



# MICHIGAN

OFFICE OF THE AUDITOR GENERAL



THOMAS H. MCTAVISH, C.P.A.  
AUDITOR GENERAL

“...The auditor general shall conduct post audits of financial transactions and accounts of the state and of all branches, departments, offices, boards, commissions, agencies, authorities and institutions of the state established by this constitution or by law, and performance post audits thereof.”

– Article IV, Section 53 of the Michigan Constitution

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March 22, 2005

Mr. David C. Hollister, Director  
Department of Labor and Economic Growth  
Ottawa Building  
Lansing, Michigan

Dear Mr. Hollister:

This is our report on our follow-up of the material finding (Finding 3) and related recommendation reported in the performance audit of the Office of Career and Technical Preparation, Michigan Department of Career Development. That audit report was issued and distributed in October 2003; however, additional copies are available on request or at <<http://www.audgen.michigan.gov>>.

Our follow-up disclosed that the Office had complied with the recommendation.

If you have any questions, please call me or Scott M. Strong, C.P.A., C.I.A., Deputy Auditor General.

AUDITOR GENERAL

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# **OFFICE OF CAREER AND TECHNICAL PREPARATION MICHIGAN DEPARTMENT OF CAREER DEVELOPMENT FOLLOW-UP REPORT**

## **INTRODUCTION**

This report contains the results of our follow-up of the material finding and related recommendation reported in the performance audit of the Office of Career and Technical Preparation (OCTP), Michigan Department of Career Development (MDCD) (#4518502), which was issued and distributed in October 2003. That audit report contained 1 material finding (Finding 3) and 3 other reportable conditions.

Subsequent to our audit, Executive Order No. 2003-18 transferred the responsibility for OCTP from MDCD to the Department of Labor and Economic Growth.

## **PURPOSE OF FOLLOW-UP**

The purpose of this follow-up was to determine whether MDCD had taken appropriate corrective measures in response to the 1 material finding and related recommendation.

## **BACKGROUND**

OCTP administers the Career and Technical Education (CTE) and Tech Prep Programs and is responsible for administration of the federal Carl D. Perkins Vocational and Technical Education Act of 1998 and Section 61 of the State School Aid Act. The federal act defines "vocational-technical education" as organized educational programs offering sequences of courses directly related to preparing individuals for further education and for careers in current or emerging occupations requiring other than a baccalaureate or advanced degree. Programs include competency-based applied learning that contributes to an individual's academic knowledge, higher-order reasoning, problem-solving skills, and occupational-specific skills. The programs emphasize the need to provide access and services to all persons while targeting special populations.

OCTP administers the two Statewide vocational-technical education programs that are delivered at the school district level. The CTE Program, which is funded by a federal Perkins grant and Section 61 of the State School Aid Act, provides opportunities for high school students in grades 9 through 12 to pursue specific career and technical training of their choice. The Tech Prep Program, which is funded by a federal Perkins grant, provides a framework for high school students in grades 11 and 12 to begin achieving their career goals in high school by taking dual-enrollment classes, receiving appropriate testing, and receiving skilled trade training. The Tech Prep Program allows students to transfer to community colleges without duplication of classes or remedial work.

## **SCOPE**

Our fieldwork was conducted in October and November 2004. We reviewed the OCTP Technical Review Assistance and Compliance (TRAC) Manual to determine the changes since our audit. We interviewed OCTP personnel and reviewed on-site monitoring files to determine whether the corrective action taken to comply with the recommendation related to our material finding was working as OCTP had intended.

## **FOLLOW-UP RESULTS**

### **MONITORING AND OVERSIGHT**

#### **RECOMMENDATION AND RESPONSE AS REPORTED IN OCTOBER 2003**

##### **3. Monitoring of School District CTE and Tech Prep Programs**

#### **RECOMMENDATION**

We recommend that OCTP establish a comprehensive monitoring process to help ensure that the school district CTE and Tech Prep programs operate in compliance with program requirements.

#### **AGENCY PRELIMINARY RESPONSE**

MDCD agreed with this finding and informed us that OCTP has developed an extensive monitoring system that will be implemented at the beginning of fiscal year 2003-04. MDCD reported that it has identified various data sources to use as a means of targeting the sites to visit and that, in one visit, it will be looking at Perkins, Tech Prep, Career Preparation, added cost, and student data verification. MDCD also reported that it has used the past year to develop the system, compile guidelines, and plan technical assistance meetings for those sites scheduled for a visit.

MDCD informed us that OCTP has developed two sets of documents to assist administrators with the appropriate planning and implementation of federal and State grant activity. The Career Initiatives Notebook is an extensive document that provides detailed information on legislative requirements for all grant programs, a financial guide, a set of specific guidelines for each funding source, and rules for appropriate expenditures for the funding sources. The Administrator's Guide is also available, which gives specific guidelines regarding CTE program requirements, Work Based Learning, CTE administrator responsibilities as well as data and accountability requirements. In addition, each year, OCTP holds several technical assistance meetings that provide information and assistance with grant applications. Another series of technical assistance meetings are conducted at the time of the final reporting process. These sessions considerably reduce the need for revisions or recapture of funds.

## **FOLLOW-UP CONCLUSION**

We concluded that OCTP had complied with the recommendation.

OCTP implemented a monitoring process to ensure that school district CTE and Tech Prep programs operate in compliance with program requirements. OCTP established a 5-year schedule for TRAC on-site visits. At the time of our fieldwork, OCTP was in year 2 of the schedule to visit all 25 regions and was following up to ensure that regions that were visited in year 1 took appropriate corrective action.

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