



MONTANA LEGISLATIVE AUDIT DIVISION

Professional Development Center

DEPARTMENT OF ADMINISTRATION

BACKGROUND

In Montana, state agencies obtain nontechnical training for staff from a variety of sources. One option for this type of training is the Professional Development Center (PDC) within the State Human Resources Division. The PDC specializes in training areas such as leadership, management, communication, personal growth, and administrative issues. The PDC is currently funded by the rates and fees it charges for training and other professional development services.

Agency: Department of Administration

Director: John Lewis

Program: Development Center

Program FTE: 4

Program Revenue FY2020:
\$435,154

Program Expenses FY2020:
\$448,189

Agencies vary in the extent to which they use the Professional Development Center (PDC). However, the PDC is a significant source of training across state government and is generally cost-effective compared to the private sector or university system. All PDC rates in the sample of 10 courses we reviewed were in the lowest quarter of rates from the private sector and university system for group training. PDC training is largely considered good quality by recent course participants and agency training coordinators. The PDC is primarily funded by the rates and fees it charges for services. Changing the funding mechanism of the PDC to fixed-cost funding would likely result in increased use of the PDC and could better position the PDC to provide needed training to state employees.

KEY FINDINGS:

The funding mechanism for the PDC is outmoded and insufficient for supporting PDC services. Agencies vary considerably in their use of the PDC, and duplication of training efforts exists across state government. However, the PDC is a significant source of training across state government and is generally cost-effective compared to the private sector or university system. PDC training is largely considered good quality, useful, and tailored to state government. Despite positive views of the PDC, the PDC struggles to make enough revenue to cover expenditures and to incentivize agency use of the PDC. The figure (see page S-2) shows that PDC revenue from course offerings alone has not been enough to cover PDC expenditures in the last six fiscal years. The PDC is primarily funded by the rates and fees it charges for open enrollment and contract courses. The landscape of state employee training in other states is similar to Montana, with variation in where agencies opt to obtain nontechnical training. However, unlike Montana, other states fund their PDC-equivalents through fixed-cost funding to ensure enough revenue is generated to cover costs and to incentivize participation.

For the full report or more information, contact the Legislative Audit Division.

leg.mt.gov/lad

Room 160, State Capitol
PO Box 201705
Helena, Montana 59620
(406) 444-3122

The mission of the Legislative Audit Division is to increase public trust in state government by reporting timely and accurate information about agency operations, technology, and finances to the Legislature and the citizens of Montana.

To report fraud, waste, or abuse:

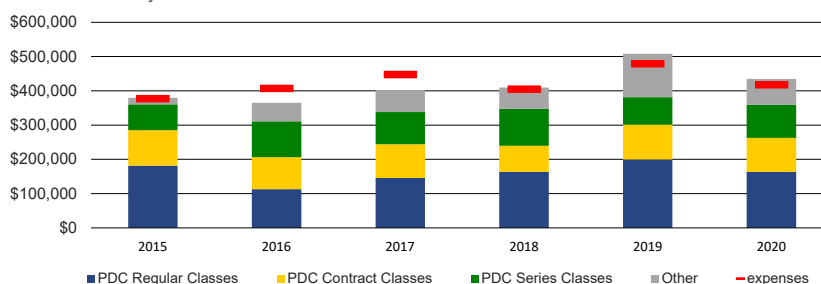
Online
www.Montanafraud.gov

Email
LADHotline@mt.gov

Call
(Statewide)
(800) 222-4446 or
(Helena)
(406) 444-4446

Text
(704) 430-3930

PDC revenue on course offerings (regular classes, contract classes, and series classes) has not been enough to cover PDC expenses in the last six fiscal years.



RECOMMENDATIONS:

In this report, we issued the following recommendations:

To the department: 0

To the legislature: 1

RECOMMENDATION #1 (PAGE 30):

Cost avoidance, reduction or elimination

The Montana Legislature should fund the PDC through fixed costs. The legislature should also further define the role of the PDC in state employee professional development and the level of services it should provide for this purpose. The legislature should establish a biennial mechanism to evaluate the effectiveness of the change in funding by monitoring increases in PDC participation by agencies and any reduction of duplication of training efforts across state government.

Department response: **Not Applicable**