


U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210

SEP 28 2007

MEMORANDUM FOR ELLIOT P. LEWIS

FROM: EMILY STOVER DeROCCO 

SUBJECT: Louisiana's Suspension of Controls Resulted in the Payment of at Least \$62.1 Million in Disaster Unemployment Assistance to Claimants whose Eligibility was Unsubstantiated
Draft Management Letter No. 06-07-005-03-315

This response addresses the recommendation for the Employment and Training Administration (ETA) contained in the Office of Inspector General (OIG), Draft Management Letter No. 06-07-005-03-315. During an audit, in response to the 2005 Gulf Coast Hurricanes, the OIG determined that the Louisiana Department of Labor (LDOL) failed to require adequate proof of employment (POE) to support the claimants' entitlement to Disaster Unemployment Assistance (DUA).

Our response to the recommendation is provided below:

Continue to monitor LDOL's collection efforts for all claimants who did not provide POE.

The ETA Dallas Regional office staff conducted a review of the LDOL DUA program in August 2006 to determine if the State administered the program in accordance with DUA regulations. During this review, instructions were given on what constitutes acceptable POE and actions required if individuals fail to provide this documentation. The findings of this review were provided to Louisiana in October 2006. The Regional office staff has provided Louisiana with on-going technical assistance on this matter.

LDOL is actively working with the Louisiana Attorney General to recover benefits paid to individuals who did not provide POE, and the ETA Dallas Regional Office is continuing to monitor these efforts.