

Appendix D

Job Corps Response to Draft Report

U.S. Department of Labor

Office of Job Corps
Washington, D.C. 20210



SEP 26 2008

MEMORANDUM FOR: ELLIOT P. LEWIS
Assistant Inspector General
for Audit

FROM: ESTHER R. JOHNSON, Ed.D. *Esther R. Johnson*
Administrator
Office of Job Corps

SUBJECT: Response to the Reissued OIG Draft Report on the
Performance Audit of Applied Technology Systems,
Report No. 26-08-005-01-370

Thank you for the opportunity to review the Office of Inspector General (OIG) reissued draft report on the Performance Audit of Applied Technology Systems (ATSI), Report No. 26-08-005-01-370, dated September 25, 2008.

The National Office of Job Corps concurs with the reported findings and recommendations. The Job Corps Office, Chicago, Region V, will coordinate with the ATSI to request their written concurrence, nonconcurrence, or concurrence in part to the reported findings and recommendations as related to the Cleveland and Detroit Job Corps Centers. Further, the Job Corps Regional Offices will provide a plan of action and milestones for completing the planned ATSI actions to the reported recommendations. In the interim, the Job Corps Regional Office will stay in communication with the ATSI to coordinate a written response including a plan of action and milestone(s) which should be forwarded to your office no later than October 24, 2008.

The Office of Job Corps, Regional Office in coordination with the Regional Contracting Officer will recover any dollar amount determined to be unsupported or overpaid; provide support for the \$158,754 in unsupported journal entries and reconcile the expense reports submitted under ATSI contract to the billed amounts; assess whether best value was obtained for the sole-source purchases noted in this report; and review the overstated On-Board Strengths at the Detroit Job Corps Center in regards to assess liquidated damages to determine if this action will be cost effective.

SEP 26 2008