



Commonwealth of Massachusetts
Office of the State Auditor
Suzanne M. Bump

Making government work better

Official Audit Report – Issued September 26, 2018

Department of Career Services

For the period July 1, 2014 through December 31, 2016





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Ms. Rosalin Acosta, Secretary
Executive Office of Labor and Workforce Development
1 Ashburton Place, Suite 2112
Boston, MA 02108

Dear Ms. Acosta:

I am pleased to provide this performance audit of the Department of Career Services. This report details the audit objectives, scope, methodology, finding, and recommendation for the audit period, July 1, 2014 through December 31, 2016. My audit staff discussed the contents of this report with management of the agency, whose comments are reflected in this report.

I would also like to express my appreciation to the Department of Career Services for the cooperation and assistance provided to my staff during the audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "SMB", written over a light blue circular watermark.

Suzanne M. Bump
Auditor of the Commonwealth

cc: Ms. Alice Sweeney, Director, Department of Career Services

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LIST OF ABBREVIATIONS

DCS	Department of Career Services
DUA	Department of Unemployment Assistance
MOSES	Massachusetts One-Stop Employment System
WIA	Workforce Investment Act

EXECUTIVE SUMMARY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of the Department of Career Services (DCS) for the period July 1, 2014 through December 31, 2016. In this performance audit, we sought to determine whether DCS had an effective job information system in place for job seekers and employers in the Commonwealth; whether its job placement reports were accurate; whether and to what extent it achieved its annual performance goals for its programs; and whether job seekers and potential employers were able to effectively navigate the JobQuest system, which collects job-related information and stores it in the Massachusetts One-Stop Employment System (MOSES) database.

Below is a summary of our findings and recommendations, with links to each page listed.

Finding 1 Page 7	DCS allowed some of its staff members to access MOSES without first receiving proper training.
Recommendation Page 8	DCS management should not give staff members access to MOSES before they have received the required training. To this end, DCS should explore options for making the required training more accessible to staff members who need it. For example, it could develop written training manuals, online on-demand training modules, and/or a three-day recorded training session, with a self-test, that it could make available to all staff members before giving them access to the system.

OVERVIEW OF AUDITED ENTITY

The Department of Career Services (DCS) was established within the state's Executive Office of Labor and Workforce Development pursuant to Section 1 of Chapter 23H of the Massachusetts General Laws, which states that the agency's mission is "to develop, coordinate, and maintain a coherent workforce development system that fills the needs of employers for a skilled workforce and promotes lifelong learning among employees." During our audit period, DCS had an average of 248 employees. In fiscal year 2015, it had a budget of \$95,571,938, of which \$80,320,956 (84.0%) came from the federal government; in fiscal year 2016, it had a budget of \$98,883,699, of which \$82,658,208 (83.6%) came from the federal government. The federal funding comes primarily from the Department of Labor.

DCS manages a network of 32 One-Stop Career Centers (27 full-service and 5 limited-service centers). These centers offer job seekers job search assistance, access to online job listings, career counseling and coaching, networking opportunities, and guidance on unemployment insurance, as well as access to computers, résumé-building software, and reference materials. The centers also offer special services for veterans, dislocated¹ workers, workers with disabilities, and other targeted groups. The services offered by each center vary based on the needs of local communities.

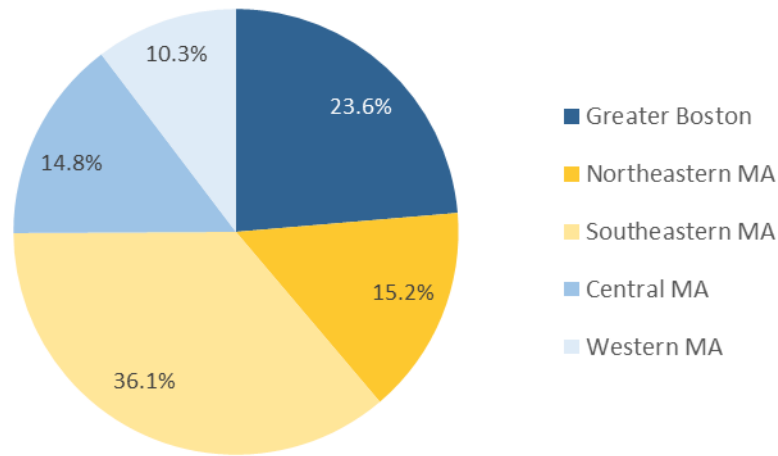
Section 4a of Chapter 6A of the General Laws requires each cabinet- or secretary-level department and the agencies within it to establish "outcome-based performance goals and a focused set of performance metrics to track progress and execution" of those goals. To comply with this requirement, DCS has established performance metrics and goals and requires the comparison of actual program performance to these goals annually.

According to its quarterly Workforce Investment Act (WIA) Title I Performance Measures Reports,² DCS achieved between 88.7% and 113.3% of its goals in terms of job retention, earnings, and the number of people who obtained employment during our audit period.

The chart below indicates the geographic disbursement of the 156,439 people at the 32 One-Stop Career Centers who obtained employment while using DCS services during our audit period.

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1. A dislocated worker is someone who has been terminated or laid off or who is unemployed because of general economic conditions.
 2. These reports track actual performance against goals for nine programs to comply with the WIA, a federal law passed in 1998. A program is credited with having met its performance goal if it achieves between 80% and 100% of the goal; it is credited with exceeding the goal if it achieves a score above 100%.

Percentage Employed, by Geographic Area



DCS uses the Massachusetts One-Stop Employment System (MOSES) database to record all of its employment and training service information. JobQuest is a self-service Web-based portal that enables employers to post job openings and allows job seekers to enter their résumés, register for career services, sign up for training and classes, and research job opportunities. MOSES is integrated with JobQuest, and all transactions performed at the One-Stop Career Centers or through JobQuest are stored in MOSES. MOSES is currently used by the 32 One-Stop Career Centers plus partner agencies, including community colleges, cities and towns, and state agencies such as the Department of Veterans' Services and the Department of Transitional Assistance.

AUDIT OBJECTIVES, SCOPE, AND METHODOLOGY

In accordance with Section 12 of Chapter 11 of the Massachusetts General Laws, the Office of the State Auditor has conducted a performance audit of certain activities of the Department of Career Services (DCS) for the period July 1, 2014 through December 31, 2016.

We conducted this 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.

Below is a list of our audit objectives, indicating each question we intended our audit to answer and the conclusion we reached regarding each objective.

Objective	Conclusion
1. Does DCS administer an effective job placement system? Specifically,	
a. Do job placement reports accurately reflect jobs obtained, and is DCS meeting its established performance goals in this area?	Yes
b. Are users of the JobQuest system (job seekers and employers) able to navigate the system effectively?	Yes

We gained an understanding of DCS's internal control environment related to our audit objectives by reviewing applicable laws, regulations, and agency policies and procedures, as well as conducting inquiries with agency management. We tested the operating effectiveness of controls over Massachusetts One-Stop Employment System (MOSES) access and data accuracy by comparing the dates when One-Stop Career Center employees received MOSES training to the dates when they were given access to MOSES. During our control testing, we identified an issue related to staff training on this system ([Finding 1](#)).

To achieve our objectives, we performed the following audit procedures:

- We conducted two sets of One-Stop Career Center visits, visiting a total of eight centers, and met with DCS staff members at each center. While visiting the first group of six centers, we attended seminars and programs in which Department of Unemployment Assistance (DUA)

benefit recipients were required to participate. We also observed a career counselor assisting job seekers, as well as the general interaction of DCS staff members with job seekers. During the second set of visits to six career centers, we interviewed managers and directors of the centers to obtain a better understanding of JobQuest usability and the controls associated with the validity of MOSES data. We reviewed the process by which data were entered in JobQuest to gain a better understanding of data entry, user access, and system navigability. We asked career center managers and directors how MOSES data were validated for accuracy, including how the managers and directors reviewed reports generated from MOSES to look for outliers in the data (such as people identified as employed when the staff knows that they are still seeking employment). We interviewed managers to obtain further details on the monitoring techniques performed by each office, to provide additional confirmation that the data in MOSES were valid and agreed with the data in performance reports.

- We used MOSES to develop a geographic representation of jobs obtained to assess whether any regions appeared to be underperforming.
- We filtered all MOSES transactions by user identification number to determine the number of individuals who obtained services. We used data analytics to filter, summarize, and classify various DCS measures to determine whether specific people were hired. We filtered by career center and result (e.g., “hired,” “not hired”); summarized by individual identification number and career center to obtain the number of occurrences; and classified by career center (and in some instances by individual identification number) to compare one career center to another.
- We used data analytics to compute jobs attained as a percentage of all transactions in MOSES to corroborate the jobs listed as obtained in the Workforce Investment Act (WIA) Title I Performance Measures Report for the quarter that ended June 30, 2016.
- We obtained an understanding of the extent to which JobQuest users across the state could effectively navigate the JobQuest portal; we did this by looking at the number of DCS employment services users needed to obtain before they found a job.
- To validate the accuracy of the jobs listed as obtained in the WIA Title I Performance Measures Report for the quarter that ended June 30, 2016, we selected a nonstatistical sample of 35 out of 950 job seekers in the report and verified that they obtained employment. We did not project the results of this sample to the population. We verified that each of these people was a program exiter.³ We confirmed with DCS that each of the exiters was wage-matched⁴ by DUA by interviewing DUA’s supervisor of quality assurance to gain an understanding of the process DUA used to verify that a person had earned wages in the selected period. We also reviewed a sample of DUA’s internal annual audit reports to obtain assurance that the DUA wage-match process could be relied on.

3. An exiter is a job seeker who has not used any DCS services for 90 consecutive days.

4. DCS sends requests for employment verification to DUA for job seekers who have exited DCS services to determine whether they have found employment. Once someone is identified as an exiter and an exit date is determined, DCS requests a wage match for the person from DUA to determine whether s/he earned wages in the quarter after exit, which would indicate that s/he had obtained employment.

- We verified that all 78 of the supplemental employments⁵ that were listed in the WIA Title I Performance Measures Report were also listed in MOSES, to verify that each entry in the quarter after a person left the program indicated that the person had obtained employment.

We performed a data reliability analysis of the approximately 6,834,000 transactions recorded in MOSES during our audit period to verify that there were no duplicate transactions or gaps in service and that all dates of service fell within our audit period. We also selected a sample of 50 people with 20 or more transactions each and verified that the descriptions and results represented by the transactions were consistent with the types of service typically delivered by One-Stop Career Centers.

5. A supplemental employment in DCS's performance report is an exiter for whom DUA was not able to verify wages in the quarter after exit. These people are credited in the report as having obtained employment if the MOSES database contains one of the four entries ("employed," "hired," "found employment," and "obtained employment") that would indicate that they have obtained employment.

DETAILED AUDIT FINDINGS WITH AUDITEE'S RESPONSE

1. The Department of Career Services allowed some of its staff members to access the Massachusetts One-Stop Employment System without first receiving proper training.

At six One-Stop Career Centers we visited, out of a population of 52 new Massachusetts One-Stop Employment System (MOSES) users who needed access to the database in order to perform their jobs, 36 (69%) did not receive required training before they were given access. Further, 17 of these 36 had still not received this training 30 days after being given access to MOSES.

Department of Career Services (DCS) staff members at One-Stop Career Centers enter a variety of information in MOSES, such as information about attendance, job seeker training, employment status, job openings, or specific job seeker details (e.g., résumés), using self-directed or service-center-assisted services. The lack of training increases the risk that DCS staff members may incorrectly enter information in the database, which could have a negative impact on DCS's ability to effectively manage its activities, measure its performance, and ensure accurate reporting.

Authoritative Guidance

DCS management told us that during our audit period, the agency's Performance and IT System Oversight Department had an unwritten policy that required it to arrange for a three-day training session, called MOSES 101, for new users. Although this policy had not been formalized in writing, management indicated to us it was their intent to ensure that all agency staff members had this training before they were given access to MOSES.

Reasons for Issues

DCS did not always have timely training available to new users because of the infrequency of training sessions. There is just one instructor on staff who conducts the training, which is offered only once a month. Therefore, in some instances, management allowed staff members to gain access to MOSES before they had received formal training and relied on peers to train new users until a formal three-day training class could be scheduled.

Recommendation

DCS management should not give staff members access to MOSES before they have received the required training. To this end, DCS should explore options for making the required training more accessible to staff members who need it. For example, it could develop written training manuals, online on-demand training modules, and/or a three-day recorded training session, with a self-test, that it could make available to all staff members before giving them access to the system.

Auditee's Response

DCS appreciated the feedback and recommendations offered by the Auditors regarding MOSES training. We are restructuring the training based on their feedback and that of users at the career centers.

MOSES TRAINING

Many career center employees are skilled MOSES users who have been using the system since it launched in July 2000. To eliminate the gap between the time a new hire starts and the availability of the monthly MOSES training from DCS staff, we will develop an introductory training course that career center staff can use to train new employees immediately. Career center staff will be able to train and supervise a new user who will be given limited access to MOSES in order to meet an immediate short-term need, such as customer registration or data entering [for] workshop attendees. The new user will be required to attend the next available training. To facilitate this new training model we are making the following changes:

- breaking "MOSES 101" training into shorter modules to reduce the 3-day length;*
- developing an introductory module covering the primary components needed by all users that can be delivered by a skilled MOSES user at a career center;*
- training additional staff at DCS and at the career centers to provide on-demand MOSES training to new employees; and*
- exploring on-line training options.*

UPDATED POLICY

To address the lack of written guidance noted by the auditors, DCS revised its IT policy document, MassWorkforce Issuance 100 DCS 02.101.2, MOSES and Citrix Access Request Process and Required Policy Documents, June 22, 2018, which now specifies "All MOSES users are required to complete MOSES training commensurate with the level of access they require and their job duties."