

**Department of Labor  
Office of Inspector General  
Office of Audit**

# BRIEFLY...

Highlights of Report Number: 02-08-205-03-360,  
to the Deputy Assistant Secretary for  
Employment and Training

## **WHY READ THE REPORT**

We conducted a performance audit of the Senior Community Service Employment Program (SCSEP) operated by National Able Network (Able) in response to a hotline complaint alleging that Able reported inflated performance results. During our audit, we found that Able had lost SCSEP records containing personally identifiable information (PII).

## **WHY OIG DID THE AUDIT**

Our audit objective was to determine whether Able accurately reported placements in unsubsidized employment for the period July 1, 2005 through September 30, 2006.

## **READ THE FULL REPORT**

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

<http://www.oig.dol.gov/public/reports/oa/2008/02-08-205-03-360.pdf>

## **SEPTEMBER 2008**

### **ETA NEEDS TO ENSURE GRANTEEES ARE AWARE OF THEIR RESPONSIBILITIES FOR REPORTING THE LOSS OF PERSONALLY IDENTIFIABLE INFORMATION**

#### **WHAT OIG FOUND**

The allegation in the hotline complaint that Able reported inflated performance results was not substantiated. However, in retrieving documentation for the auditors, Able discovered that it could not locate SCSEP participant records containing personally identifiable information (PII) for 78 individuals served in California. We advised Able that it needed to alert ETA of this PII breach and seek guidance on how to appropriately respond. The Department of Labor's PII Breach Notification Policy requires appropriate and prompt notification to individuals in the event of a breach of PII commensurate with the risk of harm. ETA and Able officials then took appropriate action to notify the affected participants.

Nevertheless, we noted that ETA had not informed grantees of their responsibilities for reporting the loss of PII records. As a result, other grantees may fail to report incidents where security over PII was compromised to the appropriate authorities and affected individuals.

#### **WHAT OIG RECOMMENDED**

We recommended that the Deputy Assistant Secretary for Employment and Training:

1. Ensure that grantees are aware of their responsibilities for safeguarding PII records and for reporting incidents when PII security has been compromised.
2. Provide training to ETA staff on handling PII security incident reports from grantees.

In response to the draft report, the Deputy Assistant Secretary for Employment and Training agreed with the recommendations and has taken or plans to take actions to address the recommendations.