

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

BRIEFLY...

Highlights of Report Number: 21-07-001-01-370, to the National Director of Job Corps

WHY READ THE REPORT

The Office of Inspector General received a complaint alleging misconduct by Dynamic Educational Systems, Inc. (DESI) in the performance of its responsibilities under Job Corps Contract No. AE98301000. The contract called for DESI to provide outreach, admissions and career development services in the States of Utah and Montana. The complaint alleged that DESI:

1. allowed students with criminal records into Job Corps by going “court shopping”
2. allowed students into Job Corps with invalid Social Security numbers
3. allowed students into Job Corps whose parents’ incomes exceeded the income threshold for eligibility
4. advised students to lie about their health conditions
5. ensured that student folders that would be reviewed by Job Corps officials contained correct information while folders not on the audit list contained more than 75 percent incorrect information

WHY OIG DID THE AUDIT

The purpose of our audit was to determine the validity of the five allegations made in the hotline complaint.

READ THE FULL REPORT

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

<http://www.oig.dol.gov/public/reports/oa/2007/21-07-001-01-370>

January 2007 Allegations Involving Dynamic Educational Systems, Inc.

WHAT OIG FOUND

Our audit found that allegations 1, 2 and 5 were not valid. We could not make a conclusion on allegations 3 or 4.

While our audit results did not substantiate the allegation that DESI had allowed students with criminal records into Job Corps by intentionally contacting courts in the “wrong” jurisdiction (court shopping), we did find that DESI did not always contact all courts in the jurisdiction covering an applicant’s residence. In 25 of our 160 sample case files, DESI had contacted the appropriate Utah District Courts, but had not contacted any Justice Courts. District Courts in Utah try the more serious cases, including all criminal felonies, while Justice Courts deal primarily with misdemeanors.

Job Corps’ Policy Requirements Handbook (PRH) requires court contacts in every jurisdiction where the applicant has lived for 3 years prior to applying to Job Corps, but it does not specifically require contacts of “every court” in every jurisdiction. However, a long record of misdemeanors is an important factor for admissions counselors to consider when assessing applicants’ ability to participate successfully in Job Corps. To obtain information on such misdemeanor offenses, admissions counselors would need to contact Utah’s Justice Courts.

WHAT OIG RECOMMENDED

We recommend that the National Director of Job Corps issue additional policy guidance to clarify the PRH requirement for contacting courts to determine whether applicants have a history of criminal behavior that needs to be considered when assessing applicants’ ability to participate successfully in Job Corps.

In response to the draft report, the National Director of Job Corps stated that Job Corps will review the documentation and process for conducting background checks and will issue new PRH policy that offers additional guidance to admissions counselors.