Office of the Auditor General
Performance Audit Report

Going Pro Talent Fund
Workforce Development
Department of Labor and Economic Opportunity

September 2026

State of Michigan Auditor General
Doug A. Ringler, CPA, CIA

186-0412-25

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.

The auditor general may make investigations pertinent to the conduct of audits.

Article IV, Section 53 of the Michigan Constitution

Office of the Auditor General

Report Summary

Performance Audit

Going Pro Talent Fund (GPTF)

Workforce Development
Department of Labor and Economic Opportunity (LEO)

Report Number:
186-0412-25

Released:
September 2026

GPTF was established by Public Act 260 of 2018 (the Act) and is administered by LEO's Workforce Development. The program's purpose is to provide competitive awards to qualified employers for workforce training, including, but not limited to, talent enhancement, increasing worker productivity, development of workforce skills, leadership and management training, and worker retention. LEO awards GPTF funds to employers through Michigan Works! Agencies (MWAs), who work with employers to assess their talent skill gaps and assist employers in submitting GPTF award applications. LEO selects employer applications for award by applying established competitive scoring criteria. Once awarded, MWAs are responsible for managing and overseeing employer GPTF awards and employers' respective training plans. In turn, LEO is responsible for monitoring MWAs to verify compliance with program requirements. GPTF awards to employers totaled $63.2 million, $62.8 million, and $56.5 million for fiscal years 2023, 2024, and 2025, respectively, and the average GPTF award to employers was approximately $55,400.

Audit Objective			Conclusion
Objective 1: To assess the effectiveness of LEO's efforts to select applications for competitive GPTF awards to employers.			Moderately effective
Findings Related to This Audit Objective	**Material Condition**	**Reportable Condition**	**Agency Preliminary Response**
LEO's use of GPTF awards totaling $59.5 million for employer reimbursement of new employee on-the-job training (OJT) costs was inconsistent with LEO's requirement that GPTF-awarded training must lead to a credential (Finding 1).	X		Disagrees
Observations Related to This Audit Objective	**Material Condition**	**Reportable Condition**	**Agency Preliminary Response**
Legislative clarification is needed regarding the Act's prohibition of basic training and, accordingly, the permissibility of reimbursement of new employee OJT costs (Observation 1).	Not applicable for observations.		

Audit Objective	Conclusion
Objective 2: To assess the sufficiency of LEO's efforts to monitor MWAs' management and oversight of GPTF awards to employers.	Not sufficient

Findings Related to This Audit Objective	Material Condition	Reportable Condition	Agency Preliminary Response
LEO did not complete any file reviews of MWAs for the nearly three-year period ending June 2025, and did not maintain sufficient documentation supporting its desk reviews. Accordingly, we were unable to conclude on the quality or thoroughness of those review processes (Finding 2).	X		Partially Agrees
LEO did not always provide MWAs with guidance to help ensure MWAs verified employer compliance with GPTF award requirements. We reviewed MWA award files for 33 GPTF awards and noted: • None of the files contained documentation to support the MWAs verified trainee eligibility. • MWAs relied on employer self-reported hourly median wage information for nearly all the sampled awards we reviewed and did not corroborate its accuracy via employer payroll records or other information. • MWAs did not obtain course descriptions for classroom and other customized training for nearly all the sampled awards we reviewed, with only three award files containing this information (Finding 3).		X	Disagrees

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Office of the Auditor General
201 N. Washington Square, Sixth Floor
Lansing, Michigan 48913

Doug A. Ringler, CPA, CIA
Auditor General

Laura J. Hirst, CPA
Deputy Auditor General

OAG
Office of the Auditor General
Doug A. Ringler, CPA, CIA
Auditor General
201 N. Washington Square, Sixth Floor • Lansing, Michigan 48913 • Phone: (517) 334-8050 • audgen.michigan.gov

September 17, 2026

Susan R. Corbin, Director
Department of Labor and Economic Opportunity
300 North Washington Square
Lansing, Michigan

Director Corbin:

This is our performance audit report on the Going Pro Talent Fund, Workforce Development, Department of Labor and Economic Opportunity.

We organize our findings and observations by audit objective. Your agency provided preliminary responses to the recommendations at the end of our fieldwork. The *Michigan Compiled Laws* require an audited agency to develop a plan to comply with the recommendations and submit it to the State Budget Office (SBO) upon audit completion. State administrative procedures require the audited agency to develop the plan as early as practicable and within 60 days after report issuance and submit the plan to the Office of Internal Audit Services (OIAS), SBO. Within 30 days of receipt, OIAS will either accept the plan as final or contact the agency to take additional steps to finalize the plan.

We appreciate the courtesy and cooperation extended to us during this audit.

Sincerely,

Doug Ringler

Doug Ringler
Auditor General

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GOING PRO TALENT FUND

AUDIT OBJECTIVES, CONCLUSIONS, FINDINGS, AND OBSERVATIONS

SELECTING APPLICATIONS FOR COMPETITIVE GPTF AWARDS

BACKGROUND

The Going Pro Talent Fund* (GPTF) provides competitive awards to qualified employers for workforce training, including, but not limited to, talent enhancement, increasing worker productivity, development of workforce skills, leadership and management training, and worker retention, as authorized by Public Act 260 of 2018 (the Act) (see Exhibit 1). In implementing the program under the broad program purpose contained in the Act, the Department of Labor and Economic Opportunity (LEO) designed the program to make awards to employers to assist in training, developing, and retaining current and newly hired employees. LEO requires the training be short-term, fill a demonstrated talent need, and must lead to a credential for a skill that is transferable and is recognized by industry. Awards are capped at $2,000 per non-apprentice trainee, $3,500 per apprentice* trainee, and $500,000 per employer.

LEO accepts GPTF independent applications from employers twice per year, referred to as application cycle 1 and cycle 2. LEO annually evaluates and establishes scoring criteria with associated weighted points designed to competitively award independent cycle projects (see Exhibit 2). The scoring criteria and weighted points are made publicly available on LEO's website to aid prospective employers and Michigan Works! Agencies* (MWAs) in the application process. The Act requires LEO to work with MWAs to implement the GPTF and requires MWAs to conduct outreach to inform employers of the program. Each cycle, MWA staff conduct fact-finding sessions* with employers to vet the projects, determine eligibility, assess the real training need, and identify availability of potential other funding sources. If an employer is determined to have a suitable need for a GPTF award, MWAs then work with the employer to submit a GPTF application online through the Web-Based Learning Online Management System* (WBLOMS) each cycle.

WBLOMS is designed to automatically score submitted GPTF independent applications according to the weighted points associated with the annual scoring criteria. LEO establishes a cutoff score for application selection each cycle based on demand and total GPTF funding available. GPTF awards are made to employers with applications scored above the cutoff score value, although LEO reserves the right to deny an application based on past experience with the employer. LEO works with the Department of Treasury to identify potential Michigan tax obligations of employers prior to approving an award application.

LEO approved 3,296 independent application awards during the period from October 1, 2022 through June 30, 2025, amounting to $182.6 million in GPTF awards to employers (see Exhibits 3 and 4).

** See glossary at end of report for definition.*

AUDIT OBJECTIVE To assess the effectiveness of LEO's efforts to select applications for competitive GPTF awards to employers.

CONCLUSION Moderately effective.

FACTORS IMPACTING CONCLUSION

- LEO utilized an electronic system, WBLOMS, to receive and score GPTF applications, document training plans and any applicable modifications, and track application and award statuses.
- LEO applied an automated scoring process in WBLOMS for its independent cycle applications to aid in selecting awards based on annually established scoring criteria. Our review noted WBLOMS correctly scored all sampled GPTF applications we reviewed and LEO issued employer awards in accordance with application scores.
- LEO ensured award recipients did not have outstanding Michigan tax obligations on record with the Department of Treasury prior to making GPTF awards to employers.
- One material condition* related to improvement needed to ensure GPTF awards for new employee on-the-job training* (OJT) align with established program credential requirements (Finding 1).

* *See glossary at end of report for definition.*

FINDING 1

Improvement needed to ensure GPTF awards for new employee OJT align with established program credential requirements.

LEO did not ensure GPTF awards for new employee OJT led to a credential in accordance with its program requirements. During the audit period, 52% of GPTF applications were denied because of funding constraints, and we noted if LEO had not awarded $59.5 million of GPTF funding for new employee OJT costs, more funding may have been available for some of the denied applications representing other opportunities for upskilling and credential attainment such as classroom, customized, and apprenticeship training.

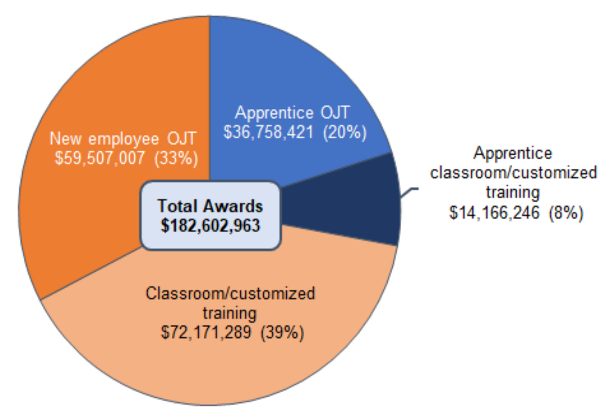
LEOs annual GPTF process guide established an overall program requirement that GPTF training ***must*** lead to a credential for a skill that is transferable and recognized by industry, such as college credits, certifications*, and licenses. LEO program guidelines allow for employer awards for classroom training*, customized training, and OJT for new and current employees, including apprentices.

LEO awarded approximately $59.5 million in GPTF awards for reimbursement of new employee OJT costs, representing 33% of all GPTF award amounts for the three-year period shown in the following illustration:

GPTF Training Types Reimbursed by LEO by Type of Employee

Training Types	GPTF Reimbursement for: New Employees	Current Employees
Classroom/customized training	✓	✓
New employee OJT	✓	✗
Registered apprenticeship:		
Classroom/customized training	✓	✓
OJT	✓	✓

GPTF Awards Issued for Fiscal Years 2023 Through 2025 by Training Type



LEO's use of GPTF awards for employer reimbursement of new employee OJT costs, representing 33% of GPTF award amounts, is inconsistent with the program requirement that training must lead to a credential.

LEO's GPTF program guidelines indicate reimbursement of new employee OJT allows, "the employee to become proficient in their permanent full-time job," meaning GPTF awards are used to pay new employees' wages while they learn how to perform the job for which they were hired, rather than training that leads to a credential, as shown in the following examples (see Exhibit 5 for the full training plans for these examples):

- A nursing home was awarded $20,000 to train 10 newly hired certified nurse aides (CNAs), with each new CNA receiving 118 hours (nearly 3 weeks) of GPTF-funded OJT.

* *See glossary at end of report for definition.*

- A metal stamping manufacturer was awarded $8,000 to train four newly hired packers, with each new employee receiving 160 hours (4 weeks) of GPTF-funded OJT.

- An automotive parts manufacturer was awarded $18,000 to train nine newly hired machine operators, with each new employee receiving 160 hours (4 weeks) of GPTF-funded OJT.

In our discussions with the department, LEO recognized new employee OJT does not confer a credential and informed us it did not intend to require new employee OJT training to lead to a credential. LEO informed us it made awards for new employee OJT because it is a vital component of the program, as evidenced by its inclusion as an allowable cost in the Act. The Act allows for reimbursement of, "the actual cost of on-the-job training, including wage reimbursement, as determined by the department." In exercising this discretion, LEO implemented overall requirements in its annual process guides requiring training to lead to a credential. However, it was silent on credential requirements for new employee OJT in latter sections of the process guide, suggesting needed clarity in its guide.

We applied the credential requirement to new employee OJT because, in addition to the GPTF process guide's overall credential requirement, we observed several additional LEO publications also supported *all* GPTF training was required to lead to a credential. Those include LEO's GPTF website homepage, GPTF program overview document, GPTF fact sheet, and its annual GPTF employer guide, which all stated, "training…must lead to a credential for a skill that is transferable and recognized by industry." Also, the Michigan Statewide Workforce Plan released by the governor's office in March 2024 described GPTF training as "leading to recognized credentials," with trainees having "been up-skilled" as a result of the training.

We consider this finding to be a material condition because of the significant amount of GPTF awards for reimbursement of new employee OJT that do not comply with established program credential requirements.

RECOMMENDATION

We recommend LEO ensure GPTF awards align with established program credential requirements.

AGENCY PRELIMINARY RESPONSE

LEO disagrees. Given the length of LEO's preliminary response, the response and our auditor's comments to Finding 1 are presented on page 31.

OBSERVATION* 1

Legislative clarification needed regarding basic training and permissibility of reimbursement of new employee OJT costs.

Legislative clarification is needed surrounding the Act's prohibition of basic training and, accordingly, the permissibility of reimbursement of new employee OJT costs.

The Act states GPTF awards for workforce training may, "not be for basic training," (Section 408.157(4)(d) of the *Michigan Compiled Laws*); however, the Act does not define basic training or provide other information to clarify its prohibition of reimbursement of basic training.

Our review noted GPTF program guidelines allow for reimbursement of new employee OJT that allows, "the [new] employee to become proficient in their permanent full-time job," and we contend new employee OJT, in whole or part, may be considered basic training in the context of the Act. See Finding 1 and Exhibit 5 for examples of new employee OJT awards we observed in our sample-based review.

We encourage collaborative efforts by relevant stakeholders to evaluate the need for legislative clarification to ensure GPTF awards support permissible workforce training efforts.

** See glossary at end of report for definition.*

MONITORING MWAS' MANAGEMENT AND OVERSIGHT OF GPTF AWARDS

BACKGROUND

MWAs are responsible for managing and overseeing GPTF employer awards and their respective training plans, including approving employer modifications to training plans for certain modification allowances provided in LEO's annual GPTF process guide. Employers have a 12-month period to achieve the objectives of their training plan and submit documentation to MWAs for reimbursement and closeout of their award.

In turn, LEO is responsible for monitoring MWAs to verify programmatic and fiscal compliance. According to its process guide, LEO's primary mechanisms for routine in-depth monitoring of MWAs' management and oversight of GPTF awards are through a combination of desk and file reviews. LEO informed us its desk review process involves active monitoring of all awards via LEO staff access to award information and activity in WBLOMS. LEO informed us its file review process involves post-award monitoring where LEO selects a sample of awards from each MWA in order to verify file maintenance, management, and compliance with program requirements.

AUDIT OBJECTIVE

To assess the sufficiency of LEO's efforts to monitor MWAs' management and oversight of GPTF awards to employers.

CONCLUSION

Not sufficient.

FACTORS IMPACTING CONCLUSION

- One material condition related to needing significant improvement in LEO's routine monitoring of the MWAs (Finding 2).
- One reportable condition* related to improving guidance for MWAs' verification of employer compliance with GPTF requirements (Finding 3).
- LEO's compliance review team included GPTF awards in its monitoring of MWAs' financial activity.
- LEO implemented several methods to communicate with MWAs regarding GPTF, including a shared e-mail account where MWAs can discuss questions or concerns, biweekly virtual meetings, and an annual webinar to communicate program changes prior to release of the new fiscal year's process guide.

** See glossary at end of report for definition.*

FINDING 2

Significant improvement needed regarding LEO's routine monitoring of MWAs.

LEO needs to significantly improve its routine monitoring of MWAs to better evaluate MWAs' management and oversight of GPTF awards. Improved monitoring will help identify instances of noncompliance with programmatic and fiscal requirements, ensuring GPTF awards are properly supported and meet award eligibility requirements.

Section 408.135 of the *Michigan Compiled Laws* states the department shall oversee and evaluate the activities of MWAs and shall require MWAs to report information to the department to facilitate the oversight. In accordance with this requirement, LEO's internal procedures require it to perform routine in-depth monitoring of MWAs through a combination of desk reviews and file reviews to verify file maintenance, management, and compliance with program requirements.

Our review of LEO's routine monitoring processes noted LEO:

LEO did not complete any file reviews of MWAs for the nearly three-year period from September 2022 through June 2025.

a. Did not complete any file reviews of MWAs for the nearly three-year period from September 2022 through the end of our audit period in June 2025.

   LEO's internal guidance states monitoring will occur with all MWAs each fiscal year, requiring LEO to complete a file review of a minimum of 5 awards for each of the 16 MWAs. LEO's internal monitoring procedures say information reviewed during a file review may include the individual trainee names, wages, type of employee and training, course information, credentials earned, retention, modifications to the training plan, and funds requested, among others.

   As of the end of our audit period on June 30, 2025, we noted LEO's most recent MWA file reviews were completed between May 2022 and August 2022 for GPTF awards issued during the fiscal year 2021 award cycle. LEO informed us it did not perform file reviews for fiscal year 2022 awards due to major program changes and instead performed extensive desk reviews of each award. LEO stated those changes included the implementation of two independent application cycles, streamlining the application process, revisions to WBLOMS, and staff changes which led to a necessary pause on file reviews. LEO informed us it began reviewing documentation in July 2025 for 110 selected GPTF awards from the fiscal year 2023 GPTF award cycle, and, as of March 2026, LEO had completed its file reviews for all but one MWA.

b. Did not maintain sufficient documentation supporting its desk reviews.

   LEO asserted it performs desk reviews for all GPTF awards during the closeout stage when reimbursements are requested and again at the six-month verification stage. LEO informed us the desk reviews consist of reviewing information provided by employers and submitted in WBLOMS by MWAs; however, LEO did not retain evidence other than an award status field in WBLOMS to support it completed GPTF desk reviews.

LEO informed us the award status field in WBLOMS infers a completed desk review, as staff are required to manually change the award status in WBLOMS after they complete their review. However, retaining supporting documentation for its completed reviews, such as a review checklist, would help increase accountability and allow for secondary review and approval of the quality and thoroughness of those reviews, if required and/or needed.

Because LEO did not complete any file reviews and did not maintain sufficient documentation of any desk reviews during the audit period, we were unable to conclude on the quality or thoroughness of those review processes.

We consider this finding to be a material condition because of the significant lack of monitoring over MWAs, especially given MWAs' substantial involvement in the overall operation of the GPTF program.

RECOMMENDATION

We recommend LEO significantly improve its routine monitoring of MWAs to better evaluate MWAs' management and oversight of GPTF awards.

AGENCY PRELIMINARY RESPONSE

LEO partially agrees. Given the length of LEO's preliminary response, the response and our auditor's comments to Finding 2 are presented on page 33.

FINDING 3

Improved guidance needed for MWAs' verification of employer compliance with GPTF requirements.

LEO should improve its guidance to MWAs to help ensure MWAs complete timely and consistent verification that employer applications and awards meet GPTF program requirements. Improved guidance would ensure MWAs understand their responsibility to verify employers' compliance and identify potential misuse of funds.

LEO developed a GPTF process guide to communicate the established program guidelines applicable for each annual award cycle, which includes requirements such as eligibility of employers, trainees, training providers, and training topics, among others. When an application is approved by the department, the MWA is then responsible for management and oversight of the GPTF award.

Our review noted LEO did not always provide MWAs with guidance, including the appropriate timing for MWAs' to verify employer compliance with GPTF requirements as illustrated in the following table.

		Did LEO Provide MWAs With Guidance Regarding the:	
GPTF Award or Scoring Criteria Requirement	Brief Description*	Documentation Required From Employers or Other Sources to Verify Compliance?	Timing (*Fact Finding or Award Closeout*) of the Compliance Verification(s)?
Employer eligibility	Must have physical presence in Michigan, and be a non-government private entity, for-profit or nonprofit.	No	No
Trainee eligibility	Must be full-time employee, working primarily in Michigan, 18 years or older, U.S. citizen or legally authorized to work in the U.S.	No	No
Training provider eligibility	Must be community colleges, public and private colleges and universities, private training providers, labor unions, or registered U.S. Department of Labor (USDOL) joint apprenticeship training centers, among others.	No	No
Training topic eligibility	Must be classroom/customized training, new employee OJT, or USDOL registered apprenticeship classroom/customized training or OJT training.	No	No
Hourly median wage requirement	To earn points on a GPTF application, hourly median wage of trainees must be equal to or above regional median wage no later than 90 days post-training completion.	No	Yes

* The descriptions in this table do not capture all award or scoring criteria requirement details and relate only to requirements where improved guidance is needed. LEO's annual GPTF Process Guides contain the full award and scoring criteria requirements.

In the absence of this guidance from LEO to MWAs, we requested and reviewed MWA award files for a random sample of 33 GPTF awards to evaluate the MWAs' practices for documenting employer compliance with program requirements. We noted one MWA had developed an internal form to document its verification and approval of course information and training provider eligibility, however, MWA award files did not always contain evidence the sampled awards met all GPTF program requirements. For example, we observed:

- None of the sampled MWA award files contained documentation to support the MWAs' verified trainee eligibility.

- MWAs relied on employer self-reported hourly median wage information for nearly all of the sampled awards we reviewed and did not corroborate its accuracy via employer payroll records or other information.

  Employers earned points on their GPTF award application related to the hourly median wage of trainees, the highest points available for any single award criterion on the GPTF application during the audit period. The GPTF process guide requires employers to calculate median wage by arranging all of the employer's trainees' wages from smallest to largest and identifying the middle data point on the list. We noted only 8 of the sampled MWA award files contained the employer's calculation, and only 1 file contained employer payroll records fully supporting the employers' asserted hourly median wage of trainees.

- MWAs did not obtain course descriptions for classroom and other customized training for nearly all the sampled awards we reviewed. Only three award files contained this information. The GPTF annual process guide includes about three pages of eligible and ineligible training topics and specifically states the list of eligible training topics is reviewed and amended annually by LEO. Without course descriptions or other similar information, it is unclear how MWAs were able to verify content, key topics, and learning goals for classroom and other customized training complied with GPTF requirements.

  For example, our review of MWA award files noted reimbursement of approximately $36,000 for what appeared to be online, on-demand courses, which would not be eligible for reimbursement under GPTF requirements. When we brought this award reimbursement to LEO's attention, LEO informed us additional verification *with the employer* would be needed to determine if these courses were in fact ineligible, further emphasizing the need for LEO to provide better guidance to MWAs regarding verification requirements as the documentation maintained by the MWA did not support the course was allowed.

LEO disagrees its guidance to MWAs, regarding verification of employers' compliance with program requirements, needs improvement and believes MWAs are supported by LEO in all aspects of GPTF.

Because LEO's guidance did not require MWAs retain documentation of employer compliance with the requirements cited in this finding, we were unable to fully assess whether employers complied with GPTF program requirements for the sampled awards we reviewed.

RECOMMENDATION

We recommend LEO improve its guidance to MWAs to ensure MWAs complete timely and consistent verification that employer applications and awards meet GPTF program requirements.

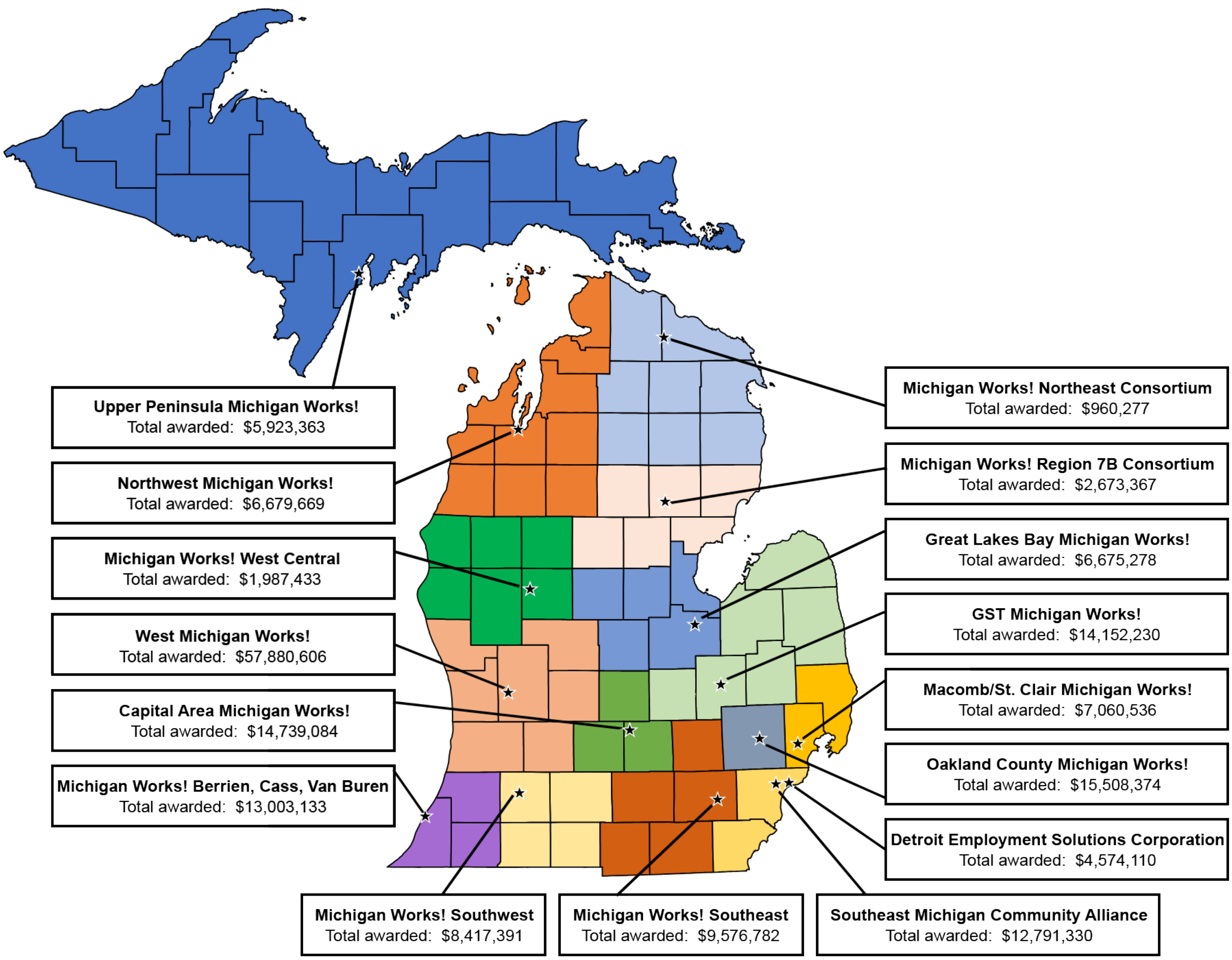
AGENCY PRELIMINARY RESPONSE

LEO disagrees. Given the length of LEO's preliminary response, the response and our auditor's comments to Finding 3 are presented on page 35.

UNAUDITED
Exhibit 1A

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Map of MWAs and Associated Independent Award Amounts
For Fiscal Years 2023 Through 2025



Source: The OAG prepared this map based on data obtained from WBLOMS.

UNAUDITED
Exhibit 1B

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Independent Awards by MWA
For Fiscal Years 2023 Through 2025

MWA	Fiscal Year 2023 Independent Projects	Fiscal Year 2023 Staff to Be Trained	Fiscal Year 2023 Award Amount	Fiscal Year 2024 Independent Projects	Fiscal Year 2024 Staff to Be Trained	Fiscal Year 2024 Award Amount	Fiscal Year 2025 Independent Projects	Fiscal Year 2025 Staff to Be Trained	Fiscal Year 2025 Award Amount	Total Independent Projects	Total Staff to Be Trained	Total Award Amount
Capital Area Michigan Works!	134	2,804	$ 5,702,445	107	2,175	$ 4,067,640	102	2,384	$ 4,968,999	343	7,363	$ 14,739,084
Detroit Employment Solutions Corporation	23	1,116	1,653,227	18	2,890	1,071,044	25	1,081	1,849,839	66	5,087	4,574,110
Great Lakes Bay Michigan Works!	41	1,197	1,912,081	50	1,875	2,583,810	53	1,197	2,179,387	144	4,269	6,675,278
GST Michigan Works!	76	3,685	4,388,060	99	2,670	5,169,236	74	2,365	4,594,934	249	8,720	14,152,230
Macomb/St. Clair Michigan Works!	46	1,483	2,487,692	48	1,505	2,282,864	54	1,224	2,289,979	148	4,212	7,060,536
Michigan Works! Berrien, Cass, Van Buren	49	2,031	3,646,054	68	2,630	4,672,028	74	2,554	4,685,051	191	7,215	13,003,133
Michigan Works! Northeast Consortium	15	235	311,613	16	344	513,231	7	72	135,433	38	651	960,277
Michigan Works! Region 7B Consortium	18	738	1,181,533	12	523	925,887	14	453	565,948	44	1,714	2,673,367
Michigan Works! Southeast	73	2,053	3,743,137	70	2,041	3,323,405	65	1,410	2,510,240	208	5,504	9,576,782
Michigan Works! Southwest	39	1,864	3,503,451	46	1,377	2,803,492	36	1,075	2,110,448	121	4,316	8,417,391
Michigan Works! West Central	14	419	710,538	15	386	701,828	18	296	575,067	47	1,101	1,987,433
Northwest Michigan Works!	72	1,589	2,293,206	70	1,372	2,492,399	60	1,000	1,894,064	202	3,961	6,679,669
Oakland County Michigan Works!	82	2,139	3,880,826	126	3,245	5,631,449	99	3,189	5,996,099	307	8,573	15,508,374
Southeast Michigan Community Alliance	75	2,639	4,195,807	69	2,307	3,650,425	77	2,668	4,945,099	221	7,614	12,791,330
Upper Peninsula Michigan Works!	38	1,281	1,870,130	38	1,334	2,110,255	60	1,200	1,942,978	136	3,815	5,923,363
West Michigan Works!	270	11,132	21,749,996	333	10,770	20,827,089	228	7,456	15,303,521	831	29,358	57,880,606
Total	1,065	36,405	$ 63,229,796	1,185	37,444	$ 62,826,082	1,046	29,624	$ 56,547,086	3,296	103,473	$ 182,602,963

Note: Project data is based on original award amount only. Projects that were approved and later rescinded are included.

Source: The OAG prepared this exhibit based on data obtained from WBLOMS.

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Summary of Independent Application Scoring Criteria
For Fiscal Years 2023 Through 2025

Independent Application Scoring Criteria

Scoring Criteria	Fiscal Year 2023 Applicable	Fiscal Year 2023 Points Possible	Fiscal Year 2024 Applicable	Fiscal Year 2024 Points Possible	Fiscal Year 2025 Applicable	Fiscal Year 2025 Points Possible
High priority industry sector	Yes	7	Yes	10	Yes	9
Diversity, equity, inclusion (DEI)	Yes	6	Yes	4	Yes	5
USDOL registered apprentices	Yes	7	Yes	7	Yes	7
Average/median hourly wage	Yes	8	Yes	11	Yes	11
College credit training	Yes	5	No		No	
Training in partnership with a community college, university, or a 3rd party	No		Yes	8	Yes	6
Application includes training directly applicable to infrastructure, electric vehicle, or mobility	No		Yes	1	Yes	1
Size of funding	No		Yes	6	Yes	4
Special allowance for labor market participation policies of the employer	No		Yes	3	No	
Application includes technical (hard skills) training resulting in an industry recognized certification or license within the training period (as defined)	No		No		Yes	3
Application includes training directly applicable to increasing household access to high-speed internet	No		No		Yes	1
Application includes training directly applicable to creating or preserving affordable housing units	No		No		Yes	1
Employer has not received an independent or employer led collaborative* (ELC) award in past two fiscal years (2023 and 2024).	No		No		Yes	2
Total number of scoring criterion		5		8		11
Total points possible		33		50		50

Independent Application Subsequent Scoring* Criteria

Scoring Criteria	Fiscal Year 2023 Applicable	Fiscal Year 2023 Points	Fiscal Year 2024 Applicable	Fiscal Year 2024 Points	Fiscal Year 2025 Applicable	Fiscal Year 2025 Points
Application includes USDOL registered apprentices (first year through completion) leading to the nationally recognized, portable certificate of completion.	Yes	3	Yes	2	Yes	2
Applicant employs fewer than 100 full-time employees	Yes	1	Yes	1	Yes	1
50% or more of trainees are new employees (new hires)	Yes	1	Yes	1	Yes	1
Size of amount of funding requested is no more than $60,000 ($50,000 for fiscal year 2023)	Yes	1	Yes	1	Yes	1
Total points possible		6		5		5

Source: The OAG prepared this exhibit based on data obtained from the GPTF Employer Guides for fiscal years 2023 through 2025.

* *See glossary at end of report for definition.*

UNAUDITED
Exhibit 2B

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Fiscal Year 2023 GPTF Independent Application Scoring Criteria

Independent Application Scoring Criteria

Scoring Criteria	Points	Explanatory Notes
High Priority Industry Sector	7	To earn points, employer must be in Agribusiness, Construction, Education, Energy, Healthcare, Information Technology, Hospitality and Outdoor Recreation, Manufacturing, or Mobility. Must award only 0 or 7 points
Diversity, Equity, Inclusion (DEI)	6	To earn points, employer must respond "Yes", and MWA must attest: • The business is at least 51 percent owned and controlled, and • Day to day operations and long-term decisions are managed by said category, or • Is a Geographically Disadvantaged Business Enterprise (includes distressed communities). Must award only 0 or 6 points
USDOL Registered Apprentices (1st year through completion)	Up to 7	1) To earn 3 points, minimum of one (1) apprentice, and up to 25% of all trainees on training plan are apprentices. 2) To earn 5 points, at least 25%, and no more than 50%, of all trainees on training plan are apprentices. 3) To earn 7 points, greater than 50% of all trainees on training plan are apprentices. 4) Possible points are only 0, 3, 5, or 7 points Expanded beyond first year USDOL Registered Apprenticeship, intended to prioritize completion. Apprentices may be funded regardless of where they are in the program.
College Credit Training	Up to 5	1) To earn 3 points, minimum of one (1) and up to 30% of all trainees will receive college credit. 2) To earn 5 points, greater than 30% of all trainees will receive college credit. 3) Possible points are only 0, 3, or 5 points
Average Wages	8	To earn points, average hourly wage must be equal to or above Regional Median Wage. Calculated by dividing the sum of all (new hire and current employee) trainees' hourly wages by the total number of trainees.
Total	**33**	

Independent Application Subsequent Scoring Criteria

In the event of clustered scoring, we will revert to the following criteria. Requests may also be subject to budget reductions. LEO-WD reserves the right to further prioritize (i.e., 1st priority given to applicants with an apprenticeship).

Subsequent Scoring Criteria	FY23 Points (Bonus)	Explanatory Notes
Application includes USDOL Registered Apprentices (1st year through completion) leading to the nationally recognized, portable Certificate of Completion.	3	To earn bonus points, minimum of one (1) USDOL Registered Apprentice must be listed on the training plan. Expanded beyond first year registered apprenticeship, intended to prioritize completion. Apprentices may be funded regardless of where they are in the program.
Applicant employs fewer than 100 full-time employees	1	To earn a bonus point, employer must have 1-99 full-time employees at location on the application
50% or more of trainees are new employees (new hires)	1	To earn a bonus point, 50% or more of trainees must be new employees (new hires)
Size of amount of funding requested is no more than $50,000	1	To earn a bonus point, the size of amount of funding requested must be no more than $50,000
Total	**6**	

Source: The OAG prepared this exhibit using excerpts from LEO's fiscal year 2023 GPTF Employer Guide.

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Fiscal Year 2024 GPTF Independent Application Scoring Criteria

Independent Application Scoring Criteria

Scoring Criteria	Points FY24	Explanatory Notes
High Priority Industry Sector	10	1) To earn 10 points, employer must be in Agribusiness, Construction, Education, Energy, Healthcare, Hospitality and Outdoor Recreation, Information Technology, Infrastructure, Manufacturing, or Mobility. 2) Possible points are 0 or 10.
Application includes training directly applicable to Infrastructure, Electric Vehicle (EV) or Mobility.	1	1) To earn 1 point, employer must respond “Yes”, and applicable training must be included on the training plan. 2) Possible points are 0 or 1.
Application includes training in partnership with a community college, university, or a 3rd party	Up to 8	1) To earn 8 points, a minimum of one (1) course that results in earned college credit 2) To earn 4 points, a minimum of one (1) non-credit course provided by a community college, university, or 3rd party (as defined in section 2). 3) Possible points are 0, 4, or 8. Note: In-house exclusive training and OJT does not score points and college credit must be conferred by the approved training provider recognized on the Talent Fund Training Plan.
Special allowance for labor market participation policies of the employer.	Up to 3	1) To earn points, employer must respond “Yes” (with available evidence) to the following practices (as defined in section 3). • Predictive scheduling earns 1 point. • Actions to reduce transportation barriers to employment and training earns 1 point. • Improved access to affordable, reliable childcare earns 1 point. 2) Possible points are 0, 1, 2, or 3.
Diversity, Equity and Inclusion (DEI) Allowance for minority-owned, women-owned, veteran-owned, Individual with a Disability (IWD) owned and controlled; or is a Geographically-Disadvantaged Business Enterprise.	4	1) To earn 4 points, employer must respond “Yes”, and MWA must attest (as defined in section 4): • The business is at least 51 percent owned and controlled, and day to day operations and long-term decisions are managed by said category, or • Is a Geographically-Disadvantaged Business Enterprise 2) Possible points are 0 or 4. Note: 50% is acceptable in the case of only two individuals, under option 1 above.
Application includes USDOL Registered Apprentices (1st year through completion) leading to the nationally recognized, portable Certificate of Completion. > 1 and up to 25% of trainees = 3 points > 25% and up to 50% of all trainees = 5 points > 50% of all trainees = 7 points	Up to 7	1) To earn 3 points, minimum of one (1) apprentice, and up to 25% of all trainees on training plan are apprentices. 2) To earn 5 points, at least 25%, and no more than 50%, of all trainees on training plan are apprentices. 3) To earn 7 points, greater than 50% of all trainees on training plan are apprentices. 4) Possible points are 0, 3, 5, or 7.
Hourly median wage of trainees is equal to or above Regional Median Wage.	11	1) To earn 11 points, hourly median wage must be equal to or above Regional Median Wage, or 2) Hourly median wage of trainees meets Regional Median Wage no later than 90 days post training completion (after all training for the award has ended). Verification must be provided, or employer award will not be reimbursed. 3) Possible points are 0 or 11.

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Size of amount of funding requested Up to $60,000: 6 points $60,001 to $120,000: 4 points $120,001 to $180,000: 3 points $180,001 to $220,000: 2 points $220,001 and above: 0 points	Up to 6	1) Based on total amount of request 2) Must use the scale 3) Possible points are 0, 2, 3, 4, 6.
Total	**50**	

Independent Application Subsequent Scoring Criteria

In the event of clustered scoring, we will revert to the following criteria. Requests may also be subject to budget reductions. LEO-WD reserves the right to further prioritize (i.e., 1st priority given to applicants with an apprenticeship).

Scoring Criteria	FY24 Points (Bonus)	Explanatory Notes
Application includes USDOL Registered Apprentices (1st year through completion) leading to the nationally recognized, portable Certificate of Completion.	2	To earn bonus points, minimum of one (1) USDOL Registered Apprentice must be listed on the training plan. Expanded beyond first year registered apprenticeship, intended to prioritize completion. Apprentices may be funded regardless of where they are in the program.
Applicant employs fewer than 100 full-time employees	1	To earn a bonus point, employer must have 1-99 full-time employees at location on the application
50% or more of trainees are new employees (new hires)	1	To earn a bonus point, 50% or more of trainees must be new employees (new hires)
Size of amount of funding requested is no more than $60,000	1	To earn a bonus point, the size of amount of funding requested must be no more than $60,000
Total	**5**	

Source: The OAG prepared this exhibit using excerpts from LEO's fiscal year 2024 GPTF Employer Guide.

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Fiscal Year 2025 GPTF Independent Application Scoring Criteria

Independent Application Scoring Criteria

Scoring Criteria	Points FY25	Explanatory Notes
High Priority Industry Sector	9	1) To earn 9 points, employer must be in Agribusiness, Construction, Education, Energy, Healthcare, Hospitality and Outdoor Recreation, Information Technology, Infrastructure, Manufacturing, or Mobility. 2) Possible points are 0 or 9.
Application includes training directly applicable to Electric Vehicle (EV), Mobility, or related infrastructure.	1	1) To earn 1 point, employer must respond "Yes", and applicable training must be included on the training plan. 2) Possible points are 0 or 1.
Application includes training directly applicable to increasing household access to high-speed internet.	1	1) To earn 1 point, employer must respond "Yes", and applicable training must be included on the training plan. 2) Possible points are 0 or 1.
Application includes training directly applicable to creating or preserving affordable housing units	1	1) To earn 1 point, employer must respond "Yes", and applicable training must be included on the training plan. 2) Possible points are 0 or 1.
Application includes training in partnership with a community college, university, or a third party (as defined)	Up to 6	1) To earn 6 points, a minimum of one (1) course that results in earned college credit 2) To earn 3 points, a minimum of one (1) non-credit course provided by a community college, university, or third party (as defined in section 2). 3) Possible points are 0, 3, or 6. Note: OJT does not score points and college credit must be conferred by the approved training provider recognized on the Talent Fund Training Plan.
Application includes technical (hard skills) training that results in an industry recognized certification or license within the training period (as defined).	3	1) To earn 3 points, minimum of one (1) training that results in an industry recognized certification or license within the training period (as defined). Credential must be included on the training plan. 2) Possible points are 0 or 3
Diversity, Equity and Inclusion (DEI) Allowance for minority-owned, women-owned, veteran-owned, Individual with a Disability (IWD) owned and controlled; or is a Geographically-Disadvantaged Business Enterprise.	5	1) To earn 5 points, employer must respond "Yes", and MWA must attest (as defined in Section 6): • The business is at least 51 percent owned and controlled, and day to day operations and long-term decisions are managed by said category, or • Is a Geographically-Disadvantaged Business Enterprise 2) Possible points are 0 or 5. Note: 50% is acceptable in the case of only two individuals, under option 1 above.
Application includes USDOL Registered Apprentices (first year through completion) leading to the nationally recognized, portable Certificate of Completion. > 1 and up to 25% of trainees = 2 points > 25% and up to 50% of all trainees = 5 points > 50% of all trainees = 7 points	Up to 7	1) To earn 2 points, minimum of one (1) apprentice, and up to 25% of all trainees on training plan are apprentices. 2) To earn 5 points, at least 25%, and no more than 50%, of all trainees on training plan are apprentices. 3) To earn 7 points, greater than 50% of all trainees on training plan are apprentices. 4) Possible points are 0, 2, 5, or 7.

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Hourly median wage of trainees is equal to or above Regional Median Wage.	11	1) To earn 11 points, hourly median wage must be equal to or above Regional Median Wage no later than 90 days post training completion (after all training for the award has ended). Verification must be provided, or employer award will not be reimbursed. 2) Possible points are 0 or 11.
Employer has not received an Independent or ELC award in past two fiscal years (2023 and 2024).	2	1) To earn 2 points, employer must not have received a Talent Fund Independent or ELC award in Fiscal Year 2023 or 2024.
Size of amount of funding requested Up to $60,000: 4 points $60,001 to $120,000: 3 points $120,001 to $180,000: 2 points $180,001 to $220,000: 1 points $220,001 and above: 0 points	Up to 4	1) Based on total amount of request 2) Possible points are 0, 1, 2, 3, 4.
Total	50	

Independent Application Subsequent Scoring Criteria

In the event of clustered scoring, LEO-WD will utilize the following criteria. Requests may also be subject to budget reductions. LEO-WD reserves the right to further prioritize (i.e., first priority given to applicants with an apprenticeship).

Scoring Criteria	FY25 Points (Bonus)	Explanatory Notes
Application includes USDOL Registered Apprentices (first year through completion) leading to the nationally recognized, portable Certificate of Completion.	2	To earn bonus points, minimum of one (1) USDOL Registered Apprentice must be listed on the training plan. Expanded beyond first year registered apprenticeship, intended to prioritize completion. Apprentices may be funded regardless of where they are in the program.
Applicant employs fewer than 100 full-time employees	1	To earn a bonus point, employer must have 1-99 full-time employees at location on the application
50% or more of trainees are new employees (new hires)	1	To earn a bonus point, 50% or more of trainees must be new employees (new hires)
Size of amount of funding requested is no more than $60,000	1	To earn a bonus point, the size of amount of funding requested must be no more than $60,000
Total	5	

Source: The OAG prepared this exhibit using excerpts from LEO's fiscal year 2025 GPTF Employer Guide.

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

GPTF Independent Applications by Industry
For Fiscal Years 2023 Through 2025

	Project level						
	Approved[1]		Denied[2]		Other Not Awarded[3]		
Industry	Number (Percentage)	Dollar Amount (Percentage)	Number (Percentage)	Dollar Amount (Percentage)	Number (Percentage)	Dollar Amount (Percentage)	Percentage of Accepted vs Application Ratio
Agribusiness	79 (2%)	$ 5,056,437 (3%)	79 (3%)	$ 2,638,425 (3%)	26 (2%)	$ 762,078 (2%)	(43%)
Construction	503 (15%)	30,706,566 (17%)	215 (10%)	8,080,788 (9%)	111 (9%)	2,867,552 (10%)	(61%)
Education	79 (2%)	2,394,796 (1%)	80 (4%)	2,657,368 (3%)	47 (4%)	1,044,897 (3%)	(38%)
Energy	86 (3%)	4,904,463 (3%)	21 (1%)	1,395,789 (2%)	21 (2%)	242,101 (1%)	(67%)
Health care	532 (16%)	28,829,375 (16%)	337 (15%)	15,325,904 (16%)	136 (11%)	4,064,034 (14%)	(53%)
Hospitality	57 (2%)	2,501,242 (1%)	68 (3%)	2,129,820 (2%)	47 (4%)	1,377,477 (5%)	(33%)
Information technology	113 (3%)	3,674,813 (2%)	88 (4%)	3,041,737 (3%)	25 (2%)	409,953 (1%)	(50%)
Infrastructure	24 (1%)	1,074,146 (1%)	18 (1%)	461,412 (0%)	11 (1%)	221,600 (1%)	(45%)
Manufacturing	1,682 (51%)	95,024,301 (52%)	976 (43%)	46,419,673 (50%)	551 (45%)	15,258,356 (51%)	(52%)
Mobility	120 (4%)	7,976,759 (4%)	105 (5%)	3,647,126 (4%)	59 (5%)	2,464,558 (8%)	(42%)
Other	4 (0%)	191,313 (0%)	235 (10%)	6,440,325 (7%)	159 (13%)	1,179,661 (4%)	(1%)
Outdoor recreation	17 (1%)	268,752 (0%)	23 (1%)	641,484 (1%)	20 (2%)	78,549 (0%)	(28%)
Total	3,296	$ 182,602,963	2,245	$ 92,879,851	1,213	$ 29,970,816	

[1] Approved applications met the scoring threshold for respective cycles and were awarded GPTF funding.

[2] Denied applications were submitted for approval, but they did not meet the scoring threshold to be awarded GPTF funding or were denied for other reasons such as applications not meeting requirements during MWA fact finding.

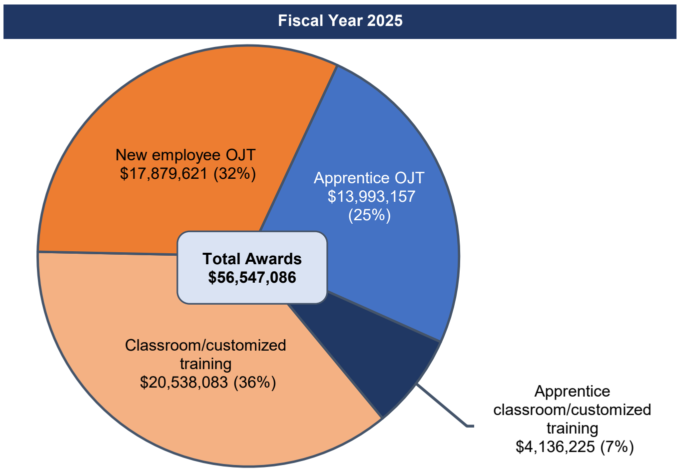
[3] Other Not Awarded applications could not be considered for award for reasons such as applications not completed by the submission deadline or withdrawn from consideration by the employer or MWA.

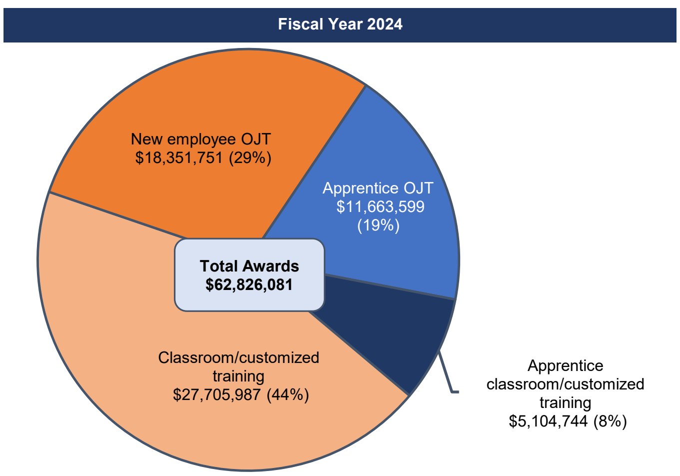
Source: The OAG prepared this exhibit based on data obtained from WBLOMS.

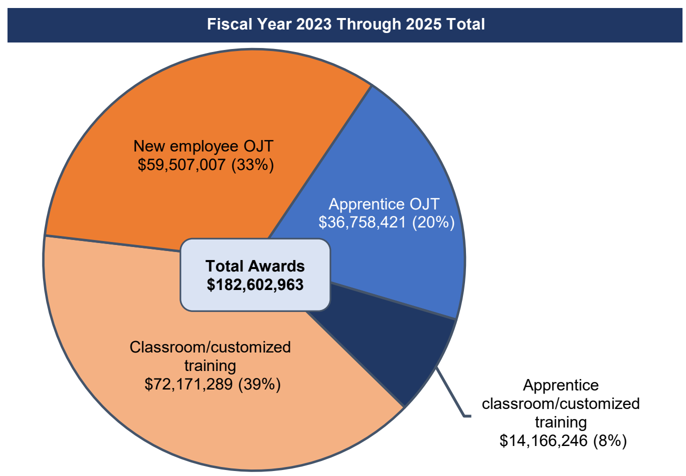
UNAUDITED
Exhibit 4

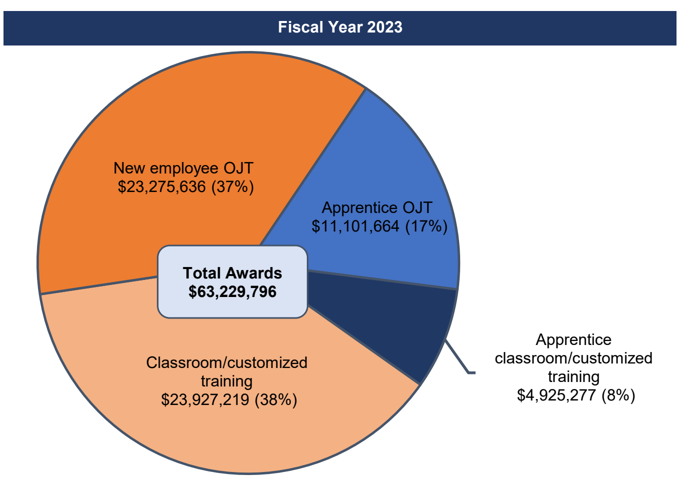
GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

GPTF Independent Awards by Training Type
For Fiscal Years 2023 Through 2025









Source: The OAG prepared this exhibit based on data obtained from WBLOMS.

GOING PRO TALENT FUND
Department of Labor and Economic Opportunity

Examples of Employer GPTF Training Plans

New Employee OJT

Example 1: Nursing Home

Training Course Name	Training Provided By	New or Current Employee(s)	Training Type	OJT Training Hours	Number of Employees	Training Cost Per Person	Training Cost Total
Certified Nurse Aide	Employer	New	New employee OJT	118	10	$ 2,000	$ 20,000
Licensed Practical Nurse	Employer	New	New employee OJT	69	3	2,000	6,000
Nurse Aide Training	Employer	New	New employee OJT	80	4	1,200	4,800
Registered Nurse	Employer	New	New employee OJT	53	3	2,000	6,000
Unit Manager/Assistant Director of Nursing	Employer	Current	Apprenticeship - OJT	80	1	3,200	3,200
Wound Care Training	External entity	Current	Apprenticeship - classroom		1	300	300
							$ 40,300

Example 2: Metal Stamping Manufacturer

Training Course Name	Training Provided By	New or Current Employee(s)	Training Type	OJT Training Hours	Number of Employees	Training Cost Per Person	Training Cost Total
HR Assistant	Employer	New	New employee OJT	160	1	$ 2,000	$ 2,000
HR Generalist	Employer	New	New employee OJT	160	1	2,000	2,000
Manufacturing Team Member	Employer	New	New employee OJT	160	4	2,000	8,000
Manufacturing Team Member	Employer	New	New employee OJT	140	1	2,000	2,000
Packer	Employer	New	New employee OJT	160	4	2,000	8,000
Packer	Employer	New	New employee OJT	120	1	885	885
Press Operator Trainee	Employer	New	New employee OJT	160	2	2,000	4,000
Production Operator - Team Lead	Employer	New	New employee OJT	160	1	2,000	2,000
Quality Auditor	Employer	New	New employee OJT	160	1	2,000	2,000
Transfer Press	Employer	New	New employee OJT	160	2	2,000	4,000
Advanced Problem Solving/Root Cause Analysis	External entity	Current	Classroom/customized training		12	256	3,072
CAD 150	Community college	Current	Apprenticeship - classroom		1	554	554
FANUC Robotics Weld Technician	External entity	Current	Classroom/customized training		3	1,835	5,505
IATF 16949 Internal Auditor Training	External entity	Current	Classroom/customized training		8	761	6,088
IATF 16949 Internal Auditor Training	External entity	Current	Classroom/customized training		1	761	761
MIG Welding	External entity	Current	Classroom/customized training		1	720	720
MIG Welding	External entity	Current	Classroom/customized training		1	1,350	1,350
Tool and Die Maker	Employer	Current	Apprenticeship - OJT	141	1	2,946	2,946
Tool and Die Maker	Employer	Current	Apprenticeship - OJT	146	1	3,500	3,500
							$ 59,381

This exhibit continued on next page.

Example 3: Automotive Parts Manufacturer

Training Course Name	Training Provided By	New or Current Employee(s)	Training Type	Number of OJT Training Hours	Number of Employees	Training Cost Per Person	Training Cost Total
Accountant	Employer	New	New employee OJT	160	1	$ 2,000	$ 2,000
Automation Technician	Employer	New	New employee OJT	160	6	2,000	12,000
Line Leader	Employer	New	New employee OJT	160	2	2,000	4,000
Machine Operator	Employer	New	New employee OJT	160	9	2,000	18,000
Process Engineer	Employer	New	New employee OJT	160	3	2,000	6,000
Quality Inspector	Employer	New	New employee OJT	160	3	2,000	6,000
Quality Inspector	Employer	New	New employee OJT	140	1	2,000	2,000
Tooling Technician	Employer	New	New employee OJT	160	1	2,000	2,000
Basic Robot Programming Class	External entity	Current	Classroom/customized training		6	200	1,200
Certificate of Project Management	Private university	Current	Classroom/customized training		7	716	5,012
Data Analytics for Managers	Private university	Current	Classroom/customized training		7	476	3,332
EL164	Community college	Current	Apprenticeship - classroom		1	1,125	1,125
EL164	Community college	Current	Apprenticeship - classroom		1	480	480
EL201	Community college	Current	Apprenticeship - classroom		1	845	845
MATT1350	Private college	Current	Apprenticeship - classroom		1	2,500	2,500
MATT2510	Private college	Current	Apprenticeship - classroom		1	1,000	1,000
MATT2750	Private college	Current	Apprenticeship - classroom		1	1,500	1,500
Mechatronics	Employer	Current	Apprenticeship - OJT	175	1	3,500	3,500
Mechatronics	Employer	Current	Apprenticeship - OJT	167	1	3,500	3,500
Mechatronics	Employer	Current	Apprenticeship - OJT	106	1	2,000	2,000
Mechatronics	Employer	Current	Apprenticeship - OJT	50	1	1,000	1,000
Mechatronics	Employer	Current	Apprenticeship - OJT	132	1	2,500	2,500
Mechatronics	Employer	Current	Apprenticeship - OJT	103	1	2,656	2,656
Mechatronics	Employer	Current	Apprenticeship - OJT	185	1	3,500	3,500
Mechatronics	Employer	Current	Apprenticeship - OJT	195	3	3,500	10,500
Mechatronics	Employer	Current	Apprenticeship - OJT	219	1	3,500	3,500
Mechatronics	Employer	Current	Apprenticeship - OJT	149	1	3,500	3,500
Mechatronics Apprentice	Employer	Current	Apprenticeship - OJT	168	1	3,020	3,020
Mechatronics Apprentice	Employer	Current	Apprenticeship - OJT	104	1	2,375	2,375
Premiere Pro Class - Introduction	External entity	Current	Classroom/customized training		1	795	795
RVG - Robot Vision Guidance Class	External entity	Current	Classroom/customized training		4	200	800
RVG Robot Vision Guidance Class	External entity	Current	Classroom/customized training		1	100	100
TE 103	Community college	Current	Apprenticeship - classroom		1	1,680	1,680
Tooling Technician	Employer	Current	Apprenticeship - OJT	140	1	3,500	3,500
Tooling Technician	Employer	Current	Apprenticeship - OJT	87	1	1,820	1,820
							$ 119,240

Source: The OAG prepared this exhibit based on data obtained from WBLOMS.

AGENCY PRELIMINARY RESPONSE

<u>GOING PRO TALENT FUND</u>
Workforce Development
Department of Labor and Economic Opportunity

<u>Finding 1 Agency Preliminary Response and Auditor's Comments to Agency Preliminary Response</u>

This section contains LEO's preliminary response to Finding 1 and our auditor's comments providing further clarification and context where necessary.

Finding 1: Improvement needed to ensure GPTF awards for new employee OJT align with established program credential requirements.

LEO provided us with the following response:

AGENCY PRELIMINARY RESPONSE	AUDITOR'S COMMENTS TO AGENCY PRELIMINARY RESPONSE
LEO disagrees.	LEO's response complicates a very straightforward issue. Simply stated, LEO's GPTF program guidance and several other references cited in the Finding indicate Going Pro funding <u>must lead to a credential</u>. However, LEO awarded a significant portion of funding for new employees' OJT costs, <u>which generally does not lead to a credential</u>.
The premise of the finding does not align with Audit Objective 1, which is to assess the effectiveness of LEO's efforts to select applications for competitive Going PRO Talent Fund (GPTF) awards.	Auditing standards indicate "audit objectives that focus on program effectiveness and results typically measure the extent to which a program is achieving its goals and objectives." Therefore, our Finding very much aligns with our objective. We audited to determine if LEO selected applications in line with GPTF goals and objectives, and our results indicated LEO did not for 33% of award amounts comprised of $59.5 million.
GPTF award selection is driven exclusively by annually approved scoring criteria, and credential attainment is not an element of those scoring criteria.	LEO's comments throughout its response regarding scoring criteria, scoring results, and scoring thresholds are irrelevant. Only applications meeting GPTF program requirements (such as trainee eligibility, approved training topic, credential attainment, etc.) should be submitted to LEO and then scored. Our Finding reports that applications containing new employee OJT did not meet program credential requirements; therefore, these applications should not have been submitted or scored.
Public Act 260 of 2018 explicitly identifies the actual cost of on-the-job training (OJT), including wage reimbursement, as a permissible use of GPTF funds. OJT is a recognized and nationally utilized method of upskilling, even though it does not result in a credential. OJT equips employees with job-specific skills necessary for permanent full-time roles, and it is widely supported across federal and state workforce systems. Employers are not credentialing authorities, and therefore OJT does not produce a credential by design; however, this does not diminish its value or its alignment with the statutory purpose of the GPTF program.	Attempting to educate us and report users on the value of OJT does nothing to refute how LEO used program fundings. The Act states OJT is allowed *as determined by the department*. The department, not the OAG, determined credentials were required for program funding. The OAG had no role in crafting program expectations and guidelines, nor reviewing or awarding applications.

The finding appears to rely on an interpretation that equates credential attainment with upskilling. LEO respectfully clarifies that upskilling can occur through multiple training modalities, including OJT, and that Public Act 260 intentionally recognizes OJT as an allowable and effective form of skill development. The finding's assertion that a lack of clarity in program guidance resulted in awards that contradicted program requirements or displaced more competitive applications is not supported by the scoring results or program rules.

OJT is not a factor in determining whether an application is awarded. Applications are evaluated solely on the merit of their proposed outcomes using the published scoring criteria. These criteria do not require credential obtainment, nor do they limit the amount of OJT included within a training plan. If an application meets the automated scoring threshold for a given cycle, any combination of OJT, classroom training, customized training, or U.S. Department of Labor Registered Apprenticeship is allowable within established parameters.

Applications that were not awarded received lower scores and were therefore less competitive. The implication that denied applications represented "other opportunities" for upskilling is speculative and unsupported. GPTF is competitive by design, and LEO awards applications based on objective, published scoring criteria—not on the proportion of OJT included in a training plan.

We do not take exception to, nor mention the application scoring process within Finding 1. Again, and as noted above, LEO's comments complicate a very straightforward issue and contain irrelevant comments related to application scoring.

Finally, visual depictions of award distribution by single training type do not reflect the integrated nature of GPTF training plans, which frequently include multiple components. Awards are not issued exclusively for one type of training, and charts that categorize awards by isolated training types do not provide meaningful insight into LEO's selection process.

LEO's mention of the "visual depictions" refers to the charts on page 10 of the Finding. LEO's comment regarding "the integrated nature of GPTF training plans" refers to the fact that an employer training plan may include multiple types of training (i.e. new employee OJT *and* classroom/customized training). GPTF award data, like most data, can be summarized in many ways. We utilized the charts to provide a clear picture of award activity for our readers. Regardless of the chart design or the integrated nature of training plans, the fact remains that LEO made GPTF awards for new employee OJT totaling $59.5 million that did not meet program credential requirements.

We considered the agency response and based on our comments above, the Finding stands as written.

Go Back to Finding 1

Go to Finding 2

Finding 2 Agency Preliminary Response and Auditor's Comments to Agency Preliminary Response

This section contains LEO's preliminary response to Finding 2 and our auditor's comments providing further clarification and context where necessary.

Finding 2: Significant improvement needed regarding LEO's routine monitoring of MWAs.

LEO provided us with the following response:

AGENCY PRELIMINARY RESPONSE	AUDITOR'S COMMENTS TO AGENCY PRELIMINARY RESPONSE
LEO partially agrees. *For part a, LEO agrees that monitoring conducted from September 2022 through June 2025 diverged from internal guidance. However, LEO disagrees that this constitutes a material condition caused by a lack of file reviews.*	LEO states it agrees it did not conduct monitoring of MWAs for the period outlined in the Finding; therefore, LEO agrees with the Finding's facts. Its disagreement surrounds our classification of the finding as a material condition, which is an auditor-assigned classification denoting the severity of the reported issue. Finding classification is based on the auditor's judgment in relation to the audit objective (see glossary, page 43). We clearly identified the factors we considered in classifying the finding as a material condition on page 15.
It was not possible to conduct file reviews for most of this period. Characterizing this situation as a significant lack of monitoring disregards the core program design, including the required 12-month training period, the 6-month post-training outcome reporting cycle, and other key factors. *Prior to 2021, file reviews were performed retrospectively using documentation from a sample of completed awards from the prior program year in addition to completed current year awards (if available from early reporting). This timeline was disrupted by unforeseen circumstances beginning with the lack of GPTF funding due to COVID-19.* *In 2020, GPTF funding was redirected to the COVID-19 response. The lack of funding inserted a one-year gap into the file review schedule. Prior year file reviews had already been completed on time, so for the 2021 program year, LEO instead completed a file review of in-progress 2021 awards. This approach was not productive because GPTF is a reimbursement program. If training activity is not completed and reimbursed, there is no documentation to verify against actual outcomes and financial activity. GPTF legislation allows employers 12 months to complete training and requires the reporting of 6-month post training retention outcomes. As a result, final outcomes are not available, and file reviews are not possible, for approximately two years from the date employers are awarded. This means Program Year 2022 file reviews could not begin until Calendar Year 2024 at the earliest.* *In 2021, LEO implemented the Work Based Learning Online Management System (WBLOMS), transitioning GPTF applications and outcome reporting from manual processes to an electronic web-based platform. From 2022 to 2025, WBLOMS was developed in phases according to the cyclical program timeline. Core operational program features were prioritized first. Outcome reporting functionality was added later, preventing the early reporting and subsequent file reviews that were possible prior to WBLOMS implementation.* *In 2023, significant enhancements were made to WBLOMS and file review procedures to improve GPTF service delivery by incorporating employer and MWA feedback through a Lean Process Improvement project, further altering the file review timeline. Extensive re-development of WBLOMS was necessary, which in*	LEO's response goes on to outline a number of "unforeseen circumstances" that impacted its monitoring activities. However, those circumstances do not absolve LEO of its responsibility for monitoring MWA's management and oversight of GPTF awards. Simply stated, LEO did not conduct file reviews (part a.) and did not maintain sufficient documentation supporting the "extensive" desk reviews it asserts it performed instead (part b.). As a result, LEO could not provide us with evidence of any substantial or substantive monitoring activities performed during the nearly three-year period cited in the Finding.

turn changed how and when file reviews would occur. During the period of September 2022 through June 2025, an interim desk review of each award was completed to account for these operational changes in anticipation of the availability of final outcomes.

Monitoring file reviews have been fully reinstated, and to date, file reviews have been completed for Program Year 2023 per the appropriate timeline. No observations from the Program Year 2023 file reviews or desk reviews of all awards warranted 2021 or 2022 program activity to be revisited.

For part b, LEO agrees that both our documented procedures along with on-screen displays of our WBLOMS record keeping can be further enhanced. LEO disagrees with the assertion that it did not maintain documentation supporting its desk reviews. LEO did maintain documentation in a modern, accessible format and provided these records to OAG.

OAG's interpretation of what constitutes acceptable documentation, and its dismissal of the records provided, creates a contradictory and unattainable standard. In discussions throughout the performance audit, OAG staff have stated that review checklists and similar attestations in various contexts would generally not be considered a strong piece of evidence for purposes of secondary review according to common audit standards.

LEO provided digital records of desk reviews and associated remediation activity saved across at least three electronic systems. During a desk review, WBLOMS automatically saves a record of the LEO user who completes the review or sends the award back to an MWA for remediation, including a date and time stamp. If an award is sent for remediation, the LEO user is required to enter a permanently visible comment describing the issue. MWA users may then communicate in writing via email to request technical assistance. If the remediation requires particularly complex technical support, a LEO user will submit a help ticket to DTMB through Azure DevOps. These actions taken by trained LEO staff are recorded and indexable within each separate system (WBLOMS, Outlook, and Azure) using the award's reference number which serves as a unique key identifier. LEO has developed an efficient and cost-effective method to document desk reviews within the daily workflow. Documentation and instruction are not fully consolidated into one record system as LEO has determined this to be cost prohibitive. However, LEO will complete a more formalized internal desk review operational manual and will explore improvements to record keeping capabilities and audit trails within WBLOMS.

LEO's comment that "file reviews have been fully reinstated" further supports their agreement with our Finding that it did not complete file reviews, as required.

LEO's response implies we did not review the documentation it provided to us, and that we do not accept modern, electronic documentation in our audits. Clearly, this is not factual. We obtained and evaluated the electronic information contained in WBLOMS and concluded LEO did not maintain sufficient documentation supporting its desk reviews. The WBLOMS information provided to us was very limited, only including:

- An "award status" field that LEO informed us was manually changed by staff to "Award Closed / Verification Received" after a desk review was completed.

- A field containing the name of the employee that changed the award status field.

- A WBLOMS comment field denoting any issues identified by LEO during the desk review. If no issues were identified, this field is not used.

As outlined above, we did not dismiss the records provided. Auditing standards discuss obtaining "sufficient appropriate evidence" to support our conclusions. In our judgment as professional auditors, we reviewed the documentation provided and concluded it did not meet the threshold to support LEO's completion of desk reviews. Typical monitoring documentation we observe across State government includes evidence of the actual monitoring procedures conducted and the corresponding result for each procedure (whether pass or fail). Also, LEO's comments demonstrate it may have misunderstood our discussions surrounding documentation, including attestations and checklists. As noted in the Finding, we suggest LEO may use a checklist in the future to better document its desk reviews.

LEO's use of multiple electronic systems for the GPTF program is not unique to State government operations and does not negate its duty under *Michigan Compiled Laws* Section 18.1285 to maintain records necessary for the adequate and proper recording of its activities, including completed desk reviews.

LEO's comment indicates it plans to implement corrective action to mitigate the issues identified, further supporting their agreement with our Finding and recommendation.

We considered the agency response and based on our comments above, the Finding stands as written.

Go Back to Finding 2

Go to Finding 3

Finding 3 Agency Preliminary Response and Auditor's Comments to Agency Preliminary Response

This section contains LEO's preliminary response to Finding 3 and our auditor's comments providing further clarification and context where necessary.

Finding 3: Improved guidance needed for MWAs' verification of employer compliance with GPTF requirements.

LEO provided us with the following response:

AGENCY PRELIMINARY RESPONSE	AUDITOR'S COMMENTS TO AGENCY PRELIMINARY RESPONSE
LEO disagrees. *LEO disagrees with the assertion that guidance to MWAs failed to specify that award elements must be verified prior to reimbursement. LEO also disagrees that OAG's observations demonstrate a link between the quality of LEO's guidance and a risk of potential misuse of funds that could reasonably be addressed through increased MWA record retention.*	LEO disagrees with our recommendation and generally cites concerns with MWAs' obtaining and/or retaining the documentation necessary for employers to demonstrate compliance with certain GPTF requirements. Specifically, LEO's response states: • "LEO asserts it would be government overreach to retain additional participant level details for tens of thousands of trainees…" • "LEO's longstanding interpretation of GPTF legislation suggests the program is meant to be operated differently from federally funded programs that involve extensive documentation." • "…employers would be required to provide extensive PII of their employees... Additionally, tens of thousands of employees who are mandated by their employers to complete training each year through GPTF would be forced to disclose this information non-consensually at risk of job loss." Certain GPTF requirements are established in law (such as employer and trainee eligibility), while other requirements are established by LEO for program implementation (such as training topic eligibility). The notion that GPTF program requirements were established by law and the department, but compliance is never verified, is contrary to fundamental operational and management practices, and accountability over State spending. Without compliance verifications, neither LEO nor MWA's can support that GPTF awards met requirements established by law and the department.
MWA record retention is not, and has never been, the sole internal control used to prevent fraud, waste, or abuse. Documentation beyond what is directly tied to reimbursements does not eliminate LEO's responsibility to independently verify award eligibility through compensating controls applied against both MWA and employer records. Furthermore, documentation that would constitute strong evidence for auditing purposes does not exist for several program elements cited by OAG, such as course curriculums, because these materials are not standardized publications. *In many cases, validating eligibility requires additional inquiry, known as fact-finding, which may include interviews with employers and training providers. These efforts typically involve sensitive information and records that pose additional undue risks.*	It is unclear the compensating controls LEO is referring to.

The guidance shared by LEO mandates that receipts are collected by MWAs for financial transactions before employer reimbursement. Traditionally, receipts are in the form of invoices and credentials but may include limited personally identifiable information (PII) related to elements such as USDOL RA, OJT, or targeted incentive populations. These receipts are collected because they validate actual expenses incurred. All other elements of the program are verified through continual fact-finding.

LEO makes the assertion that "all" other elements of the program are verified by MWAs through continual fact finding. However, as reported in the Finding, our sample-based review noted MWAs' award files did not always contain evidence the awards met all GPTF program requirements. For example, none of the sampled MWA award files contained documentation to support the MWAs' verified trainee eligibility. In the absence of documentation, auditors must conclude the verifications did not occur and therefore, we disagree with LEO's comment that "all" other elements of the program are verified.

LEO disagrees that the current guidance to determine eligibility is deficient. MWAs are designated by the Governor as the state's local workforce development system hubs and are appointed responsibilities by the Governor and legislature that require constant knowledge of employers and employees within their region to administer numerous state- and federally-funded programs. MWAs are supported by LEO in the review of all aspects of GPTF, including employer and trainee eligibility to meet an acceptable standard year-round through written guidance, weekly technical assistance webinars, and daily via email.

The OAG acknowledges LEO publishes and/or provides information to MWAs in these numerous ways. However, none of these methods provided documented guidance for MWAs' verification of compliance with the GPTF requirements summarized in the Finding table on page 16.

Eligibility is determined through a comprehensive fact-finding process where an MWA staff person is paired with each individual employer resulting in a Training Agreement between the MWAs and each employer to certify all eligibility criteria has been met. Finally, LEO confirms employers are legally doing business in Michigan and complying with tax obligations through the Michigan Department of Treasury.

It would not be feasible to quell all speculative doubt of employer or employee eligibility through the collection of additional documentation related to the items cited by OAG. LEO asserts it would be government overreach to retain additional participant level details for tens of thousands of trainees such as address, Social Security number, proof of citizenship, or other PII beyond what is currently required to validate transactions as previously described. LEO's longstanding interpretation of GPTF legislation suggests the program is meant to be operated differently from federally funded programs that involve extensive documentation. This is in part because GPTF trainees cannot opt out of training opportunities mandated by their employers, and these individuals do not receive a monetary payment. Additionally, requiring this information would be costly and cause employer attrition by forcing the disclosure of commercially valuable information into public record for years after participation. Specifically, employers would be required to provide extensive PII of their employees paired with specific wages of said employees. Requiring this information would be a liability that would deter employers from participating in GPTF. Additionally, tens of thousands of employees who are mandated by their employers to complete training each year through GPTF would be forced to disclose this information non-consensually at risk of job loss.

As noted in the leading auditor's comment for this Finding, the notion that GPTF program requirements were established by law and the department, but compliance is never verified, is contrary to fundamental operational and management practices, along with demonstrated stewardship over State resources.

It is an oversimplification to claim there is a valid form of documentation that could be collected to verify all items cited by OAG. Employer, training provider, and training topic eligibility do not translate neatly into forms of documentation that can be saved by MWA staff in a database. These details are instead verified by trained MWA and/or LEO staff through fact-finding as previously described. LEO reserves the right to request relevant

We disagree this is an oversimplification. Many departments across State government routinely obtain similar documentation to verify individuals and/or entities meet program requirements for a wide variety of programs and services. As a matter of fact, LEO already requires MWA's to collect some information containing PII when vetting applications for the program.

information from MWAs, employers, and training providers and conduct additional investigation into these details at any time.

We considered the agency response and based on our comments above, the Finding stands as written.

Go Back to Finding 3

PROGRAM DESCRIPTION

The GPTF was established by Public Act 260 of 2018 and is administered by Workforce Development, LEO. The purpose of the program is to provide competitive awards to qualified employers for workforce training, including, but not limited to, talent enhancement, increasing worker productivity, development of workforce skills, leadership and management training, and worker retention. LEO awards GPTF funds to employers through MWAs, who conduct fact-finding sessions with employers to assess their talent skill gaps and assist employers in submitting GPTF award applications through LEO's WBLOMS. LEO selects employer applications for award by applying established competitive scoring criteria. Once awarded, MWAs are responsible for managing and overseeing employer GPTF awards and employers' respective training plans. In turn, LEO is responsible for monitoring MWAs to verify compliance with program requirements.

GPTF independent awards* to employers totaled $63.2 million, $62.8 million, and $56.5 million for fiscal years 2023, 2024, and 2025, respectively, and the average GPTF award to employers was $55,400. LEO's Workforce Development Work-Based Learning Section had four employees responsible for facilitating and overseeing the GPTF program as of June 30, 2025.

** See glossary at end of report for definition.*

AUDIT SCOPE, METHODOLOGY, AND OTHER INFORMATION

AUDIT SCOPE

To examine LEO's efforts to select applications for GPTF awards and monitor MWAs' management and oversight of those awards. 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.

LEO offers two types of GPTF awards, including independent awards and ELC awards, totaling $185.8 million during the audit period. The scope of our audit focused on GPTF independent applications and awards, which totaled $182.6 million in awards during the audit period. We excluded GPTF ELC applications and awards from our audit scope because of their relative insignificance, with ELC awards totaling $3.2 million (1.7%) in awards during the audit period.

As part of the audit, we considered the five components of internal control* (control environment, risk assessment, control activities, information and communication, and monitoring activities) relative to the audit objectives and determined all components were significant.

PERIOD

Our audit procedures, which included a preliminary survey, audit fieldwork, report preparation, analysis of agency responses, and quality assurance, generally covered October 1, 2022 through June 30, 2025.

METHODOLOGY

We conducted a preliminary survey of LEO's GPTF program to formulate a basis for establishing the audit objectives, scope, and methodology. During our preliminary survey, we:

- Interviewed LEO and MWA management and staff to obtain an understanding of their respective roles and responsibilities related to the GPTF program.
- Reviewed applicable *Michigan Compiled Laws,* departmental guides, and procedures.
- Analyzed expenditure data from October 1, 2022 through June 30, 2025 to gain an understanding of GPTF spending.
- Gained an understanding of LEO's monitoring procedures including types of reviews performed, frequency of

** See glossary at end of report for definition.*

monitoring efforts, and the type of documentation reviewed and maintained.

OBJECTIVE 1

To assess the effectiveness of LEO's efforts to select applications for competitive GPTF awards to employers.

To accomplish this objective, we:

- Obtained an understanding of LEO's process to receive and score GPTF applications through WBLOMS.

- Obtained an understanding of LEO's process to review and update scoring criteria on an annual basis to ensure it was evaluated in a timely manner and received the proper approvals for any changes.

- Reviewed LEO's leadership approval for GPTF scoring criteria, establishment of scoring criteria, reasonableness, and whether the criteria aligned with program publication.

- Reviewed WBLOMS automated scoring coding to obtain assurance the scores calculated in WBLOMS properly reflected the approved scoring criteria for the respective award cycles.

- Reviewed program criteria available to the public to ensure communication of program criteria was properly disseminated.

- Randomly and judgmentally sampled 33 of 6,229 independent GPTF applications from fiscal years 2023 through 2025 to recalculate scoring of projects for accuracy. Our random sample was selected to eliminate bias and enable us to project the results to the respective populations. Our judgmental sample was selected to ensure representativeness, and we could not project those results to the respective population.

- Reviewed the 1,165 applications scored with subsequent scoring criteria for fiscal years 2024 through 2025 to determine if the applications were appropriately awarded or denied based on their subsequent scores.

- Reviewed application scores for independent GPTF applications from fiscal years 2023 through 2025 to verify LEO issued employer awards in accordance with application scores, with the highest-scoring applications receiving awards.

- Obtained an understanding of LEO's process for ensuring employers did not have outstanding Michigan tax obligations on record with Michigan's Department of Treasury and ensured LEO tracked potential employer awardees with tax obligations to confirm tax obligations were paid prior to the issuance of an award.

- Obtained the population of 6,754 independent GPTF applications from WBLOMS for fiscal years 2023 through 2025 and analyzed the data to determine:

  - How many applications were approved or denied and their related award amounts.

  - Potential score changes and deobligation of funding.

  - Program scoring results and median wage data to ensure program objectives met expectations.

- Obtained a population of 3,296 independent GPTF training plans from WBLOMS for fiscal years 2023 through 2025 and analyzed the data to determine distribution of trainees by training types and the amount of funding awarded for new employee OJT.

OBJECTIVE 2

To assess the sufficiency of LEO's efforts to monitor MWAs' management and oversight of GPTF awards to employers.

To accomplish this objective, we:

- Evaluated LEO's guidance to MWAs for assisting employers with the application process and for management and oversight of GPTF awards to ensure applications and awards meet program requirements.

- Requested a list of LEO file reviews completed from October 1, 2022 through June 30, 2025.

- Randomly sampled and reviewed 33 of 3,325 independent GPTF awards, including 29 in pre-obligation status, from fiscal years 2023 through 2025 to:

  - Evaluate MWAs' practices for documenting employer compliance with program requirements.

  - Verify LEO completed desk reviews, as required, for the 16 of 33 sampled awards in a status subject to desk reviews.

  Our random sample was selected to eliminate bias and enable us to project the results to the respective populations.

- Reviewed conflict of interest policies for all 16 MWAs to determine whether they complied with LEO's conflict of interest policy requirements.

- Analyzed 3,296 independent GPTF awards for fiscal years 2023 through 2025 to evaluate potential outliers in the data, such as employers who received awards in multiple years within our audit period, multiple awards during a fiscal year for entities using the same site address, and ineligibility of employers.

- Gained an understanding of LEO's compliance review team's monitoring of MWAs' financial activity.

CONCLUSIONS

We base our conclusions on our audit efforts and any resulting material conditions or reportable conditions.

When selecting activities or programs for audit, we direct our efforts based on risk and opportunities to improve State government operations. Consequently, we prepare our performance audit reports on an exception basis.

AGENCY RESPONSES

Our audit report contains 3 findings and 3 corresponding recommendations. LEO's preliminary responses indicate it partially agrees with 1 of the recommendations and disagrees with 2 of the recommendations.

The agency preliminary response following each recommendation in our report was taken from the agency's written comments and oral discussion at the end of our fieldwork. Section 18.1462 of the *Michigan Compiled Laws* requires an audited agency to develop a plan to comply with the recommendations and submit it to SBO upon audit completion. The State of Michigan Financial Management Guide (Part VII, Chapter 3, Section 100) requires the audited agency to develop the plan as early as practicable and within 60 days after report issuance and submit the plan to OIAS, SBO. Within 30 days of receipt, OIAS will either accept the plan as final or contact the agency to take additional steps to finalize the plan.

SUPPLEMENTAL INFORMATION

Our audit report includes supplemental information presented as Exhibits 1 through 5. Our audit was not directed toward expressing a conclusion on this information.

GLOSSARY OF ABBREVIATIONS AND TERMS

apprentice	For purposes of this report, a USDOL registered apprentice is part of a paid employee training program that combines OJT and classroom instruction. Participants are expected to earn nationally recognized credentials within their industry upon the completion of training.
auditor's comments to agency preliminary response	Comments the OAG includes in an audit report to comply with *Government Auditing Standards*. Auditors are required to evaluate the validity of the audited entity's response when it is inconsistent or in conflict with the findings, conclusions, or recommendations. If the auditors disagree with the response, they should explain in the report their reasons for disagreement.
certification	Professional credential earned through a training program and subsequent assessment, certifying someone for work in a particular industry with a specific skill.
classroom training	Training which improves employee skills and develops opportunities for growth. Classroom training must lead to industry recognized credentials and not be introductory or an overview. GPTF publishes an official listing of eligible classroom training in its yearly employer guidance.
DEI	Diversity, equity, and inclusion.
effectiveness	Success in achieving mission and goals.
employer led collaborative (ELC)	A GPTF award bringing together multiple employers, education and training institutions, workforce development organizations, and other partners to formulate training and education solutions to fill identified talent gaps. ELC awards are for classroom or customized training only, not wage reimbursement. Prior to fiscal year 2025, ELC awards were called industry led collaborative awards.
fact-finding session	Conducted by MWA staff with employers to identify talent gaps, suitable training providers, and all federal or State funds available to support employer training. Occurs before submission of a GPTF application.
Going Pro Talent Fund (GPTF)	A program established by Public Act 260 of 2018 and administered by Workforce Development, LEO. The purpose of the program is to provide competitive awards to qualified employers for workforce training, including, but not limited to, talent enhancement, increasing

	worker productivity, development of workforce skills, leadership and management training, and worker retention.
independent award	A GPTF award involving a single employer which is scored using an automated weighted scoring system. Awards are split into two separate awarding cycles and are based on a 12-month training cycle from approval date. Employers may only receive one award per fiscal year which cannot exceed $500,000.
internal control	The plan, policies, methods, and procedures adopted by management to meet its mission, strategic plan, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It also includes the systems for measuring, reporting, and monitoring program performance. Internal control serves as a defense in safeguarding assets and in preventing and detecting errors; fraud; violations of laws, regulations, and provisions of contracts and grant agreements; or abuse.
IWD	Individuals with disability.
LEO	Department of Labor and Economic Opportunity.
material condition	A matter, in the auditor's judgment, which is more severe than a reportable condition and could impair the ability of management to operate a program in an effective and efficient manner and/or could adversely affect the judgment of an interested person concerning the effectiveness and efficiency of the program. Our assessment of materiality is in relation to the respective audit objective.
Michigan Works! Agency (MWA)	Entities designated to be the administrators for workforce development activities in a local Michigan Works! area under the guidance of the local workforce development board.
observation	A commentary highlighting certain details or events which may be of interest to users of the report. An observation may not include all of the attributes (condition, effect, criteria, cause, and recommendation) presented in an audit finding.
OIAS	Office of Internal Audit Services.
on-the-job training (OJT)	Training which allows an employee to become proficient in their permanent full-time job. OJT, under program rules, involves reimbursement for initial training for new hires. Current employees may also seek reimbursement if they are participating in the USDOL

	registered apprentice program. Orientation and onboarding-based OJT is not allowable under program rules.
performance audit	An audit which provides findings or conclusions based on an evaluation of sufficient, appropriate evidence against criteria. Performance audits provide objective analysis to assist management and those charged with governance and oversight in using the information to improve program performance and operations, reduce costs, facilitate decision-making by parties with responsibility to oversee or initiate corrective action, and contribute to public accountability.
reportable condition	A matter, in the auditor's judgment, less severe than a material condition and falls within any of the following categories: a deficiency in internal control; noncompliance with provisions of laws, regulations, contracts, or grant agreements; opportunities to improve programs and operations; or fraud.
SBO	State Budget Office.
subsequent scoring	A tie-breaker process, where if multiple projects have the same score (clustered scoring) when funding is still available, to re-score the projects in a defined manner.
USDOL	U.S. Department of Labor.
Web-Based Learning Online Management System (WBLOMS)	Management information system utilized for the application, awarding, and management of GPTF awards.

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