

## **BRIEFLY...**

Highlights of Report Number: 26-09-001-01-370, *Performance Audit of Management and Training Corporation Job Corps Centers* to the National Director, Office of Job Corps.

### **WHY READ THE REPORT**

This report discusses safety and health program weaknesses at one Job Corps center operated by Management and Training Corporation (MTC). The report also discusses inaccurate performance data reported by this center and another MTC center.

### **WHY OIG CONDUCTED THE AUDIT**

The audit objectives were to answer the following questions:

1. Did MTC ensure compliance with Job Corps requirements for managing center safety and health programs?
2. Did MTC ensure compliance with Job Corps requirements for reporting performance?
3. Did MTC ensure compliance with Job Corps requirements for managing and reporting financial activity?

This report is a summary of our audit work at MTC's headquarters in Centerville, Utah; Gary Job Corps Center (Gary) in San Marcos, Texas; and Charleston Job Corps Center (Charleston) in Charleston, West Virginia for Program Year (PY) 2006.

### **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/2009/26-09-001-01-370.pdf>.

March 2009

### **WHAT OIG FOUND**

MTC can improve its oversight to ensure compliance with Job Corps requirements for managing safety and health programs. Specifically, Charleston could not provide documentation to support that all required safety and health inspections, observations, and committee meetings were conducted during PY 2006.

Additionally, MTC can improve its controls to ensure the accurate reporting of student performance for student vocational completions and student On-Board Strength for Gary and Charleston. We found 79 of 268 sampled students (29 percent) did not complete the vocation as required because one or more required tasks were not completed. We also reviewed a stratified random statistical sample of 95 of the 363 students reported on leave for seven or more consecutive days prior to separation. The attendance and reported leave for 23 students (24 percent) were not documented as required by Job Corps policy. Moreover, 22 students should have been separated from the center at an earlier date and should not have been included in the respective center's OBS calculation after that date.

Safety and health program weaknesses and inaccurate performance reporting impact management decision-making, incentive payments, and/or option years awarded to contracted center operators.

### **WHAT OIG RECOMMENDED**

We made six recommendations to the National Director, Office of Job Corps. Foremost among our recommendations was to require MTC to (1) improve corporate-level controls and monitoring over all centers it operates to identify and correct any non-compliance with Job Corps safety and health program and performance requirements, and (2) pay the U.S. Department of Labor liquidated damages for any performance overstatements identified in this report or by Job Corps during follow-up reviews.

Job Corps concurred with five of six recommendations. This included instructing MTC to improve controls and monitoring over all its centers to ensure compliance with Job Corps safety and program requirements. Job Corps also stated it would ensure MTC has proper mechanisms for controls and oversight in place to identify invalid TARs and student OBS. While Job Corps and MTC concurred only in part with the TAR and OBS deficiencies and liquidated damages identified in this report, Job Corps indicated it would review the remaining deficiencies to determine whether additional liquidated damages should be assessed.