

BRIEFLY...

Highlights of Report Number: 02-06-204-03-390, to the Assistant Secretary for Employment and Training

WHY READ THE REPORT

Westchester-Putnam Counties Consortium for Worker Education, Inc. (WP-CWE) was established as a partnership between the Building and Construction Trade Council of Westchester-Putnam Counties AFL-CIO and the Construction Industry Council, an employer's association that represents building contractors in the Lower Hudson Valley Region.

In 2002, WP-CWE received a \$500,000 earmark grant (agreement number AF-12732-03-60) to provide building trades pre-apprenticeship training to 60 youth and 45 adult participants residing in Westchester and Putnam Counties, New York.

WHY OIG DID THE AUDIT

The purpose of our audit was to determine the following:

1. Were reported costs reasonable, allowable, and allocable to the grant under Federal requirements?
2. Was pre-apprenticeship training provided to eligible residents of Westchester and Putnam Counties?
3. Were performance results measured, reported and achieved.

READ THE FULL REPORT

To view the report, including the scope, methodology and agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2006/02-06-204-03-390.pdf>

SEPTEMBER 2006

WESTCHESTER-PUTNAM COUNTIES CONSORTIUM FOR WORKER EDUCATION AND TRAINING, INC. EARMARK GRANT

WHAT OIG FOUND

1. WP-CWE charged \$127,357 of costs to the grant that were unallowable and unallocable. Specifically, \$91,939 in administrative costs exceeded grant limits; \$24,667 in legal services costs were unallowable or not adequately documented; and \$10,751 in common costs were over allocated to the grant.
2. Thirteen of 47 reported adult participants were not eligible as they did not meet specific eligibility requirements, such as having a high school diploma/GED and/or being identified with specific target groups. As a result, we question training and stipend payments totaling \$36,294.
3. WP-CWE agreed to train 60 youth and 45 adult participants. WP-CWE achieved grant goals for youth training. However, after restatement to exclude ineligible adult participants, WP-CWE actually trained 34 eligible adult participants and did not achieve grant goals for adult training.

WHAT OIG RECOMMENDED

The OIG recommended the Assistant Secretary for Employment and Training recover \$163,651 in questioned costs from WP-CWE, and conduct monitoring of ongoing and future DOL funded employment and training projects to assist WP-CWE in: complying with Federal requirements for grant costs; consistently following eligibility requirements; and achieving performance goals.

In its response to the draft report, WP-CWE agreed with \$5,910 of questioned costs for unallowable legal services costs. WP-CWE disagreed with the report's other findings and recommendations.