



FULTON COUNTY, GEORGIA
OFFICE OF THE COUNTY AUDITOR
Addendum to Audit of Department of Housing and
Community Development
Workforce Development Division's Veterans Home and
Business Services

October 7, 2019

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INTRODUCTION

This addendum is to be included in combination with the Audit of Department of Housing and Community Development Workforce Development Division's Veterans Home and Business Services. The addendum addresses questions asked by Commissioner Hall and The Atlanta Journal-Constitution (AJC) regarding the VHBS program.

Questions with Responses

1. How much grant funding did Fulton County give to VHBS?

Response: Fulton County Workforce Development Division entered into a non-financial agreement with VHBS to provide Work Experience Training (WEX). Therefore, VHBS did not receive grant funding from Fulton County. However, participants in the WEX received stipends/funding through Workforce Development Division FY17 grant funds.

2. What was the funding supposed to be used for?

Response: Workforce Development Division used grant funds to pay WEX program participants.

3. Was there any other funding that Select Fulton/Worksource Fulton provided to VHBS?

Response: There was no funding Select Fulton/Worksource Fulton provided to VHBS.

4. Was this contract between VHBS and Select Fulton/Worksource Fulton reviewed and approved by the CLEO and WIOA Board? If not, why?

Response: At the time of this agreement, (May 2018) the Director of Community Development was authorized and designated to approve and execute agreements and contracts for Work Experience programs, per BOC #17-0280 adopted on April 12, 2017. Therefore, approval was not needed by the WIOA Board. Although, a resolution rescinding that designation was adopted on BOC #18-0863 dated November 14, 2018, giving authorization to execute contracts and agreements to the Chief Local Elected Official (CLEO), this agreement had already been approved. There was no documentation available to show the WIOA board approved this specific agreement however, the Technical College System of Georgia, was designated by the WIOA board to set requirements for Work Experience agreements to be approved.

5. When did the contract between Select Fulton/ WorkSource Fulton and VHBS start and when did it end?

Response: The contract began on May 9, 2018 and an official notice of termination of the agreement was sent on May 23, 2019.

6. Was it terminated?

Response: Yes, a termination notice was sent to VHBS on May 23, 2019 to notify them of the end of the contract. Additionally, stating that, due to a review of the program and concerns from program participants, Fulton County will no longer consider any future relationship with you and your companies.

7. Was there ever a time that leadership from Select Fulton/Worksource Fulton or the County Executive staff met with Leslie Simons or David Gallemore? If a meeting or meetings took place, what were the dates and times of the meeting(s), what was the reason for the meeting, and who attended the meeting?

Response: While we have obtained numerous emails between Select Fulton management and Leslie Simons regarding the establishment of the program, we were unable to obtain documentation that any official meetings were conducted. The emails are included in our workpaper files for review. Additionally, we did not obtain any emails directly from David Gallemore regarding any official meetings.

8. When did the training for the veterans start?

Response: Based on our review of the files, we were not able to identify that any of the selected participants were veterans. However, for several participants selected for the program, their training started on July 25, 2018. Additional participants selected for the program started training on August 8, 2018. The dates are different depending on when participants' eligibility packets were submitted to Workforce.

9. When did the last training end?

Response: The training ended on October 16, 2018 for participants that started on July 25, 2018 and the training ended on October 30, 2018 for participants that started on August 8, 2018.

10. How many veterans completed the training and were hired by VHBS?

Response: Based on our review of the files, we were not able to identify that any of the participants were veterans. Additionally, we could not find any requirement that participants in the program were required to be veterans.

11. Have any of the Select Fulton/Worksource Fulton staff and/or County Executives received complaints from the trained veterans about being hired and having problems receiving their pay?

Response: Based on our review of the files, we were not able to identify that any of the participants in the program were veterans. We have documentation of complaints filed by four (4) participants after being hired by VHBS, specifically due to problems receiving their pay.

12. Who received the complaints?

Response: David Keyes, Data and Performance Manager for Workforce Development Division received complaints from several participants.

13. If there were complaints received, please provide the names of the Select Fulton/Worksource Fulton staff and/or County staff who handled the complaints?

Response: David Keyes, Data and Performance Manager for Workforce Development Division, handled all complaints that were received. We did not find any documentation that any other complaints were received by Workforce Development staff.

14. How have complaints been handled and what were the dispositions?

Response: David Keyes, Data and Performance Manager for Workforce Development Division, received the complaints and issued responses. Technical College System of Georgia staff were also copied on the responses to the complaints. The disposition was determined that based on the agreement no permanent employment was to be extended or guaranteed as a result of any Work Experience placement. Since VHBS agreed not to extend employment to the WEX participants, then subsequently extended employment to the WEX service participants, VHBS breached this provision of the agreement. In addition, participants were informed they have the right to appeal the decision to Technical College System of Georgia Office of Workforce Development and the United States Department of Labor Employment and Training Administration.

15. How did you check David Gallemore's background, including verifying his role as an Amazon partner?

Response: There was no documentation available to show that background checks occurred on David Gallemore or VHBS. Additionally, there was no documentation to show his background was verified as an Amazon partner. (Refer to Finding 1 on Audit of Workforce Development Divisions' Veteran's and Home Business Services)

16. Can you confirm the total number of WEX program workers in 2018, including youth and adults?

Response: There were twenty-three (23) adult and dislocated worker participants who elected to participate in the WEX training program, however, only ten (10) participants completed the program.

17. Can you clarify why VHBS was not supposed to offer workers jobs after training took place?

Response: The purpose of WEX was to provide opportunities for individuals with little to no work history to establish job skills and understand career opportunities. The program was not meant to subsidize an employer's labor force. According to the agreement, there was never an expectation of a continued relationship between the employer and the trainee after the training period. This understanding was agreed to by both the participants and the employer.

18. Please provide detailed information on when workforce development changed its policies in relation to problems with VHBS, and what those changes are.

Response: According to Workforce Development Division, Policy changes were in development, prior to problems with VHBS. Workforce was in the process of revising the strategy and tools used for work based learning. Changes include new agreement templates. The Workforce Board has approved funding to bring in management consultants to help install a process for screening and evaluating partnerships, but would still require approval by the BOC to enter into any contracts with a consulting firm.

19. Please provide information on when the County started tracking down VHBS program participants and what they are doing to assist them, including any offers that have been made for additional training or payment, and what the response to those offers has been.

Response: Upon receiving complaints, Workforce Development Division reached out to the ten (10) participants who were extended employment by VHBS, to offer other training opportunities. Program participants were offered an opportunity to enter into other Workforce Training programs to get employment skills. As with all Workforce programs, Workforce provides follow up on all participants for one (1) year after exit from the program. We are not aware of any payments that were offered to participants by Fulton County. Additionally, we are not sure of how many participants elected to receive any other training programs. As a result of follow up, some of the participants have entered other training programs to advance their career opportunities.

20. Please provide information on how Gallemore came to contract with the workforce program. Was he referred? If so, through whom?

Response: No, David Gallemore and VHBS were not referred to Workforce Development Division. During February/March 2018, VHBS reached out to Workforce Development Division about a Veterans Training program and subsequently asked to partner with Workforce Development Division to do an onsite/hiring event. A non-financial agreement was made in May 2018.

21. What are the goals of the WEX program, including the expected number of participants annually, both youth and adult?

Response: The goals of the WEX program, are to provide job training to adult and dislocated workers who do not have a recent or established work history in order to help establish behaviors and skills necessary for obtaining full time employment. There were no guidelines on the number of participants.

22. How were the participants in the WEX program vetted to ensure that training was what they needed?

Response: The participants were selected for the program based on standards set by the Technical College System of Georgia Office of Workforce Development and the United States Department of Labor Employment and Training Administration. Participants were required to complete applications and background screenings to determine if they were suitable for the program.

23. What's the annual budget for the WEX program and what program year or years did the money to pay VHBS trainees come from?

Response: There is no budget for adults or dislocated workers to enter into WEX, but it is an allowable activity. VHBS participants were paid out of Workforce Development Division's FY17 grant funds. Workforce budgets are not structured in a way that specifies what programs will be offered because programs are driven by the employment plans and needs of the participants.

24. Was there any on-site check-up while the program was ongoing?

Response: There was no supporting documentation to verify the Workforce staff monitored the WEX training program. However, progress reports were provided to Workforce Development Division weekly by VHBS. (Refer to Finding 2 on Audit of Workforce Development Divisions' Veteran's and Home Business Services)

25. Were any verbal complaints made to any county staff prior to the written complaints being received?

Response: Staff stated no verbal or written complaints were made to them prior to trainees being offered employment at VHBS.

26. What is the criteria for being a WEX partner?

Response: There was no established criteria used in the selection of a WEX partner. (Refer to Finding 3 on Audit of Workforce Development Divisions' Veteran's and Home Business Services)

27. Was any county equipment used for training and what is the policy for that use?

Response: The training was conducted at the Adamsville Career Center which is, a Fulton County facility. There was no policy available to prohibit the use of a Fulton County facility for work experience training as well as no documentation to show if additional County equipment was used.

28. Were there any other WEX programs in 2018? If so, with whom? If not, why not?

Response: Yes. Workforce Development Division provides a youth WEX program which is a mandated program requirement. There are multiple work sites that were provided to youth participants however, no youths participated in the VHBS program. Additionally, there were no other WEX programs provided to adults or dislocated workers.

CONCLUSION

We have completed our review of the Department of Housing and Community Development's Workforce Division's Veterans Home and Business Services.