in all aspects of program delivery, not only to deliverers but also to hiring agents; identifies potential problems and works with technical assistance unit in the development of resources to ensure program success. Communicates with Area Councils regarding program goals, emphases and resources available for use.

OFFICE OF MAINE CETA

Interoffice Memorandum

Date _____

To _____

Unit Executive Director

From _____

Unit Coordinator, Program Review &
Analysis Unit

Subject Program Review Report No. _____

Attached is a report on activities conducted by the PRA Unit. Please review the information provided, complete the bottom portion of this form, and return to _____ by _____.

Report Received: _____
(date)

Further Action Warranted: ☐ Yes ☐ No

Urgent: ☐ Yes ☐ No

Referred to: ☐ Admin. Services Unit ☐ Operations Unit
☐ Planning & Program Development Unit ☐ Grievance/EEO Unit

Action Assigned:

Response Due: _____
(date)

PRAU Report
Distribution Form:



State of Maine
OFFICE OF CETA PLANNING & COORDINATION
Hospital Street
Augusta, Maine 04330
(207) 289-3375

INFORMATIONAL LETTER NUMBER 80-68

DATE: February 27, 1980

TO: Staff Members
Comprehensive Deliverers
Program Agent Administrators
Intake and Assessment Centers
All Others (For Information Only)

SUBJECT: FY '80 Performance Contract Modifications

The following information is presented in order to provide program operators with data and guidelines which establish the basis for pending contract modifications.

1. Title II-D

Counties receiving additional Title II-D funds and/or authorization to add participants to present contract levels are to modify their contracts incorporating funds as presented in Chart A below. Enrollment levels are to be modified to incorporate additional participants as shown in Chart B.

CHART A

Title II-D Additional Discretionary Funds (Assigned in December, 1979)

<u>County</u>	<u>Prime Sponsor Admin.</u>	<u>Program Agent Admin.</u>	<u>Training (15%)</u>	<u>Balance</u>
Aroostook	\$1,486	\$1,486	\$ 4,459	\$22,289
Lincoln	2,377	2,377	7,133	35,664
Sagadahoc	1,635	1,635	4,904	24,517
Oxford	4,903	4,903	14,711	73,557
Waldo	4,458	4,458	13,373	66,869

Program Agent Admin., Training and Balance funds are to be incorporated into Program Agent contract modifications.

CHART B

Title II-D Increased Enrollment Levels - Supercedes levels assigned in letter of February 5, 1980.

<u>County</u>	<u>Increased Authorization</u>
Aroostook	50
Androscoggin	16
Franklin	15

<u>County</u>	<u>Increased Authorization</u>
Knox	18
Lincoln	13
Oxford	26
Sagadahoc	15
Waldo	18
Washington	7

Program Agents are required to add their increased enrollment authorization to their current March on-board contract figures.

All increases authorized in Title II-D enrollments must be planned to be on board by March 31, 1980.

2. Title VI

Additional Title VI Weatherization discretionary funds to be incorporated through contract modification and assigned to either Slots or Projects:

Sagadahoc - \$21,500 Waldo - \$21,500

Additional Title VI enrollments to following counties are authorized on a fifty/fifty basis (50% Slots - 50% Projects):

Aroostook - 16	Oxford - 12	
Knox - 25	Sagadahoc - 8	Franklin - 8
Lincoln - 8	Waldo - 25	

All authorized increases in Title VI enrollment levels must be planned as on board by April 18, 1980.

-- Due date of contract modifications is March 27, 1980.

--Effective date of contract modifications is March 1, 1980.

--Five signed copies of the contract modification must be submitted on due date.

--Performance for the second quarter will be assessed on modified contract basis.

Enclosed are new copies of our Performance-based Contract, which has been revised to include Page 5-A (modification page). Pages 18 and 19 (Total Program Budget) have been revised to include a budget line item for Equipment Maintenance, and the signature page for the Assurances and Certifications (A & C's) has been changed and must be signed prior to processing of contract modifications.

Two copies of the revised A & C's are enclosed and must be signed and returned for processing of contract modifications.

3. Title II-B

The following Quarterly Performance Indicators cannot be modified:

Quarterly Enrollments

Quarterly Expenditures

Total Enrollments
Total on Board

Total Expenditures

Requests for contract modifications not in conflict with the above limitations will be considered on an individual basis.

4. Title IV - Summer Youth Employment Program (SYEP)

SYEP funds are to be included in this contract modification based on county allocations as presented in Informational Letter Number 80-60. (Planning estimates are attached.)

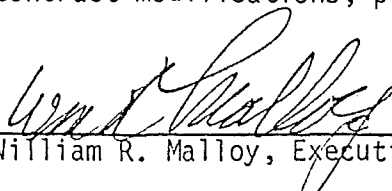
Directions for incorporation of SYEP:

- A. 1. Total available SYEP funds are added to the total contract amount cited on Page 2, Paragraph 7.
 2. Compute your Administrative costs for SYEP (up to 10 percent).
 3. Add your SYEP Administration costs to the Administration figures in your current contract in the grid under Paragraph 7, Page 2.
 4. In this same grid, enter the balance (Total SYEP - Admin.) under the Title IV column on the second line. Example: Title IV:

200,000	- YETP
300,000	- SYEP
<u>500,000</u>	- Total
 5. Be sure to include total SYEP funds in your Contract Total on Page 5, Paragraph 37.
 6. Add your SYEP costs according to cost categories on Page 7.
 7. Incorporate your Administration costs on Page 14 of your Component Budget. (Indicate at bottom of this page amount of administration from SYEP.)
- B. A forms packet is enclosed for completion of the SYEP Plan, which consists of:
- Page 38A of 38 - SYEP Financial Plan
 - Page 38B & C of 38 - Component Budget
 - Page 38D of 38 - Program Operation Plan (POP) - Note that No. A-3 on the SYEP POP has been changed from Carry-In to Co-Enrollments.
 - Page 38E of 38 - SYEP Staff Summary

These forms are to be completed and attached to each of the required five (5) copies of your contract.

If you have any questions concerning contract modifications, please contact George Ezzy of this office.


William R. Malloy, Executive Director

SYEP FY '80
PLANNING ESTIMATES

<u>County</u>	<u>Allocation Percent</u>	<u>Total Available</u>	<u>Allowable Admin. (10%)</u>
Androscoggin	18.76	336,587.00	33,659.00
Aroostook	22.44	402,613.00	40,261.00
Franklin	4.74	85,044.00	8,504.00
Knox	6.56	117,698.00	11,770.00
Lincoln	4.77	85,582.00	8,558.00
Oxford	8.94	161,296.00	16,130.00
Sagadahoc	4.72	84,685.00	8,468.00
Somerset	11.22	201,307.00	20,131.00
Waldo	7.40	132,769.00	13,277.00
Washington	<u>19.40</u>	<u>186,594.00</u>	<u>18,659.00</u>
TOTAL	100%	1,794,175.00	179,417.00

FINANCIAL PLAN

IV - SYEP

Cumulation of Accrued Costs:

Section A

Rider A, Cont'd.

	10/31	11/30	12/31	1/31	2/28	3/31	4/30	5/31	6/30	7/31	8/31	9/30	TOTAL
Allowances													
Wages													
Fringe													
Worksite Supervision													
Training													
Services													
TOTAL													

Cumulation of Accrued Program Activity Totals:

Section B

Classroom Trng.													
Upgrading													
Retraining													
Less-than-Class													
OJT													
CEE - OJT													
Work Experience													
CEE - WE													
PSE													
Project													
Slots													
SYEP													

	TOTAL	II-B	II-D	SYEP IV	VI	VII
II. <u>Allowances</u>						
Allowances paid to Enrollees						
III. <u>Wages</u>						
A. Wages Paid to Enrollees						
B. Overtime						
TOTAL WAGES						
IV. <u>Fringe Benefits</u>						
Employer's Share of Enrollees Fringe Benefits						
V. <u>Worksite Supervision</u>						
VI. <u>Training</u>						
A. Training Staff Costs						
1. Salaries						
2. Employer's Share of Fringe Benefits						
3. Total Training Staff Costs						
B. Equipment						
C. Equipment Maintenance						
D. Materials & Supplies						
E. Rent						
F. Tuition						
G. Reimbursement						
TOTAL TRAINING						

Cost Category	TOTAL	II-B	II-D	SYEP IV	VI	VII	I&A
VII. Services							
A. Service Staff Cost							
1. Salaries							
2. Employer's Share of Fringe Benefits							
3. Total Service Staff (Total 1 & 2)							
B. Supportive Services							
C. Rent							
D. Utilities							
E. Travel							
1. Enrollee							
2. Staff							
F. Equipment							
G. Equipment Maintenance							
H. Other							
TOTAL SERVICES							
TOTAL COST OF PROJECT							

PROGRAM OPERATION PLAN (POP)

FORM A

Rider B, Cont'd.

NAME OF CONTRACTOR:

PROGRAM YEAR COVERED BY THIS GRANT
(Month, Day, Year)
☐ Title II-B/C
☐ Title IV-YETP
☐ Title IV-YCCIP
☐ I & A
☐ Admin. Pool

☐ PSE Admin.
☐ Title II-D
☐ Title VI Projects
☐ Title VI Slots
☒ Other: SYEP

Contract No: _____

From: _____

To: _____

ENROLLMENT & TERMINATION SUMMARY (Program Yr.-to-Date Plan		10/31	11/30	12/31	1/31	2/29	3/31	4/30	5/31	6/30	7/31	8/31	9/30
A. Total Individuals to be Served (Sum of A1, A2, & A3)													
1. New Participants this Program Year													
2. Entries from Other Contracts: (a) Within this Title													
(b) From Other Titles													
3. Co-Enrollments													
B. Total Individuals to be Terminated during Program Year (Sum of B1, B2a, B2b, B3, B4)													
1. Total Entering Employment (Sum of B1a i, ii, & iii)													
a. Type of Placement: i. Direct Placement													
ii. Ind. Place. thru Sponsor													
iii. Other Indirect													
b. How many of B1 entered Private Sector?													
2. Entries to Other Contracts: (a) Within this Title													
(b) To Other Titles													
3. Total Additional Positive Terms. (Sum of B3a & B3b)													
a. Return to/Continue Full-Time School													
b. Other													
4. Other Terminations													
C. Participants On Board End of Month (A minus B)													
ENROLLMENT IN ACTIVITIES		10/31	11/30	12/31	1/31	2/29	3/31	4/30	5/31	6/30	7/31	8/31	9/30
Program Activity		*t/d	*o/b	t/d	o/b	t/d	o/b	t/d	o/b	t/d	o/b	t/d	o/b
A. CI (Occupational Training)													
(Upgrading Basic Skills)													
B. LTC (Occupational Training)													
(Upgrading Basic Skills)													
C. Services													
D. OJT													
E. CEE-OJT													
F. CEE-WE													
G. WE-Other													
H. PSE (PSE Only)													
(PSE and Training)													
I. Direct Placements													
J. Special Categories (IV Only)		////	////	////	////	////	////	////	////	////	////	////	////
a. GED Certificate (IV)													
b. Academic Credit (IV)													
c. Spec. Mix. Comp. (YETP)													
d. Limited Services (YETP)													

REVISED 8/79 *t/d - to date *o/b - on board **Additional information required for Title IV participants.

SYEP

SUBGRANTEE STAFF SUMMARY

[illegible]

*Total of CETA and Non-CETA Weekly Salary.



Department of Manpower Affairs

OFFICE OF MAINE CETA

Hospital Street

State House Station 55

Augusta, Maine 04333

(207) 289-3375

INFORMATIONAL LETTER NUMBER 80-78

DATE: March 4, 1980

TO: Staff Members (For Information Only)
Comprehensive Deliverers
Program Agent Administrators
Intake and Assessment Centers (For Information Only)
All Others (For Information Only)

SUBJECT: First Quarter Performance Report

The Balance of State first quarter performance indicators are being used for various evaluation and corrective action purposes. It is only appropriate that our delivery system receive a copy of the report to augment the analysis of their own individual programs.

The methods used to create the report are straightforward and simple. It is hoped that a better understanding of our position before the Department of Labor is illustrated and that issues raised by the report will facilitate an even better managed delivery system.

In reviewing this report, a few considerations should be taken into account.

1. Our system is new and is still subject to clarification and refinement.
2. Remarkable and praise-worthy progress has occurred since last year, especially in cost pers - congratulations.
3. Reported indirect placement rates refer to only indirect through sponsor terminations.
4. Because contract modifications were allowed, the performance indicators will reflect the effect of that modification.

Questions regarding this report may be addressed to Doug Irwin of this office.

A handwritten signature in dark ink, appearing to read "William R. Malloy".

William R. Malloy
Executive Director

WRM:n11

Enclosure

U.S. DEPARTMENT OF LABOR
Employment & Training Administration
John Fitzgerald Kennedy Federal Building

Refer: ITGMM

Boston, Massachusetts 02203

Date: February 25, 1980

REGION I LETTER SERIES NO. 46-80

SUBJECT: First Quarter FY '80 Reporting

TO: CETA Prime Sponsors
SESA Administrators (Information Only)



The Quarterly Progress Reports that were submitted for the period ending December 31, 1979 (First Quarter FY '80) showed a marked improvement in reporting accuracy for the Region as a whole. Attachment No. 1 lists by Prime Sponsor all the reports that were unacceptable and returned to Prime Sponsors for error correction. As the chart indicates, we were unable to process 26 reports until corrections were made; this compares favorably to the fourth quarter FY '79 reports where 40 reports were unacceptable. Please note, however, that half of the unacceptable reports were submitted from two Prime Sponsors.

All other Prime Sponsors did extremely well especially since this was the first reporting period that the new FY '80 forms were used. In fact, 16 Primes submitted totally error-free reports. Since BOS Connecticut, Cambridge and Kennebec's reports are three of the Primes that had error-free reports, they are no longer required to submit mathematical checklists with their reports. However, BOS Massachusetts, as well as New Bedford, are required to submit the checklists for all titles for the next two quarters or until they show a marked improvement.

The checklists for the Program Status Summary (PSS) and Quarterly Summary of Participant Characteristics (QSPC) are contained in Attachment No. 3. I would like to re-emphasize the fact that the checklists were designed to give technical assistance to the Prime Sponsors, and those Primes who are experiencing difficulty should refer to the checklists if they have a specific problem.

Attachment No. 2 lists the average days late for each Prime Sponsor. Please note that seven Prime Sponsors were delinquent in submitting their reports. Once again, I would like to restate the importance of reporting on time. Every Prime Sponsor's report must be processed on time if we are to produce accurate Regional performance indicators on our automated system.

Also, RILs 21-80 requested that each Prime that was granted PSE waivers submit their waiver reports as an addendum to the appropriate IID or VI PSS. However, the following Primes did not submit the required waiver reports:

BOS Rhode Island

SUBJECT: First Quarter FY '80 Reporting

-2-

Bridgeport
Cambridge
Worcester

These reports, as well as all other delinquent Quarterly reports, must be submitted to the Regional Office as soon as possible. If you have any problem with submitting these reports, or if you have any questions in general, please contact Ann Fayad (617-223-7772).

Expiration Date: September 30, 1980.

Timothy M. Barnicle
Timothy M. Barnicle
Regional Administrator for
Employment and Training

Attachments:

12-31-79

[illegible]

1

[illegible]

Prime Sponsor: _____

Title: _____

CETA Program Status Summary

YES/NO

The Sum of IA1, IA2 and IA3 = IA

The Sum of IB1a, IB1b(1) + IB1b(2) = IB1

The Sum of IB1, IB2, IB3 and IB4 = IB

The Sum of IA minus IB = IC

IIA is equal to or less than IB1

NOTE: If the answer to any of the above is "no" please correct the error before submission to DOL.

Signature of Prime Sponsor Staff Person
Responsible for Completing Reports

Prime Sponsor: _____

Title: _____

QUARTERLY SUMMARY OF PARTICIPANT CHARACTERISTICS

YES/NO

The sum of the following characteristics on the QSPC is the same as line 1. _____

SEX
AGE
EDUCATION STATUS
ECONOMIC STATUS
FAMILY STATUS
RACE/ETHNIC GROUP
LABOR FORCE STATUS

The sum of Column F lines 45-51 is the same as the Sum of Column G lines 46-51. _____

The sum of Column F and the sum of Column G is equal to or less than line 1 Column D. _____

Column C (lines 1 through 44) are equal to or less than Column B. _____

Column D (lines 1 through 44) are equal to or less than Column C. _____

Column B line 1 is the same as IA on the PSS. _____

Column C line 1 is the same as IB on the PSS. _____

Column D line 1 is the same as IB1 on the PSS. _____

NOTE: If the answer to any of the above is "no" please correct the error before submission to DOL.

Signature of Prime Sponsor Staff Person
Responsible for Completing Reports

Prime Sponsor: _____

SPECIAL GRANT - PROGRAM STATUS SUMMARY

YES/NO

Vocational Education Projects

The Sum of IA1 and IA2 = IA

The Sum of IB1, IB2, IB3 and IB4 = IB

The Sum of IA minus IB = IC

State Coordination and Special Services

The Sum of IIA1 and IIA2 = IIA

The Sum of IIB1, IIB2 and IIB3 = IIB

The Sum of IIA minus IIB = IIC

Educational Linkages

The Sum of IIIA1 and IIIA2 = IIIA

The Sum of IIIB1, IIIB2 and IIIB3 equals IIIB

The Sum of IIIA minus IIIB = IIIC

NOTE: If the answer to any of the above is "no" please correct the error before submission to DOL.

Signature of Prime Sponsor Staff Person
Responsible for Completing Reports

COMPARISON OF PERFORMANCE AGAINST
SELECTED INDICATORS

Title II-B
1st Quarter - FY '80

	<u>FY '78 Actual</u>	<u>FY '79 Actual 2/</u>	<u>FY '79 Actual 3/</u>	<u>FY '79 Actual 4/</u>	<u>FY '80 Plan *</u>	<u>1st Quarter FY '80 Actual *</u>	<u>FY '80 January Partial</u>
<u>RATES:</u>							
Positive Termination	67%	72%	72%	75%	75%	78%	80%
Entered Employment	51%	64%	60%	58%	60%	58%	64%
Indirect Placements	35%	45%	42%	42%	48%	42%	47%
<u>Indirect Placements Entered Employment</u>	69%	71%	71%	72%	80%	72%	74%
<u>COST PERS:</u>							
Positive Termination	\$2,370	\$3,496	\$2,428	\$2,548	\$3,230	\$1,760	\$1,596
Entered Employment	\$3,425	\$4,951	\$4,631	\$4,516	\$5,239	\$3,176	\$2,884
Indirect Placements	\$4,949	\$7,012	\$6,528	\$6,284	\$6,588	\$4,420	\$3,912
Participants	\$1,300	\$1,140	\$1,119	\$1,403	\$1,223	\$ 705	\$ 755

2/ 2nd Quarter

3/ 3rd Quarter

4/ 4th Quarter

* The total of II-B does not include contract numbers: 80-084-10, LPN; 80-091-10, NMVTI; 80-093-10, LPN SMVTI; 80-094-10, Wood Harvesting NMVTI; and 80-095-10, Coop. Ed. NMVTI.

AN ANALYSIS OF THE "RESPONSE
TO STATE DEPARTMENT OF AUDIT'S
STUDY OF OFFICE OF MAINE CETA"

Date Audit Report Rendered: February 26, 1980
Date CETA Report Rendered: March 7, 1980
Date This Report Rendered: March 13, 1980



STATE DEPARTMENT OF AUDIT
Augusta, Maine 04333



STATE OF MAINE
DEPARTMENT OF AUDIT
STATE HOUSE STATION 68
AUGUSTA, MAINE 04333
Area Code 207
Tel. 299-2201

GEORGE J. RAINVILLE
STATE AUDITOR

ROGER A. LAROCHELLE
DIRECTOR OF DEPARTMENTAL AUDITS

ROBERT G. REDMAN
DIRECTOR OF MUNICIPAL AUDITS

March 13, 1980

To the Members of the Committee
on Audit and Program Review

The following are general comments rendered as a result of a review of the "Response to State Department of Audit's Study of Office of Maine CETA". All findings cited in our report to the Committee have received attention and positive action has been or will be taken by Office of Maine CETA.

- (1) The reorganization of Office of Maine CETA, accomplished with input and comments from the U. S. Department of Labor, remedies one of the major shortcomings to the effective operations of Balance of State. This reorganization should eliminate many of the prior fiscal management problems. The present management structure should improve the delivery of CETA programs in the Balance of State jurisdiction.
- (2) The introduction of performance based contracts and the possibility of the deobligation of funds to those program agents and comprehensive deliverers who fall below contracted performance levels are two other positive steps taken by Office of Maine CETA. This should give Balance of State as Prime Sponsor better control over and make the program agents and comprehensive deliverers more accountable for their programs.
- (3) Another positive step taken by Office of Maine CETA is its attempt to merge the activities of CETA and Maine Job Service. This undertaking should eliminate the duplication of certain activities and services and help establish a better and more comprehensive delivery system to the benefit of participants in the various CETA programs.
- (4) The establishing of an Internal Monitoring Unit known as the Program Review and Analysis Unit, which is currently conducting broad-based reviews of Balance of State's delivery system should help to strengthen the delivery system.
- (5) The anticipated automation of Office of Maine CETA's manual information system, a major thrust in 1980, should help to provide timely information for management decisions.

To the Members of the Committee
on Audit and Program Review

- 2 -

March 13, 1980

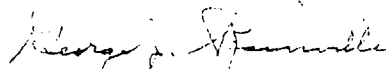
Summarization

All of the above steps which have been or will be taken by Office of Maine CETA should have a direct positive effect on the various programs administered by the Balance of State Prime Sponsorship. Improvements should be noted with regard to actual versus planned expenditures, enrollments, positive terminations, costs per placement, etc.

Qualification

The above comments are based on the information provided by Office of Maine CETA in its response. In theory, the actions taken or contemplated seem to be conducive to a better Balance of State prime sponsorship; however, a longer period of time must elapse before any conclusive judgments or opinions can be made.

Respectfully submitted,



George J. Rainville
State Auditor