

# U.S. Department of Labor

Office of Inspector General—Office of Audit

OFFICE OF JOB CORPS



## **JOB CORPS' REPORTED PERFORMANCE MEASURES DID NOT COMPLY WITH ALL LEGISLATIVE REPORTING REQUIREMENTS**

Date Issued: March 23, 2009  
Report Number: 04-09-003-01-370

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

## **BRIEFLY...**

Highlights of Report Number 04-09-003-01-370, *Job Corps' Reported Performance Measures Did Not Comply With All Legislative Reporting Requirements*, to the National Director, Office of Job Corps, dated March 23, 2009.

### **WHY READ THE REPORT**

The Job Corps program assists eligible youths who need and can benefit from intensive programs in a group setting to become more responsible, employable, and productive citizens. Education, training, and support services are provided to students, ages 16 through 24 at Job Corps centers.

The Workforce Investment Act of 1998 (WIA), requires the Secretary of Labor to annually submit a report to Congress containing performance information on the Job Corps' program and for each Job Corps center.

In addition, Congress enacted the Government Performance Results Act of 1993 (GPRA) to ensure program effectiveness and accountability. To facilitate compliance with GPRA, the Office of Management and Budget (OMB) requires the Secretary to report on three performance measures common to all Federally-funded youth education and training programs: (1) attainment of a high school degree or its equivalent; (2) job placement rates; and (3) literacy and numeracy gains.

### **WHY OIG DID THE AUDIT**

We conducted a performance audit of the Office of Job Corps performance measurement reporting system. Our audit objective was to determine if Job Corps' reported performance measures comply with all legislative reporting requirements.

### **READ THE FULL REPORT**

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

<http://www.oig.dol.gov/public/reports/oa/2009/04-09-003-01-370.pdf>

**March 2009**

### **WHAT OIG FOUND**

The Department did not fully comply with WIA and GPRA reporting requirements. As a result, Congress, OMB and other decision makers may have lacked some critical data for making informed decisions regarding the Job Corps program.

Although Job Corps collected the necessary data to comply with the WIA reporting requirement, Job Corps did not annually prepare a report for submission to Congress that included the performance outcomes of each Job Corps center and the results for all performance measures.

We also found that Job Corps did not fully comply with OMB's reporting requirements for job placement outcomes. Job Corps did not include all students who left the program in its reported job placement data, but instead only reported placement outcomes for students who had been enrolled for at least 60 days.

### **WHAT OIG RECOMMENDED**

We recommend that the Job Corps National Director comply with all WIA and OMB reporting requirements, and annually prepare the performance report required by WIA for the Secretary to submit to Congress.

Job Corps acknowledged that no single consolidated report containing center-specific data for all WIA indicators of performance has been produced for submittal to Congress, but believes such a report would be so large and too labor intensive to be of value to stakeholders. Job Corps believes that it publishes all required information on program performance and outcomes, albeit in multiple formats. Job Corps is waiting for guidance from OMB on the use of statistically adjusted data to compensate for inaccurate or inconsistent data Job Corps currently uses for reporting on the common measure for job placement results.

# **Table of Contents**

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	<b>PAGE</b>
<b>ASSISTANT INSPECTOR GENERAL'S REPORT .....</b>	<b>1</b>
<b>Finding -- Job Corps Did Not Report Performance Measures That Included         All Legislative Reporting Requirements.....</b>	<b>2</b>
<b>EXHIBIT</b>	
<b>A. Workforce Investment Act Requirements for Job Corps' Performance         Measures.....</b>	<b>9</b>
<b>APPENDICES</b>	
<b>A. Background.....</b>	<b>13</b>
<b>B. Objective, Scope, Methodology, and Criteria.....</b>	<b>15</b>
<b>C. Acronyms and Abbreviations.....</b>	<b>17</b>
<b>D. Definitions.....</b>	<b>19</b>
<b>E. Agency Response to Draft Report.....</b>	<b>21</b>

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**U.S. Department of Labor**

Office of Inspector General  
Washington, DC 20210



March 23, 2009

**Assistant Inspector General's Report**

Esther R. Johnson  
National Director  
Office of Job Corps  
U.S. Department of Labor  
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Washington, DC 20210

The Office of Inspector General (OIG) conducted a performance audit of the Department of Labor's (DOL) Office of Job Corps' (Job Corps) performance measurement reporting system. Our audit period covered July 1, 2005, to September 30, 2008.

Job Corps operates 122 centers nationwide, offering a comprehensive array of career development services to young women and men, ages 16 to 24, to prepare them for successful careers. Job Corps is currently authorized under the Workforce Investment Act of 1998 (WIA), Title I-C.

WIA requires the Secretary of Labor (Secretary) to annually submit a report to Congress containing performance information on its program and for each Job Corps center. In addition, Congress enacted the Government Performance Results Act of 1993 (GPRA) to ensure program effectiveness and accountability. To facilitate compliance with GPRA, the Office of Management and Budget (OMB) requires the Secretary to report on three performance measures common to all Federally-funded youth education and training programs: (1) attainment of a high school degree or its equivalent; (2) job placement rates; and (3) literacy and numeracy gains.

We designed this audit to answer the following question:

1. Did Job Corps report performance measures that included all legislative reporting requirements?

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We determined the evidence obtained provides a reasonable basis for our findings and conclusions based on our

audit objective. Our audit objective, scope, methodology, and criteria are detailed in Appendix B.

## **RESULTS AND FINDING**

### **Objective – Did Job Corps report performance measures that included all legislative reporting requirements?**

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Our audit found that Job Corps captured a vast array of performance data and had multiple methods for reporting performance; however, Job Corps did not comply with all legislative reporting requirements. Specifically, Job Corps did not annually prepare a report for submission to Congress that included the performance outcomes of each Job Corps center or the results for all performance measures as required by WIA. We also found that Job Corps did fully comply with OMB's reporting requirements for job placement outcomes. Job Corps did not include all students who left the program in its reported job placement data, but instead only reported placement outcomes for students who had been enrolled for at least 60 days. As a result of this non-compliance with legislative reporting requirements, Congress, OMB and other decision makers may have lacked some critical data for making informed decisions regarding the Job Corps program.

### **Finding – Job Corps Did Not Report Performance Measures That Included All Legislative Reporting Requirements.**

While Job Corps captured a vast array of performance data and had multiple methods for reporting performance measures, it did not comply with all legislative reporting requirements. Specifically, Job Corps did not annually prepare performance measure data for the Secretary to report to Congress that included performance results for each Job Corps center, as required by WIA. Additionally, Job Corps did not provide sufficient data to fully comply with OMB's reporting requirement related to job placement outcomes.

### **WIA Reporting Requirement**

WIA Section 159(c)(3) states the following:

REPORT.—The Secretary shall collect, and annually submit a report to the appropriate committees of Congress containing information on the performance of each Job Corps center, and the Job Corps program, on the core performance measures as compared to the expected performance level for each performance measure. . . .<sup>1</sup>

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<sup>1</sup>See Exhibit A for a complete list of the WIA performance measures that Job Corps must annually report to Congress.

Although Job Corps collected the necessary data to comply with the WIA reporting requirement, the annual report was not forwarded to the Secretary for submission to Congress. Job Corps did produce internal performance reports that contained the information required by WIA, and Job Corps' officials indicated that those reports are available to Congress or the general public upon request. The internal reports produced on a regular basis are the Job Corps' Annual Report, Monthly Report Cards for each Job Corps center, and monthly management reports.

Secretary's Order 09-2006<sup>2</sup> states, in part, that the submission of reports and recommendations to the President and the Congress concerning the administration of the Job Corps program is reserved to the Secretary. DOL's standard operating procedure for preparing required congressional reports, as described by the Acting Secretary, is for the program agency – in this case, Job Corps – to prepare the report and submit it to the Executive Secretariat for clearance through the Department. After the report has been cleared, the Secretary then submits it to Congress. However, Job Corps did not prepare the annual performance report for the Secretary to submit it to Congress.

### **OMB Reporting Requirement**

Congress enacted GPRA to ensure Federal program effectiveness and accountability. To facilitate GPRA's reporting requirement, OMB developed three common measures for Federal programs that provide youth education and training, such as Job Corps. Those common measures are: (1) students' attainment of a high school degree or its equivalent, (2) job placement rates, and (3) literacy and numeracy gains.

The job placement rates prepared by Job Corps to comply with OMB common measure reporting did not include placement data for all students enrolled in the program. Instead, Job Corps only reported placement outcomes for students who had been enrolled for at least 60 days.

Job Corps faces several inherent limitations in collecting job placement data. Job Corps uses surveys (which rely on locating students and getting them to respond) as its primary method to collect job placement data. However, according to Job Corps, getting most uncommitted students (students enrolled less than 60 days) to respond is difficult. To augment the survey data, a national Job Corps contractor performs matches between lists of former students and states' quarterly wage data stored in the national data base known as the Wage Record Interchange System (WRIS)<sup>3</sup>. However, WRIS excludes data on individuals employed by non-profit institutions, religious orders, and those self-employed, or enrolled in education. Job Corps' officials stated another limitation with the data – it does not indicate whether an individual has worked the appropriate number of hours per week to meet the WIA definition of "placed." Job

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<sup>2</sup>Establishment of the Office of Job Corps within the Office of the Secretary; Delegation of Authority and Assignment of Responsibility to its Director and Others, dated March 23, 2006.

<sup>3</sup>As of May 2008, all states' data, with the exception of Hawaii, are stored in the WRIS with various levels of consistency and availability of data.

Corps' officials stated they do not have a cost effective method to capture job placement rates for uncommitted students. Therefore, they are unable to provide complete information when reporting job placement results for OMB's common measures.

Job Corps did not provide complete performance measurement data in order to comply with both the WIA performance measures and OMB's common measures. Therefore, Congress, OMB and other decision makers may have lacked some critical data for making informed decisions regarding the Job Corps program.

### **Recommendation**

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We recommend that Job Corps:

1. Comply with all WIA and OMB reporting requirements, and annually prepare the performance report required by WIA for the Secretary to submit to Congress.

### **Job Corps Response**

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Job Corps acknowledged that no single consolidated report containing center-specific data for all WIA indicators of performance was produced for submittal to Congress, but stated that such a report would be so large and too labor intensive to be of value to stakeholders. Job Corps believes that it publishes all required information on program performance and outcomes, albeit in multiple formats, and this data provides Congress, OMB and other decision makers the information needed to make informed decisions regarding program performance and outcomes.

Regarding OMB reporting guidelines for common measures, Job Corps stated that although it is required to report placements of all participants during the quarter after the quarter of exit, the timeframe and scope for this indicator do not correspond with the existing Job Corps placement reporting and follow-up survey systems. As a result, OMB agreed to a variance in the reporting of placement data for Job Corps that would be acceptable until alternate sources could be developed to report data as initially required. Job Corps had initially determined that the use of Unemployment Insurance Wage Records was the most cost effective method of obtaining the data to report on the placement indicator. However, Job Corps identified limitations with the use of Unemployment Insurance data and, therefore, has not yet been able to use the data for reporting on the common measures placement indicator. Job Corps has developed an alternate method that it believes would more accurately report its placement results, but is awaiting guidance from OMB on the appropriateness of this method.



Job Corps' response to the draft report is included in its entirety as Appendix E.

**OIG Conclusion**

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Job Corps' acknowledgement that the agency does not produce a consolidated annual report of its performance and outcomes for submission to Congress is clearly at odds with the WIA reporting requirement. We believe a report consistent with the legislative intent can be produced that would be valuable to Congress and other stakeholders. We also encourage Job Corps to continue its efforts with OMB to find an alternate method for reporting placement results.



Elliot P. Lewis

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# **Exhibit**

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**Exhibit A**

**WIA Reporting Requirements of Job Corps' Performance Measures**

<b>WIA §159 (c) 3:</b> The Secretary shall annually submit a report to Congress containing information on each Job Corps center and the Job Corps program performance measures compared to targeted or expected performance measures for:		
<ul style="list-style-type: none"> <li>• Core Performance Measures (Item Numbers 1 through 15) = 15</li> <li>• Recruiter-related Measures (Item Numbers 16 and 17) = 2</li> <li>• Additional Measures (Item Numbers 18 through 25) = 8</li> </ul>		
Item	WIA §159	Description
<b>CORE PERFORMANCE MEASURES</b>		
1	(c)(1)A	Number of graduates and rate of graduation analyzed by type of vocational training received and whether training was provided by a national or local service provider.
2	(c)(1)B	Number of graduates entering into unsubsidized employment related to technical training received in a Job Corps program (Job Training Match (JTM)), analyzed by whether the training was provided by a national service provider and by whether the placement was conducted by a local or national service provider.
3		Number of graduates entering into unsubsidized employment not related to technical training received in a Job Corps program, analyzed by whether the training was provided by a national service provider and by whether the placement was conducted by a local or national service provider.
4	(c)(1)C	Average wage received by graduates who entered unsubsidized employment related to vocation training received through the Job Corps program (JTM).
5		Average wage received by graduates who entered unsubsidized employment not related to vocation training received through the Job Corps program.
6	(c)(1)D(i)	Average wage received by graduates placed in unsubsidized employment after completing the Job Corps program on the first day of employment.
7	(c)(1)D(ii)	Average wage received by graduates placed in unsubsidized employment 6 months after the first day of employment.
8	(c)(1)D(iii)	Average wage received by graduates placed in unsubsidized employment 12 months after the first day of employment.
9	(c)(1)E(i)	Number of graduates entering into unsubsidized employment and were retained in unsubsidized employment for 6 months after the first day of employment.
10	(c)(1)E(ii)	Number of graduates entering into unsubsidized employment and were retained in unsubsidized employment for 12 months after the first day of employment.

**Exhibit A**

**WIA Reporting Requirements of Job Corps' Performance Measures  
(Continued)**

<b>Item</b>	<b>WIA §159</b>	<b>Description</b>
<b>CORE PERFORMANCE MEASURES (Continued)</b>		
11	(c)(1)F(i)	Number of graduates who entered unsubsidized employment for 32 hours per week or more.
12	(c)(1)F(ii)	Number of graduates who entered unsubsidized employment for less than 32 hours but more than 20 per week or more.
13	(c)(1)F(iii)	Number of graduates who entered unsubsidized employment for less than 20 hours per week or more.
14	(c)(1)G	Number of graduates who entered post secondary education or advanced training programs, including apprenticeship programs, as appropriate.
15	(c)(1)H	Number of graduates who attained job readiness and employment skills.
<b>RECRUITER-RELATED MEASURES</b>		
16	(c)2	The number of enrollees retained in the program for 30 days after initial placement in the program.
17		The number of enrollees retained in the program for 60 days after initial placement in the program.
<b>ADDITIONAL MEASURES</b>		
18	(d)(1)	Number of enrollees served.
19	(d)(2)	Average level of learning gains for graduates and former enrollees <sup>4</sup> .
20	(d)(3)	Number of former enrollees and graduates who entered the Armed Forces.
21	(d)(4)	Number of former enrollees who entered post secondary education.
22	(d)(5)	Number of former enrollees who entered unsubsidized employment related to the vocational training received through the Job Corps program (JTM).
23		Number of former enrollees who entered unsubsidized employment unrelated to the vocational training received.
24	(d)(6)	Number of former enrollees and graduates who obtained a secondary school diploma or its recognized equivalent <sup>5</sup> .
25	(d)(7)	Number and percentage of dropouts from the Job Corps program including the number dismissed under the zero tolerance policy described in section 152(b).

<sup>4</sup>In compliance with GPRA and OMB's common measure reporting, this performance measurement is included in DOL's Annual Performance and Accountability Reports.

<sup>5</sup>Ibid.

# **Appendices**

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## **APPENDIX A**

### **BACKGROUND**

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The Job Corps program assists eligible youths who need and can benefit from intensive programs in a group setting to become more responsible, employable, and productive citizens. Education, training, and support services are provided to students, ages 16 through 24 at Job Corps centers. To operate the Job Corps program, Congress appropriated \$878 million for program year 2007 and almost \$1.5 billion for program year 2008. Contractors operate 94 centers nationwide while the Departments of Interior and Agriculture operate another 28 centers via inter-agency agreements.

Prior to 2006, the Employment and Training Administration (ETA) was responsible for the administration of Job Corps. Congress mandated in Section 102 of the Department of Labor's 2006 Appropriations that the Secretary of Labor establish and maintain an Office of Job Corps within the Office of the Secretary. Secretary's Order 09-2006 formally transferred Job Corps from ETA to the Office of the Secretary. This Order also delegated authority and assigned responsibilities to the Director and other agency heads to ensure the effective administration the Job Corps program.

Job Corps is identified in WIA as a publicly-financed program for providing job training for youth. WIA Sections 159 (c) (1) and 159 (d) require that Job Corps report placement and wage performance only for graduates and former enrollees. Congress enacted GPRA in part to "improve Congressional decision making by providing more objective information on achieving statutory objectives, and on the relative effectiveness and efficiency of Federal programs and spending." In 2001, the President announced a Management Agenda that required a performance measurement system with one core set of definitions and procedures across Federal programs with similar goals. To facilitate GPRA, OMB developed these goals, referred to as "common measures." The common measures for programs serving youths, such as Job Corps, are: Placement in Employment or Education; Attainment of a Degree or Certificate; and Literacy and Numeracy Gains.

The Job Corps performance management and measurement system is designed to be comprehensive and to accomplish three purposes. The purposes are to:

1. Meet Federal and legislative accountability requirements.
2. Assess centers' and agencies' accomplishments in implementing program priorities and serving students effectively.
3. Have a management tool that provides useful and relevant feedback on performance while encouraging continuous program improvement.

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## **APPENDIX B**

### **OBJECTIVE, SCOPE, METHODOLOGY, AND CRITERIA**

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#### **Objective**

1. Did Job Corps report performance measures that included all legislative reporting requirements?

#### **Scope**

We conducted a performance audit of Job Corps' performance measurement reporting system. This audit focused on whether Job Corps reported performance measures to the Secretary to submit annual reports to Congress in accordance with WIA legislation and OMB guidance. Our audit period covered July 1, 2005, to September 30, 2008. Fieldwork was conducted at the Job Corps National Office in Washington, D.C.; Job Corps' regional offices in Atlanta, GA and Philadelphia, PA; and the Job Corps Data Center located in Austin, TX.

In planning and performing our audit, we considered Job Corps' internal controls over collecting and reporting performance data. Our review of internal controls focused on the controls related to our objective of assessing compliance with significant laws, regulations, and policies and procedures for reporting performance measurements, and not on the adequacy of internal controls overall.

We conducted our audit in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States. An audit made in accordance with these standards provides reasonable assurance that it will achieve the objective; but it does not guarantee the discovery of illegal acts, abuse or all internal control weaknesses. Providing an opinion of internal controls was not an objective of our audit, and accordingly we do not express such an opinion. We conclude our audit provides a reasonable basis for our assessment and conclusions.

#### **Methodology**

In order to answer our audit objective, we interviewed Job Corps staff in the Division of Program Support and Accountability responsible for overseeing the performance measurement system. Information regarding the performance reports generated was also obtained from the Job Corps Data Center. Interviews at the regional offices provided us with an understanding of the Job Corps program and the impact of performance measures.

We examined the PRH, Chapter 5 – "Management," Appendix 501, to determine what performance measurements were reported and how they were calculated. Other sections of the PRH were reviewed, as needed, to clarify information on operational requirements and definitions. We reviewed Job Corps' and the DOL's 2004, 2005,

2006, and 2007 Annual Reports to help us understand Job Corps' mission, current and future strategies, reported performance outcomes, and operations.

Based on WIA Title I, Subtitle C, Section 159, we identified 25 performance measures/items<sup>6</sup> required to be reported to Congress annually. To determine whether Job Corps collected all the necessary data to report the WIA requirements, we compared the legislative reporting requirements with Job Corps' Annual Report, Monthly Report Cards, and monthly management reports. To determine the entity responsible for complying with WIA's reporting requirements; we reviewed the Secretary Order 09-2006 and interviewed the Acting Secretary of Labor<sup>7</sup> to understand the Department's interpretation of the legislative performance reporting requirements.

To further determine DOL's legislative performance reporting requirements, we researched the relationship between the OMB, GPRA, the Program Assessment Rating Tool (PART), and common measures. The GPRA law, various OMB documents, and Training and Education Guidance Letters (TEGLs) issued by the ETA provided much of this information. According to our research, TEGL Number 17-05 entitled, "Common Measures Policy for ETA's Performance Accountability System and Related Performance Issues" (dated February 17, 2006) specified the common measurements required for Job Corps' compliance with PART assessments which affect Congressional budget decisions. The TEGL also identified acceptable forms of data collection and clarified various terms.

To identify Job Corps' process for collecting and validating placement data to comply with OMB's common measures reporting requirements, we reviewed relevant contracts and interviewed representatives from one of the supporting contactors. We also reviewed information specific to WRIS obtained from ETA's website and from the Job Corps National Office.

## **Criteria**

Government Performance Results Act of 1993

Program Requirements Handbook (PRH), Chapter 5 – "Management," Appendix 501

Training and Education Guidance Letter Number 17-05 entitled, "Common Measures Policy for ETA's Performance Accountability System and Related Performance Issues" (dated February 17, 2006)

Workforce Investment Act of 1998 (WIA), Title I-C

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<sup>6</sup>We have displayed our interpretation of Job Corps' performance reporting requirements as required by WIA Sections 159 (c) and (d) in Exhibit A of this report. Exhibit A displays a total of 25 performance reporting requirements.

<sup>7</sup>On February 4, 2009, President Obama designated Edward C. Hugler, Deputy Assistant Secretary for Administration and Management, to perform the duties of the Office of Secretary of Labor.

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**APPENDIX C**

**ACRONYMS AND ABBREVIATIONS**

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Director	Job Corps National Director
ETA	Employment and Training Administration
GPRA	Government Performance Results and Accountability Act of 1993
Job Corps	Office of Job Corps
JTM	Job Training Match
OIG	Office of the Inspector General
OMB	Office of Management and Budget
PART	Program Assessment Rating Tool
PRH	Program Requirements Handbook
Secretary	Secretary of Labor
TEGLs	Training and Education Guidance Letters
WIA	Workforce Investment Act of 1998
WRIS	Wage Record Interchange System

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**APPENDIX D**

**DEFINITIONS**

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<b>Enrollee</b>	Per WIA Section 142 (3), an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, and remains with the program, but has not yet become a graduate.
<b>Former Enrollee</b>	<p>Per WIA Section 142 (4), an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program, but left the program before completing the requirements of a vocational training program, or receiving a secondary school diploma or recognized equivalent, as a result of participation in the Job Corps program.</p> <p>The Job Corps National Office limits the definition of former enrollees to individuals who enrolled in Job Corps at least 60 days who did not complete a vocational training program nor attain a secondary school diploma or its recognized equivalent.</p>
<b>Graduate</b>	<p>Per WIA Section 142 (5), an individual who has voluntarily applied for, been selected for, and enrolled in the Job Corps program and has completed the requirements of a vocational training program, or received a secondary school diploma or recognized equivalent, as a result of participation in the Job Corps program.</p> <p>The Job Corps National Office limits the definition of graduates to individuals enrolled in Job Corps for at least 60 days and attained a secondary school diploma or its recognized equivalent or completed a vocational training program, or individuals who completed both while enrolled.</p>
<b>Placements</b>	Recognized placements include employment, enrollment in an education or training program (including secondary school or a higher education program), enlistment in the military or a combination of work and school. Work and school activities require a specified number of hours per week to qualify as placements.
<b>Uncommitted Students</b>	Students enrolled in Job Corps for less than 60 days (regardless of their achievement) and/or students who separated from Job Corps due to a violation of Job Corps' Zero Tolerance policy against violence or drugs.

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APPENDIX E

AGENCY RESPONSE TO DRAFT REPORT

U.S. Department of Labor

Office of Job Corps  
Washington, D.C. 20210



MAR 16 2009

MEMORANDUM FOR: ELLIOT P. LEWIS  
Assistant Inspector General for Audit

FROM: ESTHER R. JOHNSON, Ed.D. *Esther R. Johnson*  
Administrator

SUBJECT: OIG Draft Report Number 04-09-003-01-370  
Job Corps' Reported Performance Measures did not Reflect  
All Legislative Reporting Requirements

We appreciate the opportunity to provide the Office of Inspector General (OIG) with comments regarding the finding and recommendations related to the Draft Audit Report of Job Corps' Performance Measures.

The audit report acknowledges that Job Corps captures a vast array of performance data and has multiple methods for reporting performance measures; however, the audit found that Job Corps' reported performance measures did not reflect all legislative reporting requirements in two areas:

1. Job Corps does not annually submit a report to Congress that includes performance results for each Job Corps center as stipulated by WIA; and
2. Job Corps does not comply with OMB reporting requirements regarding placement outcomes by not including all students enrolled in the program in its reported job placement data but instead only reporting placement outcomes for students who had been enrolled for at least 60 days.

The OIG concludes that Job Corps' failure to comply with legislative reporting requirements results in Congress, OMB, and other decision makers lacking critical data for making informed decisions regarding the Job Corps program.

Job Corps acknowledges that no single consolidated report containing center-specific data for all WIA indicators of performance is currently produced for submittal to Congress. However, Job Corps believes and continues to assert that it publishes all required information on the program's performance and outcomes, albeit in multiple formats rather than the single annual report the OIG apparently expected. Job Corps is now and will continue to be responsive to any requests for additional information from Congress or any other responsible entity regarding the program's performance.

MAR 16 2009

WIA Reporting Requirement:

The OIG states that while Job Corps collects the necessary data to comply with WIA reporting requirements, and reports containing this data are available upon request, an annual report with all the data was not submitted to Congress. The OIG also states that it is the responsibility of the Job Corps program to prepare and submit the report to the Executive Secretariat for clearance through the Department, and the cleared report is to be submitted by the Secretary to Congress.

Job Corps believes that it currently provides Congress, OMB and other decision makers the information needed to make informed decisions regarding the program's performance and outcomes. The OIG's stated expectation is that all programmatic information should be encapsulated in a single Annual Report transmitted through the Secretary of Labor to Congress. While Job Corps is open to the idea of developing such a consolidated report in tandem with the OIG, it should be noted that such a report is estimated to be more than six hundred pages of tables and data. Although expansive in scale and extremely labor-intensive to produce, it is questionable whether it would add any value to the reams of information that is already publically available and regularly published in other formats. It should also be noted that, over the entire reporting history of the Job Corps Program, neither Congress nor OMB has ever expressed a need to receive Job Corps' information in any fashion other than the way we currently publish it.

OMB Reporting Requirement:

The OIG acknowledges that Job Corps faces several inherent limitations in collecting job placement data as defined under common measures. Based upon the WIA reporting requirements for placements, Job Corps has historically captured placements for a subsection of its participants (graduates and former enrollees) within 6 months (as of PY 2005) and 90 days after program exit, respectively. Placement follow-up surveys of placed former enrollees are conducted approximately 13 weeks after initial placement, and follow-up surveys of placed graduates are conducted at 13 weeks, 6 months and 12 months after initial placement.

Under the common measures guidelines, however, Job Corps is required to report placements of all participants during the quarter after the quarter of exit. Both the timeframe and scope for this indicator do not correspond with the existing Job Corps placement reporting and follow-up survey systems.

Based on the limitations identified above, before beginning to report on common measures, Job Corps worked through the Departmental Center for Program Planning and Results with OMB to reach an acceptable solution. As previously indicated to the OIG, OMB agreed to a variance in the reporting of placement data for Job Corps that would be acceptable to them until alternate sources could be developed to report the data as initially required.

Job Corps had initially determined that the use of national Unemployment Insurance (UI) Wage Records was the most cost-effective method of obtaining the data to report on the placement indicator. As such, Job Corps entered into an agreement with the Kansas Department of Commerce to match program participant data with UI Wage Records via the Wage Record Interchange System (WRIS) database. Since the execution of this agreement, however, Job Corps has identified several limitations with the use of UI data, and has therefore not yet been able to utilize the data for reporting on the common measures placement indicator. One method that could compensate for incomplete or inconsistent WRIS data is the use of a three-step statistical process – which combined with multiple alternate data sources (e.g.: survey data) already used by Job Corps – provides a fairly accurate picture of placement. Job Corps submitted a report to OMB on August 20, 2008 seeking guidance as to the appropriateness of utilizing the adjusted data for common measure reporting so that the program may more accurately report its placement results; at this time no response has been received from OMB on this issue.

OIG Recommendations:

As a result of their audit, the OIG recommended that the Job Corps National Director:

1. Comply with all WIA and OMB reporting requirements, and annually prepare the performance report required by WIA for the Secretary to submit to Congress.

As stated previously, the National Office acknowledges that no annual report containing center-specific data for all WIA indicators of performance has been produced for submittal to Congress, but such a report would be so large (over 600 pages) that it would be too labor-intensive to be of value to stakeholders. Job Corps wishes to discuss with the OIG how such a report can be produced in a manner that would be a useful document for Congress to use in making informed decisions regarding the Job Corps program.

As stated above, Job Corps has already sought guidance from OMB through the August 20, 2008 submission of a paper regarding the use of statistically adjusted data for reporting on the common measure placement indicator; at this time no guidance has been provided by the OMB on this issue.

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