

**U.S. Department of Labor
Office of Inspector General
Office of Audit**

BRIEFLY...

Highlights of Report Number: 03-06-004-01-370, to the National Director of Job Corps.

WHY READ THE REPORT

The Office of Inspector General (OIG) performed an audit of six allegations made in a complaint against the Management Training Corporation (MTC), operator of the Cincinnati Job Corps Center (the Center). We performed the audit in response to a hotline complaint alleging mismanagement and misappropriation of Job Corps' funds by Center employees. Our objective was to determine the validity of the six allegations made in the hotline complaint. We limited our audit to the specific allegations in the complaint.

WHY OIG DID THE AUDIT

The purpose of our audit was to answer the following questions:

1. Did the Center report students who left the Job Corps Program on its Morning Accountability Check report?
2. Did the Center allow students with excessive unexcused absences from training to continue in the Job Corps Program?
3. Did several Center employees claim time for hours not worked?
4. Did the Center enforce Job Corps' Zero Tolerance Policy?
5. Did Center employees steal property and medical supplies?
6. Did the Center improperly use beautification items?

READ THE FULL REPORT

To view the report, including the scope, methodology, and MTC's response, go to:

<http://www.oig.dol.gov/public/reports/oa/2006/03-06-004-01-370.pdf>

September 2006

Audit of Complaint Involving the Cincinnati Job Corps Center

WHAT OIG FOUND

Our audit substantiated allegation 1. We could not make a conclusion on allegation 2, and could find no evidence to substantiate allegations 3, 4, 5 and 6.

Regarding allegation 1, which we substantiated, we found that the Center used combinations of various leave categories to include students on the Morning Accountability Check report even though they had physically left the Center but were not officially terminated. Extending students' termination dates can inflate the Center's student onboard strength which is one of the performance measures that Job Corps uses to determine center contractor efficiency. We did not determine what effect extending the stay of nine students had on the Center's student onboard strength. We are presently conducting an audit of the Center's use of a combination of various leave categories for all students for program year 2002 through March 31, 2006, to determine the extent and impact of the problem.

WHAT OIG RECOMMENDED

Because we are conducting additional audit work on related issues, this report has no recommendations.

In their response to the draft report, MTC officials disagreed with our conclusion that the Center used combinations of various leave categories to extend the students' termination dates beyond their actual departures from the Center. MTC officials stated that the fact that the leave occurred at the end of the student's tenure in the program did not automatically mean that the leave was used to extend the termination date.