

EXECUTIVE DIGEST

MICHIGAN CAREER AND TECHNICAL INSTITUTE

INTRODUCTION

This report, issued in October 1999, contains the results of our performance audit* of the Michigan Career and Technical Institute (MCTI), Michigan Department of Career Development (MDCD).

AUDIT PURPOSE

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness* and efficiency*.

BACKGROUND

MCTI, formerly known as the State Technical Institute and Rehabilitation Center, is a residential training facility located at Pine Lake, near Plainwell, Michigan. The Executive Organization Act of 1965 placed the facility in Michigan Rehabilitation Services (MRS), Department of Education. Effective January 1, 1994, Executive Order No. 1993-20 transferred the responsibility for MRS (and the facility) to the Michigan Jobs Commission. Effective April 5, 1999, Executive Order No. 1999-1 made MRS (including MCTI) part of MDCD.

MCTI operates under the authority of Sections 395.151 and 395.152 of the *Michigan Compiled Laws*. MCTI's mission* is to conduct vocational and technical training programs and provide the supportive services needed to prepare Michigan citizens with disabilities* for competitive employment*.

From September 1, 1995 through August 31, 1998, MCTI had an average of 340 students per term and 178 graduates per year. As of July 31, 1998, MCTI had 89 employees. For fiscal years 1996-97 and 1997-98, MCTI's annual expenditures totaled approximately \$6.3 million.

AUDIT OBJECTIVES,
CONCLUSIONS, AND
NOTEWORTHY
ACCOMPLISHMENTS

Audit Objective: To assess MCTI's effectiveness in achieving its goal* of preparing Michigan citizens with disabilities for competitive employment.

Conclusion: We concluded that MCTI was generally effective in preparing Michigan citizens with disabilities for competitive employment. However, our assessment disclosed reportable conditions* regarding the propriety of training programs and continuous quality improvement* (Findings 1 and 2).

Noteworthy Accomplishments: MCTI developed a distance learning center in 1997 that allows it to interface with the Detroit and Muskegon Goodwill Industries and the Kalamazoo Disability Resource Center. As part of the distance learning center, the office automation training program was expanded in November 1998 to include students in the Detroit area.

Also, MCTI has maintained its accreditation by the Rehabilitation Accreditation Commission* (CARF) since 1980. Further, MCTI established a business advisory committee for each training program to conduct annual reviews of pertinent program issues.

Audit Objective: To assess the effectiveness of MCTI's admissions and career assessment practices.

Conclusion: We concluded that MCTI's admissions and career assessment practices were generally effective. However, our assessment identified reportable conditions regarding admissions and career assessment (Findings 3 and 4).

Audit Objective: To assess MCTI's effectiveness in monitoring student treatment service progress and providing placement-related services to students.

Conclusion: We concluded that MCTI was generally effective in monitoring student treatment service progress and providing placement-related services to students. However, our assessment disclosed reportable conditions regarding service unit referral plans and student treatment service progress and placement-related services (Findings 5 and 6).

**AUDIT SCOPE AND
METHODOLOGY**

Our audit scope was to examine the program and other records of the Michigan Career and Technical Institute. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of

the records and such other auditing procedures as we considered necessary in the circumstances.

Our audit procedures included examination of MCTI records and activities primarily for the period September 1, 1995 through August 31, 1998.

We reviewed applicable MCTI laws, regulations, policies, and procedures. We performed a preliminary survey and interviewed staff. Also, we assessed the internal control structure* pertaining to pertinent MCTI functions.

We analyzed data related to training programs, student enrollments, waiting lists, and graduates. Also, we reviewed MCTI's process for evaluating effectiveness in training students. In addition, we analyzed Unemployment Agency, Department of Consumer and Industry Services, employment records. We reviewed MCTI's process for determining the propriety of its training programs and surveyed MRS district offices.

We reviewed admissions and career assessment policies, procedures, and regulations. In addition, we examined student records to determine if students met MCTI admissions requirements. Further, we compared the success rates of students who participated in MCTI's career assessment services with the success rates of students who did not participate in the services.

We reviewed procedures and regulations regarding student monitoring and placement. Also, we assessed a random sample of graduate records to determine initial

employment rates and if MCTI conducted post-graduation follow-up in accordance with established requirements.

AGENCY RESPONSES

Our audit report includes 6 findings and 6 corresponding recommendations. MDCD's preliminary response indicates that it generally agrees with our recommendations and has taken steps to implement them.