

# BRIEFLY...

Highlights of Report Number 09-07-002-01-370, *Performance Audit of the Laredo Job Corps Center*, to the National Director, Office of Job Corps, dated September 28, 2007.

## WHY READ THE REPORT

The report discusses the results of a performance audit of the Laredo Job Corps Center which is operated by the Career Systems Development Corporation (CSD). The audit assessed whether the Center's performance and financial results were reported accurately and in compliance with requirements.

## WHY OIG CONDUCTED THE AUDIT

Our audit objectives were to answer the following two questions:

1. Did CSD officials comply with laws, regulations, contracts, policies, and procedures in its reported performance measurements?
2. Did CSD officials comply with laws, regulations, contracts, policies, and procedures in its reported financial activity?

## 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/2007/09-07-002-01-370.pdf>

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

## WHAT OIG FOUND

We concluded Laredo officials complied with requirements in reporting performance for outreach and admissions, student accomplishments, and placements. However, Laredo officials did not comply with requirements in reporting student attendance. As a result, Laredo officials retained students in the reported On-Board-Strength in violation of Job Corps requirements and, per the contract, CSD owes \$96,962 in liquidated damages. In addition, Laredo officials did not comply with requirements for admitting participants to Job Corps. Consequently, without background checks, Laredo officials did not know whether participants were wanted by law enforcement, were on probation or parole, were under a suspended sentence, or were under supervision by any agency of government.

Concerning CSD's compliance with financial requirements, nothing came to our attention which indicated Laredo officials did not comply with laws, regulations, contracts, policies, and procedures in its reported financial activity.

## WHAT OIG RECOMMENDED

We made four recommendations to the National Director of Job Corps to require Laredo officials to: reconcile bed check reports and rosters to Center Information System's input data, approve unpaid administrative leave only for allowable reasons, recover \$96,962 in liquidated damages from CSD, and obtain background checks on all incoming students.

## HOW AUDITEE RESPONDED

The National Director, Office of Job Corps, responded that the Dallas Regional Office of Job Corps has requested the Laredo Center Director to reconcile bed check reports and rosters. In addition, Dallas Regional Office will instruct the Laredo Center to provide training on leave policy as presented in the Policy and Requirements Handbook. Further, Job Corps will begin the administrative process to secure the necessary information that relates to the recovery of liquidated damages. Lastly, Job Corps will instruct the Laredo Center to conduct background checks on all Job Corps applicants.