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EMPLOYMENT AND TRAINING PROGRAM GRANTS

Evaluating Impact and Enhancing Monitoring Would Improve Accountability





Highlights of [GAO-08-486](#), a report to congressional requesters

EMPLOYMENT AND TRAINING PROGRAM GRANTS

Evaluating Impact and Enhancing Monitoring Would Improve Accountability

Why GAO Did This Study

Since 2001, Labor has spent nearly \$900 million on three workforce employment and training grant initiatives: High Growth Job Training Initiative (High Growth), Community-Based Job Training Initiative (Community Based), and the Workforce Innovation in Regional Economic Development (WIRED). GAO was asked to examine (1) the intent of the grant initiatives and the extent to which Labor will be able to assess their effects, (2) the extent to which the process used competition, was adequately documented, and included key players, and (3) what Labor is doing to monitor individual grantee compliance with grant requirements. To answer these questions, GAO obtained from Labor a list of grants for fiscal years 2001 through 2007, and reviewed relevant laws and Labor’s internal grant award procedures. GAO interviewed grantees, and state and local workforce officials in seven states where grantees were located, Labor officials, and subject matter experts.

What GAO Recommends

GAO recommends that Labor take steps to ensure that it can evaluate the initiatives’ impact, documents compliance with statutory program requirements for noncompetitive grant awards, and develops and implements a risk-based monitoring approach for WIRED grants. Labor said that it either had taken initial steps or planned to take steps to address these issues. Because these efforts were either preliminary or planned, GAO continues to stand by the recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-486](#). For more information, contact George Scott (202)512-7215 scottg@gao.gov.

What GAO Found

According to Labor officials, the grant initiatives were designed to shift the focus of the public workforce system toward the training and employment needs of high-growth, in-demand industries, but Labor will be challenged to assess their impact. Under the initiatives, Labor awarded 349 grants totaling almost \$900 million to foster this change. However, the grant initiatives were not fully integrated into Labor’s strategic plan or overall research agenda; therefore, it is unclear what criteria Labor will use to evaluate their effectiveness. Labor lacks data that will allow it to compare outcomes for grant-funded services to those of other federally funded employment and training services.

While grants under all three initiatives are now awarded competitively, the initial noncompetitive process for High Growth grants was not adequately documented and did not include key players. Community Based and WIRED grants have always been awarded competitively, but more than 80 percent of High Growth grants were awarded without competition. Labor began awarding some High Growth grants competitively in 2005 and Congress required Labor to award certain grants competitively in fiscal years 2007 and 2008. This requirement applies only to those years. Labor could not document criteria used to select the noncompetitive High Growth grants or whether these grants met internal or statutory requirements. Labor has taken steps to strengthen the noncompetitive process, but these procedures do not explicitly require documentation of compliance with statutory program requirements. Labor’s process for identifying solutions for industry workforce challenges did not include the vast majority of local workforce investment boards, which oversee local employment and training services.

Labor provides some monitoring for grantees under all three initiatives and uses a risk-based monitoring approach for the High Growth and Community Based grants, but not for WIRED. Labor has a process to address findings from single audit reports, but its inspector general found problems with Labor’s follow up on the completion of these audits for its grantees in general and recommended that Labor put procedures in place to do so. Labor provides technical assistance for the three initiatives and spent \$16 million on contracts to help offer this support.

Number of Grants and Funds Awarded Competitively and Noncompetitively, Fiscal Years 2001- 2007 (Dollars in millions)

Grant Initiative	Number of grants	Competitively awarded amount	Noncompetitively awarded amount	Totals by grant initiative
High Growth	166	\$31.8	\$263.8	\$295.6
Community Based	142	250.0	0	250.0
WIRED	41	324.0	0	324.0
Total	349	\$605.8	\$263.8	\$869.6

Source: GAO analysis of U.S. Department of Labor grants data.
 Note: Total dollar amount varies from Labor’s reported figure due to rounding.

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Abbreviations

ACWIA	American Competitiveness and Workforce Improvement Act
ETA	Employment and Training Administration
WIA	Workforce Investment Act
WIRED	Workforce Innovation in Regional Economic Development

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United States Government Accountability Office
Washington, DC 20548

May 7, 2008

The Honorable Edward M. Kennedy
Chairman
The Honorable Michael B. Enzi
Ranking Member
Committee on Health, Education, Labor,
and Pensions
United States Senate

The Honorable Tom Harkin
Chairman
Subcommittee on Labor,
Health and Human Services, Education,
and Related Agencies
Committee on Appropriations
United States Senate

The Honorable Patty Murray
Chair
Subcommittee on Employment and Workplace Safety
Committee on Health, Education, Labor,
and Pensions
United States Senate

Federally funded training and employment services are delivered through what is known as the one-stop system, which was developed under the Workforce Investment Act (WIA) of 1998 and is governed by state and local workforce investment boards. Sixteen categories of programs, funded by four federal agencies, deliver their services through this system. In large part, program performance is measured by collecting standard measures on the outcomes of individuals who use these services. Under WIA, the Department of Labor (Labor) has general responsibility and oversight of the one-stop system.

Since 2001, Labor has spent almost \$900 million on three employment and training grant initiatives to address what Labor perceived as shortcomings in the one-stop service delivery system: the High Growth Job Training Initiative (High Growth) beginning in 2001, the Community Based Job Training Initiative (Community Based) beginning in 2005, and the Workforce Innovation in Regional Economic Development (WIRED)

initiative beginning in 2006. In 2005 Congress expressed interest in how Labor was awarding the High Growth grants and instituted a number of reporting requirements, including a justification for sole source awards.

Given the size of the investment and the interest in noncompetitive awards, we were asked to examine: (1) the intent of the grant initiatives and the extent to which Labor will be able to assess their effects; (2) the extent to which the process used competition, was adequately documented, and included key players; and (3) what Labor is doing to monitor individual grantee compliance with grant requirements.

To determine the intent of the grant initiatives and the extent to which Labor will be able to assess their effects, we reviewed grant applications, grantee quarterly reports, Labor's strategic plan, and documents related to evaluations of the initiatives and their purpose. We obtained a list of all High Growth, Community Based, and WIRED grants from Labor for fiscal year 2001, the first year High Growth grants were awarded, through fiscal year 2007. We assessed the reliability of these data by (1) reviewing the data for obvious errors and completeness, (2) reviewing related documentation, and (3) interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report. We also interviewed relevant Labor officials and persons with recognized workforce and training expertise. To determine the extent to which the process used competition, was adequately documented, and included key players, we reviewed relevant laws, Labor's internal procedures for awarding grants, and Labor's inspector general's report on High Growth grants. Out of a universe of about 340 grantees provided by Labor at the time of our review, we selected 8 for in-depth study. These were selected because each grant exceeded \$1 million, and they represented the range of grant types. These grantees were located in seven states: Colorado, Florida, Illinois, New Hampshire, Pennsylvania, New York, and Washington. For each grantee, we conducted semi-structured interviews and reviewed each grantee's application and recent quarterly reports. We also interviewed state and local workforce officials in these states. To address what Labor is doing to monitor the performance of grantees, we reviewed Labor's monitoring procedures, six grantee monitoring reports provided by Labor as examples, and the single audit of a grantee we contacted. We also reviewed a list of High Growth and Community Based grants that had been monitored by Labor. See appendix I for a more detailed discussion of the scope and methodology. We conducted our work from May 2007 to May 2008 in accordance with generally accepted government auditing standards.

Results in Brief

According to Labor officials, the grant initiatives were designed to change the focus of the public workforce system to emphasize the employment and training needs of high-growth, high-demand industries, but Labor will be challenged to assess their impact because it did not plan well at the outset to identify performance goals and collect data comparable to those it collects from other programs. For the three grant initiatives, Labor awarded 349 grants totaling almost \$900 million intended to identify the workforce and training needs of growing, high-demand industries; engage workforce, industry, and educational partners to develop innovative solutions to workforce challenges; leverage a wide array of resources to fund the solutions; and integrate workforce and economic development to transform regional economies. While Labor said the three grant initiatives were necessary to shift the focus of the workforce investment system, experts said that some state and local workforce boards were already pursuing strategies focusing on high-growth, high-demand industries, but there was little consensus on the extent to which this was occurring. In addition, experts identified a number of systematic factors that might explain why workforce boards face challenges in pursuing such strategies (for example, statutory requirements to target services to certain groups of workers). Beyond the question of how extensive such practices were, Labor officials said that a number of indicators show the initiatives are changing the system in line with their intended goals (for example, an increased focus on workforce challenges and solutions at workforce system conferences). However, 7 years after awarding the first grant, Labor will be challenged to evaluate their effect. These grant initiatives were not fully integrated into either Labor's strategic plan or its overall research agenda at the outset; therefore, it is unclear what criteria Labor will use to evaluate their effectiveness. Labor is working to require grantees to collect the same data on performance outcomes, called common measures, that are used to evaluate outcomes for individuals served by other programs. Comparable outcome data are essential to assessing the impact of these initiatives because without it Labor will lack a common point of comparison.

While Labor now awards grants under all three grant initiatives competitively, the initial noncompetitive process for awarding High Growth grants was not adequately documented and did not include key players. Community Based and WIRED grants have always been awarded competitively, but more than 80 percent of High Growth grants, which represented almost 90 percent of the High Growth dollars—over \$263 million—were awarded noncompetitively even though federal law and Labor's internal procedures recommend competition. Labor began awarding some High Growth grants competitively in 2005; and Congress,

in the fiscal year 2007 and 2008 appropriation laws, required Labor to competitively award High Growth grants funded under one of the two laws that authorize High Growth grants. Labor could not provide documentation of the initial criteria it used for selecting High Growth grants awarded without competition or whether these grants met requirements of the laws authorizing the grants or Labor's own procedures for awarding grants without competition. Labor has taken steps to strengthen the process used for awarding noncompetitive grants; however, the procedures do not explicitly identify the statutory program requirements for which compliance should be documented. In addition, some state and local workforce investment board officials said that Labor's process for identifying solutions to workforce challenges did not include them even though the Workforce Investment Act makes these boards central to the workforce system. Labor said it invited participation from workforce investment boards that were pursuing innovative workforce solutions and went so far as to enlist state coordinators to find them. Yet, even with these efforts, Labor's list of participants shows that only 26 of the roughly 650 local workforce investment boards representing 15 states were at the meetings. Promising ideas that originated at these meetings were shepherded by Labor through the awards process.

Labor provides some monitoring of grantees under all three initiatives and uses a risk-based monitoring approach for High Growth and Community Based grants, but not for WIRED grants. As part of monitoring, Labor officials said they have a process for ensuring that grantees resolve findings in single audit reports. However, Labor's inspector general found that Labor did not have procedures to require follow up on past due audit reports and recommended Labor implement such procedures. Although Labor has done so, Labor's inspector general has not yet determined if these procedures adequately address the recommendation. As another part of its monitoring, Labor requires High Growth, Community Based, and WIRED grantees to submit quarterly financial and performance reports, but is still working to ensure the consistency of performance reports provided by High Growth and Community Based grantees. Labor provides technical assistance to help grantees comply with grant requirements, such as orientation sessions and guides on managing High Growth and Community Based grants. Labor officials said they have provided extensive technical assistance to each WIRED grantee including weekly contact and annual site visits to the first 13 WIRED grantees. In addition, Labor has spent \$16 million on contracts to provide grantees with technical assistance and support. While these efforts help grantees manage their grants, they do not provide a risk-based monitoring process. In line with suggested grant practices, Labor uses a risk-based strategy to monitor

High Growth and Community Based grants, selecting monitored grantees based on indications of potential problems. Labor has monitored about half of the High Growth grants and over one-quarter of the Community Based grants. Labor officials said they are developing a WIRED grant assessment tool they plan to implement in spring 2008; however, the department has not finalized the tool nor developed a schedule for its use.

To determine the impact of these three grant programs, ensure that the best possible projects are selected, and improve accountability of grant funds, we are recommending that the Secretary of Labor take steps to ensure that the agency can evaluate the impact of the initiatives, and that the agency identify the statutory program requirements for which compliance must be documented when awarding noncompetitive grants. In addition, we recommend that the Secretary develop and implement a risk-based monitoring approach for WIRED and a schedule for its use.

We provided a draft of the report to Labor for review and comment. In response to our first recommendation, Labor said it has taken initial steps to evaluate the impact of the initiatives and disagreed with our assertion that the initiatives are not integrated into its strategic plan. We agree that the agency has taken initial steps, but these do not ensure that they will be able to assess the initiatives' impact. We do not dispute that the strategic plan mentions the initiatives; however, we found that both the strategic and research plans do not tie the High Growth or WIRED initiatives to performance goals. In response to our second recommendation, Labor said it recently developed procedures to document noncompetitive grant proposals' compliance with statutory requirements. Our review of the documents supporting these procedures found no specific reference to statutory program requirements against which proposals would be checked for compliance. We revised our draft recommendation to clarify that we are asking Labor to identify the statutory program requirements for which compliance should be documented. In response to our third recommendation, Labor said it plans to implement a risk-based monitoring approach. We continue to recommend that Labor follow through with this effort.

Labor disagreed with several of our findings. It questioned whether it needed comparable outcome data. However, we believe that data which allow comparisons of the initiative participants' outcomes with those of participants in WIA formula programs are important. Labor's own documents suggest that these types of comparisons are warranted. The department also stated that workforce boards do not face challenges that cannot be overcome in pursuing demand driven practices encouraged

under the three initiatives. However, it acknowledged that it made efforts to provide workforce boards with assistance in implementing demand-driven approaches, some of which may address challenges GAO identified. Labor suggested that changing selection criteria was not improper; however, the absence of selection criteria or their changing over time affects the transparency of the non-competitive grant award process. The department noted that there are no rules for documenting the decision-making process for non-competitive grants, but agreed that additional documentation would be valuable.

Background

When it was enacted in 1998, WIA created a new, comprehensive workforce investment system designed to change the way employment and training services are delivered. Under WIA, each state establishes a state workforce investment board that, among other duties, determines strategic priorities, current and projected employment opportunities, and job skills necessary to obtain such employment. It also designates local workforce investment areas across the state and develops an allocation formula for distributing funds to those local areas. Each local area is governed by local workforce investment boards that make decisions about the number and location of one-stop career centers, where partner programs make their services and activities available. Local boards are required to promote employers' participation in the workforce investment system and assist them in meeting hiring needs. Training services provided must be directly linked to occupations in demand in the local area. To further the involvement of employers, WIA requires that more than half the members of each state and local workforce investment board be representatives of business. The purpose of the one-stop system is to increase the employment, retention, and earnings of job seekers and, by increasing their occupational skills, enhance the productivity and competitiveness of the national economy. WIA requires states and localities to track the performance of WIA-funded activities and Labor to hold states accountable for their performance in the areas of job placement, employment retention, and earnings change.

The Employment and Training Administration (ETA) oversees the High Growth, Community Based, and Wired grant initiatives. The vast majority of these grants are awarded under a provision of WIA,¹ which provides authority for demonstration, pilot, multi-service, research, and multi-state projects, and a provision of the American Competitiveness and Workforce

¹29 U.S.C. § 2916.

Improvement Act (ACWIA),² which provides authority for job training grants funded by the H-1B visa program.^{3 4}

Labor is required to conduct impact evaluations of its programs and activities carried out under WIA, including pilot and demonstration projects.⁵ While impact evaluations make it possible to isolate a program's effect on participants' outcomes, there are several ways to conduct them, including experimental and quasi-experimental methods.⁶ In 2004⁷ and 2007,⁸ GAO recommended that Labor comply with WIA requirements to conduct an impact evaluation of WIA services to determine what services are most effective for improving employment-related outcomes. Labor agreed with our recommendation. In December 2007, the agency announced it had begun a quasi-experimental evaluation—an impact evaluation that does not use a control group—of the WIA Adult and

²29 U.S.C. § 2916a.

³This program imposes a fee on employers that hire foreign workers to fill positions in specialized professions such as computer technology.

⁴The High Growth Job Training Initiative was funded under both WIA and ACWIA provisions; the Community Based Job Training Grants were funded under the WIA provision and WIRED grants were funded under ACWIA. The High Growth grants were awarded under WIA as pilots and demonstrations. The WIA provision requires that grants provide direct services to individuals, include an evaluative component, and are made to entities with recognized expertise. The ACWIA provision requires Labor to identify industries and economic sectors projected to experience significant growth. In addition the ACWIA provision requires Labor to use H-1B funds to award grants to entities to provide job training and related activities, ensure that grants are equitably distributed geographically, and ensure that training activities funded by such grants are coordinated with the workforce investment system.

⁵This includes activities carried out under section 171.

⁶In evaluating the impact of programs, outcome data from the program are compared to a baseline. Considered the most rigorous method for conducting impact evaluations, the experimental method randomly assigns participants to two groups—one that receives a program service (or treatment) and one that does not (control group). The resulting outcome data on both groups are compared and the difference in outcomes between the groups is taken to demonstrate the program's impact. In a quasi-experimental approach, program participation is not randomly assigned, but outcome data for individuals who participated in a program are compared to others who did not.

⁷GAO, *Workforce Investment Act: States and Local Areas Have Developed Strategies to Assess Performance, but Labor Could Do More to Help*, [GAO-04-657](#) (Washington, D.C.: June 1, 2004).

⁸GAO, *Veterans' Employment and Training Service: Labor Could Improve Information on Reemployment Services, Outcomes, and Program Impact*, [GAO-07-594](#) (Washington, D.C.: May 24, 2007).

Dislocated Worker programs, with a final report expected in November 2008.

Federal law recommends, but does not require that all grants be awarded through competition. The Federal Grant and Cooperative Agreement Act encourages competition in grant programs, where appropriate, to ensure that the best possible projects are funded.⁹ In addition, Labor's own guidance governing procurement and grant operations—the Department of Labor Manual Series—states that competition is recommended, unless one or more of eight exceptions apply.¹⁰ Further, a guide on improving grant accountability developed by the Domestic Working Group Grant Accountability Project recommends grants be awarded competitively because competition facilitates accountability, promotes fairness and openness, and increases assurance that grantees have the systems in place to efficiently and effectively use funds to meet grant goals.¹¹

Effective monitoring is also a critical component of grant management. The Domestic Working Group's suggested grant practices states that financial and performance monitoring is important to ensure accountability and the attainment of performance goals. Labor monitors most grants through a risk-based strategy based on its "Core Monitoring Guide." A key goal is to determine compliance with specific program requirements. The guide includes five monitoring areas: program design and governance, program and grant management systems, financial management systems, service, and product delivery, and performance accountability. In addition, entities receiving Labor grants are subject to the provisions of the Single Audit Act if certain conditions are met.¹² The act established the concept of the single audit to replace multiple grant audits with one audit of a recipient as a whole. As such, a single audit is an organization wide audit that covers, among other things, the recipient's

⁹31 U.S.C. § 6301(3).

¹⁰Department of Labor Manual Series 2-836(G) – Exclusions and Exceptions to Competitive Procedures for grants and cooperative agreements.

¹¹The Domestic Working Group Grant Accountability Project, *Guide to Opportunities for Improving Grant Accountability*, October 2005. The group was composed of representatives from federal, state, and local audit organizations, including Labor's inspector general.

¹²*OMB Circular A-133*, which implements the Single Audit Act (31 U.S.C. §§7501-7507), requires nonfederal entities that expend \$500,000 or more in federal funds to have a single or program-specific audit conducted for that year.

internal controls and its compliance with applicable provisions of laws, regulations, contracts, and grants.

Grants Are Intended to Change the Workforce System, but Labor Will Be Challenged to Evaluate Their Impact

According to Labor officials, the grant initiatives are designed to change the focus of the public workforce system to emphasize the employment and training needs of high-growth, high-demand industries, but Labor will be challenged in assessing their impact. For the three grant initiatives, Labor awarded 349 grants totaling almost \$900 million that were intended to bring about this change by identifying the workforce and training needs of growing, high-demand industries; engaging workforce, industry, and educational partners to develop innovative solutions to workforce challenges, such as worker shortages; leveraging a wide array of resources to fund the solutions; and integrating workforce and economic development to transform regional economies by creating good jobs. However, 7 years after awarding the first grant, Labor will be challenged to evaluate the effect of the grants.

Labor Said the Grants Are Designed to Make the Workforce System More Focused on High-Growth, High-Demand Industries

According to Labor officials, the High Growth, Community Based, and WIRED initiatives are designed to collectively change the focus of the workforce investment system by giving greater emphasis to the employment and training needs of high-growth, high-demand industries. They characterized High Growth as a systematic change initiative designed to make the system more demand-driven (i.e., focused on the needs of growing and high-demand industries) and to make the system's approach to workforce development more strategic by engaging business, industry, and education partners to identify workforce challenges and solutions.¹³ The Computing Technology Industry Association provides one example of the kinds of activities funded under these grants. It used its High Growth grant to expand an apprenticeship program in a growing industry—information technology. As a related effort, the Community Based grants were designed to build the training capacity of community colleges for high-growth, high-demand occupations. In expanding existing training

¹³According to Labor, the High Growth initiative included several key steps prior to awarding the grants and is ongoing through dissemination of grant results. Key steps included: identification of high-growth, high-demand industries; industry scans to understand the size, trends, and scope of each industry; industry executive forums to hear workforce challenges; workforce solutions forums to develop solutions to address these challenges; investments in workforce solutions (i.e., grants) for industry-identified challenges and follow-on competitive opportunities; and dissemination strategies for High Growth products.

programs and developing new programs aimed at addressing worker shortages in three high-demand health care occupations—nursing, dental hygiene, and health unit coordinators, the Seattle Central Community College in Washington provides an example of efforts funded under these grants. The goal of third grant initiative, WIRED, was to “catalyze” the creation of high-skill and high-wage opportunities for workers within the context of regional economies, to test models for integrating workforce and economic development, and to demonstrate that workforce development is a key driver in transforming regional economies. The northeast region of Pennsylvania provides one example of the types of projects funded through WIRED. Pennsylvania is using WIRED grant funds to develop Wall Street West, a nine county regional project intended to provide backup and disaster recovery operations and facilities for the New York City financial markets. According to Labor officials, these funds support workforce education and training to support this effort. From 2001 through 2007, Labor awarded 349 grants totaling almost \$900 million for these initiatives (see table 1). For a list of these grants, see appendix II.

Table 1: Total Number and Amount of Grants Awarded by Labor, 2001-2007

Grant initiative	Number of grants	Amount
High Growth	166	\$295,522,793
Community Based	142	250,000,000
WIRED	41	323,999,944
Total	349	\$869,522,737

Source: GAO analysis of U.S. Department of Labor grants data.

While Labor said the three grant initiatives were necessary to shift the focus of the workforce investment system, experts held varying opinions on the extent to which state and local workforce boards were pursuing demand-driven strategies on their own. Of the experts we spoke with, one said that many states were already focusing on high-growth sectors, reaching out to industry, and developing strategic partnerships. Another characterized innovation among workforce boards as a normal curve that ranged from highly functional to less than functional. One said that some boards had always been pursuing these types of strategies. Another said that the system had been lacking in this regard.

In addition, when considering how extensive demand-driven practices might have been, experts identified a number of systematic factors that might explain why workforce boards would face challenges in pursuing them. These included insufficient funding, limited flexibility in how funds

can be used, statutory requirements to target services to certain groups of workers, and the need to respond to local economic conditions. Commenting on workforce boards' ability to form strategic partnerships, one expert noted that there are no funds to support such endeavors and no performance standards to measure them. With regard to regional economic development, experts said boards are structured around local areas, not regions, regional economies are highly variable, regional governance structures can make achieving buy-in difficult and that rural areas can be particularly challenged in pursuing regional approaches.

Beyond the question of how extensive demand-driven practices were, Labor officials said a number of indicators show that the initiatives are changing the system. According to Labor, they have seen a "system-shift" in the approach to implementing workforce solutions through an increase in demand-driven topics at conferences since the roll out of the initiatives. Labor said this shift has been driven by partnerships between the workforce investment system, business, industry, and educators using the High Growth framework. Labor also said it is seeing demand-driven strategies in state and local strategic plans and in states using their own money to fund High Growth-like projects. Labor pointed out that the system has evolved to the point where high performing local workforce boards with demand-driven practices are mentoring lesser performers. Lastly, Labor said the content on its Web site, Workforce3 One, was also evidence of change. For example, Labor held an interactive seminar broadcast on this site to train participants to use an on-line tool to share curricula developed through the initiatives.

Seven Years after Awarding the First Grant, Labor Will Be Challenged to Evaluate Their Impact

Despite the money invested and emphasis placed on these initiatives, Labor did not fully integrate them into its strategic plan or ETA's research plan from the start. The Government Performance and Results Act states that strategic plans shall contain strategic goals and objectives, including outcome-related, or performance goals, and objectives for an agency's major functions and operations.¹⁴ However, the strategic plan includes performance goals only for the Community Based initiative. High Growth and WIRED—the two initiatives where Labor spent the most money—are mentioned in the strategic plan, but not specifically linked to a performance goal; therefore, it is unclear what criteria Labor will use to evaluate their effectiveness. Moreover, the data needed to assess the performance of these initiatives are not specified. Labor officials said the

¹⁴5 U.S.C. § 306.

strategic plan did not address the initiatives because it focuses on budget issues. Just as the initiatives are not fully integrated into the strategic plan, neither are they fully integrated into ETA's research plan, which cites plans for future evaluations, but it does not specify an assessment of their impact.

Not fully incorporating the initiatives into its strategic or research plans may have limited Labor's ability to collect consistent outcome data. Labor said that prior to 2005, it consistently collected data from grantees on the number of participants enrolled in and completing training funded under High Growth—the only one of the three grant initiatives operating at that time. However, it did not collect performance outcomes similar to those being collected for its other training and employment services.¹⁵ In 2005, Labor instituted what were called common measures to assess the effectiveness of one-stop programs and services. The common measures include participant employment outcomes, earnings, and job retention after receiving services. Currently, Labor cannot require High Growth and Community Based grantees to provide data on the common measures until it receives OMB approval. According to Labor, it can collect such measures for WIRED grantees, but it has not yet done so.¹⁶ As a result, Labor may not have consistent data for individuals participating in the programs funded under the grant initiatives. In addition, it may lack data that will allow it to compare outcomes for individuals served by grant-funded programs with those served by employment and training programs offered through the one-stop system. Having comparable outcome data is important because the goal of an impact evaluation is to determine if outcomes are attributable to a program or can be explained by other factors.

Labor will face challenges in obtaining the data necessary to make meaningful comparisons. Starting in 2006, Labor included information on

¹⁵While acknowledging that reporting practices for High Growth were not established fully at the initiative's outset, officials said this was because the nature of the initiative posed inherent challenges in developing a common reporting and performance model: each grant was different, with different training models for different populations; some grants were for training, others were for capacity building. Labor said that as it became clear that more rigorous procedures for reporting were needed, it took the necessary steps to address the problem.

¹⁶Labor developed a proposed approach to collect and report the common measures for WIRED grants using the existing state WIA performance system, but, as of November 2007, it had not yet collected them.

the common measures in all new solicitations for High Growth and Community Based grants, notified grantees of its goal for standardizing performance reporting, and provided technical assistance to help grantees prepare for it. Labor also encouraged grantees to work with local workforce system partners to leverage their experience in tracking and reporting performance outcomes. Labor anticipates having an OMB approved reporting format in place by July 1, 2008. However, because some of the first grantees have already completed their projects, obtaining information about workers that have left the program may prove difficult and costly.

Labor has some plans underway to evaluate the initiatives, but may face challenges drawing strong conclusions from them. Labor has conducted an evaluation of the implementation and sustainability of 20 early High Growth grantees. It is now evaluating the impact of the training provided by High Growth grantees. Labor anticipates the final report in December 2008. However, Labor has already experienced a number of challenges in evaluating the initiatives. These include having to limit its evaluation to only 6 grantees of 166, because only 6 had sufficient participants to ensure a statistically significant evaluation. They also include problems gaining access to workers' earnings data, and inconsistent outcome data from grantees.

Labor officials said they plan to conduct a comprehensive evaluation of the Community Based initiative. The first phase of the evaluation will examine the extent to which the Community Based grants addressed the stated workforce objectives and challenges funded projects were intended to address, as well as document the role of business and the workforce investment system in the overall success of the grants, according to Labor. This phase will also include an examination of the feasibility of performing an impact evaluation and will be completed in late 2008. Depending on the results of this phase, Labor officials said an impact evaluation will begin in 2009.

For its evaluation of the WIRED initiatives, Labor says it is examining the implementation and cumulative effects of WIRED strategies, including change in the number and size of companies in targeted high-growth industries and whether new training led to job placement in the targeted industries. It contracted with the Berkeley Policy Associates to conduct the evaluation for the first 13 grantees, and a final report is expected by June 2010. It also contracted with Public Policy Associates to similarly evaluate the 28 remaining WIRED grantees. Labor officials said these initiatives are not included in the agency's broader WIA impact study.

The Initial Noncompetitive Process Was Not Adequately Documented and Did Not Include Key Players

While Labor now awards grants under all three grant initiatives competitively, initially almost all High Growth grants were awarded without competition. Labor also did not document the criteria for selecting noncompetitive High Growth grants or whether they met Labor's internal requirements or the requirements of the laws under which the grants are authorized. In addition, Labor's process for identifying workforce solutions did not include most of the state and local workforce investment boards.

All Three Types of Grants Are Now Awarded Competitively, but the Vast Majority of High Growth Grants Were Awarded Without Competition

The Community Based and the WIRED grants have always been awarded through a competitive process, but until 2005, Labor did not award High Growth grants competitively even though federal law and Labor's internal procedures recommend competition. While Labor had discretion in awarding High Growth grants without competition, the extent to which it did so raises questions about how Labor used this method of awarding grants. Competition facilitates accountability, promotes fairness and openness, and increases assurance that grantees have systems in place to meet grant goals. Yet Labor chose to award 83 percent of the High Growth grants, which represented almost 90 percent of the funds, without competition between fiscal years 2001 and 2007 (see table 2). Congress required that High Growth grants funded by H-1B fees be awarded competitively for fiscal years 2007 and 2008.¹⁷ Prior to that time, there were no provisions requiring Labor to award High Growth grants competitively.

Table 2: The Number of High Growth Grants and Funds Awarded Competitively and Noncompetitively between Fiscal Years 2001 and 2007 (Dollars in millions)

Fiscal year	Number of noncompetitive grants	Funds awarded noncompetitively	Number of competitive grants	Funds awarded competitively	Summary of grants and funds awarded noncompetitively
2001	1	\$2.8	0	0	100% of grants and funds
2002	7	14.7	0	0	100% of grants and funds
2003	15	30.3	0	0	100% of grants and funds
2004	37	77.4	0	0	100% of grants and funds
2005	55	86.7	12	\$12	82% of grants and 88% of funds

¹⁷This requirement did not apply to grants awarded under the WIA provision authorizing High Growth grants.

Fiscal year	Number of noncompetitive grants	Funds awarded noncompetitively	Number of competitive grants	Funds awarded competitively	Summary of grants and funds awarded noncompetitively
2006	21	50.5	0	0	100% of grants and funds
2007	1	1.4	17	19.8	6% of grants and 7% of funds
Total	137	\$263.8^a	29	\$31.8^a	83% of grants and 89% of funds

Source: GAO analysis of U.S. Department of Labor grants data.

Notes: The fiscal year was calculated based on the start date of the grant. Labor awards grants by program year rather than fiscal year, which is from July 1 through June 30 of each year.

^aTotal dollar amount varies from Labor's reported figure due to rounding.

Labor said that it used a noncompetitive process to promote innovation. They also said that they awarded grants without competition to save the time it would have taken to solicit grants through competition. In hindsight, they said they could have offered the High Growth grants competitively earlier because they recognized that the number of noncompetitive awards created a perception that the process was unfair. They said, however, that they always intended to award later grants competitively.

In contrast to the High Growth grants, the Community Based and WIRED initiatives have always been awarded through competition. These funding opportunities were announced to potential applicants through a solicitation for grant application that listed the information that an application must include to compete for funding. These applications were then reviewed and scored by a knowledgeable technical panel. These solicitations were also reviewed by Labor attorneys for compliance with procurement and statutory program requirements for awarding grants, according to officials.

Labor Did Not Document the Criteria for Selecting Noncompetitive High Growth Grants or Whether They Met Labor's Internal Requirements or Requirements of the Law

Because the initial High Growth process was noncompetitive, documenting the decision steps was all the more important to ensure transparency. However, Labor was unable to provide documentation of the initial criteria for selecting grantees. As a result, it did not meet federal internal control standards, which state that all transactions and other significant events need to be clearly documented and that the documentation should be readily available for examination.¹⁸ In addition, it was unable to document that it met the statutory requirements for the laws

¹⁸GAO, *Internal Control: Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999).

authorizing the grants. Lastly, according to Labor's inspector general, it did not adequately document that it had followed its own procedures for awarding grants without competition.

Labor did not document the criteria used to select the early noncompetitive High Growth projects. Labor officials told us there were no official published guidelines specific to High Growth grants, only draft guidelines, which were no longer available. In addition, Labor officials told us that generally they were looking for grantees that pursued partnerships and leveraged resources, but that attributes they sought changed over time. Labor published general requirements for noncompetitive grants in 2005 and updated them in 2007. Officials said these were not requirements, only guidelines for the kinds of information Labor would find valuable in evaluating proposals.

In addition, while Labor said noncompetitive grants could be awarded without competition under the WIA provision authorizing demonstrations and pilot projects¹⁹ and under ACWIA, they could not document that the grants fully complied with the requirements of these provisions. For example, WIA requirements include providing direct services to individuals, including an evaluative component, and being awarded to private entities with recognized expertise or to state and local entities with expertise in operating or overseeing workforce investment programs.²⁰ Officials said that they were certain they had ensured that the projects met all statutory requirements, but acknowledged they did not document that the requirements were met.

Labor's inspector general found the agency did not always document that it followed its own procedures or always obtained required review and approval before awarding grants noncompetitively. Labor officials said most of the noncompetitive grant proposals were presented to Labor's Procurement Review Board²¹ for review and approval allowed under exceptions for proposals that were unique or innovative, highly cost-

¹⁹29 U.S.C § 2916.

²⁰29 U.S.C § 2916(b)(1) and 29 U.S.C § 2916(b)(2)(B).

²¹Labor's Procurement Review Board is responsible for reviewing various acquisition activities, including most unsolicited grant proposals, and recommending approval or disapproval to the department's Chief Acquisitions Officer.

effective, or available from only one source.²² However, in 2007, Labor’s inspector general reviewed a sample of the noncompetitive High Growth grants awarded between July 2001 and March 2007 and found that 6 of the 26 grants, which should have undergone review, were awarded without prior approval from the review board. Furthermore, they found that Labor could not demonstrate that proper procedures were followed in awarding the High Growth grants without competition.²³

Although they were unable to provide documentation, Labor officials said they used considerable rigor in selecting grant recipients under the noncompetitive process. Similar to a competitive process, the noncompetitive grant proposals were highly scrutinized and reviewed to ensure they made best use of scarce resources. They said that in most cases, staff created abstracts to highlight strengths and weaknesses and multiple staff and managers participated in reviews and decision-making. In addition, Labor officials strongly disagreed with the majority of the inspector general’s findings. They said they followed established procurement practices as required but agreed that additional documentation would be valuable.

In response to the inspector general’s report, Labor has taken steps to strengthen the noncompetitive process. These include developing procedures to review noncompetitive grant proposals for criteria including support of at least one of ETA’s strategic goals and investment priorities. The procedures also require ETA to document that required procedures are followed and that required review and approval is obtained before awarding grants noncompetitively. However, the newly developed procedures do not explicitly identify the statutory program requirements for which compliance should be documented.

²²Department of Labor Manual Series 2-836(G) – Exclusions and Exceptions to Competitive Procedures for grants and cooperative agreements. There are five additional exceptions listed for awarding noncompetitive grants: (1) a noncompetitive award is authorized or required by statute; (2) the activity is essential to the satisfactory completion of an activity presently funded by DOL; (3) it is necessary to fund a recipient with an established relationship with the agency for a variety of reasons; (4) the application for the activity was evaluated under the criteria of the competition for which the application was submitted, was rated high enough to have been selected under the competition, and was not selected because the application was mishandled; and (5) the Secretary determined that a noncompetitive award is in the public interest.

²³U.S. Department of Labor Office of Inspector General—Office of Audit, *High Growth Job Training Initiative: Decisions for Non-competitive Awards Not Adequately Justified*, 02-08-201-03-390 (Nov. 2, 2007).

Labor's Process for Identifying Industry Workforce Challenges Did Not Include the Majority of Workforce Investment Boards

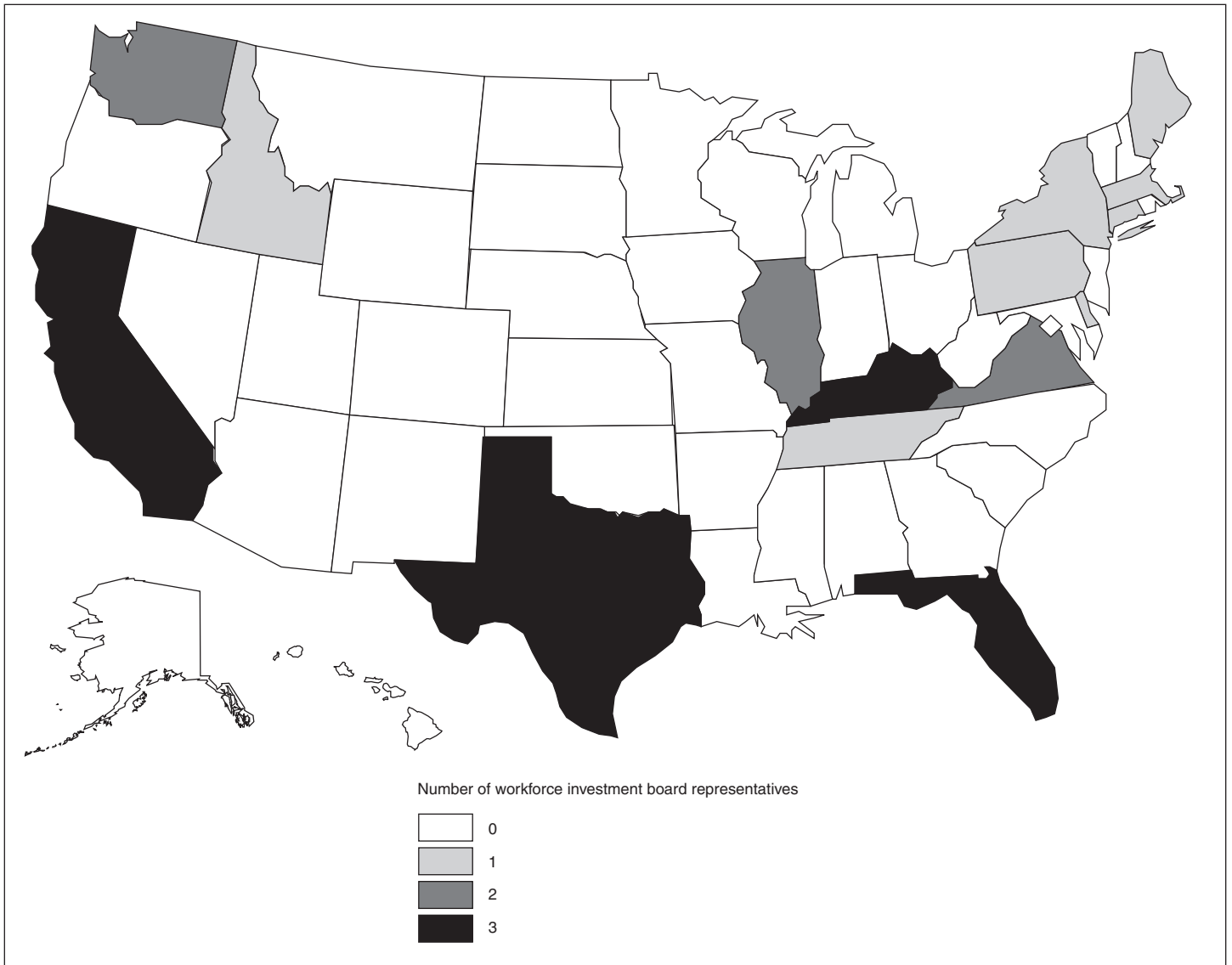
The vast majority of workforce boards—which oversee the workforce investment system—were not included in the meetings that served as incubators for grant proposals. After identifying 13 high-growth/high-demand sectors,²⁴ Labor held a series of meetings between 2002 and 2005 with industry executives and other stakeholders to identify workforce challenges and to develop solutions to them.²⁵ According to Labor, they first held meetings with industry executives—executive forums—for 13 sectors to hear directly from industry leaders about the growth potential for their industries and to understand the workforce challenges they faced. Second, they hosted a series of workforce solutions forums for 11 of the sectors, which brought together industry executives (often those engaged in human resources and training activities) with representatives from education, state and local workforce boards, or other workforce-related agencies.²⁶ However, a review of Labor's rosters for the solutions forums shows that while there were more than 800 participants, 26 of the almost 650 local workforce boards nationwide were represented, and these came from 15 states. (See fig. 1.)

²⁴Labor identified a 14th sector—Homeland Security—in 2005 and did not hold an executive or solutions forum for this sector, according to officials.

²⁵Labor conducted industry scans of the size, trends, and scope of certain industries to understand the industries and any known challenges. In this process, they identified high growth/high-demand industries that have a high-demand for workers. Officials said that they did not intend to identify all high-growth industry sectors in the economy, but to provide a framework for the process to be used at the state and local levels.

²⁶Solutions forums were not held for the information technology and retail sectors.

Figure 1: Number of Workforce Investment Boards and States with Participants at Solutions Forums



Sources: GAO analysis of U.S. Department of Labor data on solutions forums participants; map, Art Explosion.

Further only 20 of the 50 states had their state workforce investment board or other agency represented (see table 3).²⁷

Table 3: Industry Sector Solutions Forums and the Number of Participants

Industry sector solutions forum	Total number of participants at each solutions forum	Local workforce investment board participation	State workforce investment board or other state agency participation
Advanced manufacturing	61	3	0
Aerospace	40	1	0
Automotive	216	6	9
Biotechnology	29	4	6
Construction	86	5	2
Energy	26	0	1
Financial services	99	3	4
Geospatial technology	41	1	2
Health	155	6	10
Hospitality	57	3	3
Transportation	19	2	2
Total	829	34^a	39^b

Source: GAO analysis of U.S. Department of Labor data on solutions forums participants.

^aThe numbers for local workforce investment board participation does not total 26 because 2 workforce investment boards participated in more than one solutions forums; the remaining 24 participated in only one. Also some local workforce investment boards had more than one representative.

^bThe numbers for state workforce investment board or other state agency participation does not total 20 because several states attended more than one forum and some states had more than one agency represented.

Labor officials said they went to great lengths to include workforce system participants in solutions forums. Officials said they asked state workforce agencies to identify a state coordinator to interface with Labor, work collaboratively with industry partners, and identify potential attendees for executive and solutions forums. Further, the state coordinators were to help Labor communicate with the workforce system about High Growth activities and were kept updated through routine conference calls and

²⁷Some states had representatives from the state workforce investment board participating and some states had a workforce-related agency such as those involved in employment and/or economic development.

periodic in-person meetings, according to Labor. Labor officials also said the Assistant Secretary and other senior officials traveled frequently, speaking to workforce system partners at conferences to gather information about innovative practices. Labor officials said, even with these efforts, they found only a few workforce boards operating unique or innovative demand-driven programs.

However, most workforce board officials we spoke to in our site visits reported becoming aware of the meetings and the grant opportunities after the fact, even though they were pursuing the kinds of innovative practices the meeting was supposed to promote. Some state board officials said that they were often unaware that grants had been awarded, and at least one local workforce board said it became aware of a grant only when the community college grantee approached it for assistance in getting enough students for their program. In addition, officials in states we visited said they had been developing and using the types of practices that Labor was seeking to promote at the meetings.

Being present at the meetings could have been beneficial to workforce boards. Labor officials acknowledged that when meeting participants suggested a solution to an employment challenge that they deemed innovative and had merit, they encouraged them to submit a proposal for a grant to model the solution. In addition, officials said that in some cases, they provided applicants additional assistance to increase the chances that the proposal would be funded.

Labor Uses a Risk-Based Monitoring Approach for High Growth and Community Based Grants but Not for WIRED Grants

For all three grant initiatives, Labor has a process to resolve findings found in single audits, collects quarterly performance information, and provides technical assistance as a part of monitoring. In addition, it has a risk-based monitoring approach for High Growth and Community Based grants, but has not implemented such an approach for WIRED grants.²⁸ However, Labor officials told us that they are developing a risk-based approach for monitoring WIRED grants that they plan to implement in the spring of 2008. According to Labor's grants monitoring guide, improving grant administration is crucial to Labor's management improvement plans and risk-based on-site monitoring of grantees is an important part of this effort.

Labor Has a Process to Ensure Grantees Resolve Findings in Single Audits, Collects Quarterly Performance Information, and Provides Technical Assistance

Labor said it has a process to work with grantees, including High Growth, Community Based, and WIRED to resolve findings in single audits. However, Labor's inspector general reported that Labor does not have procedures in place for grant officers to follow up with grantees with past due audit reports to ensure timely submission and thus proper oversight and correction of audit findings. The inspector general recommended that Labor implement such procedures and Labor has done so, but the finding remains open because Labor's inspector general has not yet determined if the procedures adequately address the recommendation.²⁹

As part of its monitoring, Labor requires High Growth, Community Based, and WIRED grantees to submit quarterly financial and performance reports. Financial reports contain information, such as total amount of grant funds spent and amount of matching funds provided by the grantee. Performance reports focus on activities leading to performance goals, such as grantee accomplishments and challenges to meeting grant goals. Labor officials said they review these reports and follow up with grantees

²⁸ Labor's risk-based monitoring strategy differs from single audits. Entities receiving Labor grants are subject to the provisions of the Single Audit Act if certain conditions are met. The Single Audit Act established the concept of the single audit to replace multiple grant audits with one audit of a recipient as a whole. As such a single audit is an organization-wide audit that covers, among other things, the recipient's internal controls and its compliance with applicable provisions of laws, regulations, contracts, and grants. In contrast, Labor's risk-based approach focuses on the readiness and capacity of the grantee to operate the grant including compliance with laws, regulations, and specific program requirements.

²⁹ U.S. Department of Labor—Office of Inspector General, report prepared by KPMG LLP, *Management Advisory Comments Identified in an Audit of the Consolidated Financial Statements for the Year Ended September 30, 2007*, 22-08-006-13-001 (Washington, D.C.: Mar. 20, 2008).

if there are questions. Labor officials acknowledge, however, that they are still working to ensure the consistency of performance reports provided by High Growth and Community Based grantees and are working with OMB to establish consistent reporting requirements. In addition, while the finding was not specific to these three grants, Labor's inspector general cited high error rates in grantee performance data as a management challenge.³⁰ Labor is taking steps to improve grant accountability, such as providing grantee and grant officer training.

All grantees receive technical assistance from Labor on how to comply with laws and regulations, program guidance, and grant conditions. For example, Labor issued guides for High Growth and Community Based grantees which include information on allowable costs and reporting requirements. In addition, Labor officials said they trained national and regional office staff to address grantees' questions and help High Growth and Community Based grantees obtain assistance from experts at Labor and other grantees. Labor officials said they hold national and regional High Growth and Community Based grantee orientation sessions for new grantees, present technical assistance webinars and training sessions focused on specific high-growth industries, assist grantees with disseminating grant results and products, such as curricula, and set up virtual networking groups of High Growth grantees to encourage collaboration.

Labor officials told us they have teams who provide technical assistance to each WIRED grantee including weekly contact. During these sessions, Labor staff work with WIRED grantees on grant management issues, such as costs that are allowed using grant funds. Labor staff provide additional assistance through conference calls, site visits, and documentation reviews. In addition, Labor officials said they have held five webinars on allowable costs and provided grantees with a paper on allowable costs in July 2006, which was updated in July 2007. Finally, Labor officials explained that they made annual site visits for the first 13 WIRED grantees in spring and summer of 2007 to discuss implementation plans and progress toward plan goals. In addition, Labor staff said they have reviewed the implementation of the remaining WIRED grants to ensure that planned activities comply with requirements of the law. However, none of these reviews resulted in written reports with findings and corrective action plans.

³⁰This observation was based on audits of three Labor grantees during fiscal year 2007.

Labor has spent \$16 million on contracts to provide technical assistance, improve grant management, administration, and monitoring, and to assist Labor with tasks such as holding grantee training conferences. The larger of these contracts focus on providing technical assistance to WIRED grantees. For example, one contract valued at over \$2 million provides WIRED grantees assistance with assessing regional strength and weaknesses and developing regional economic strategies and implementation plans. Another grant, valued at almost \$4 million, provides a database and geographic information system³¹ that WIRED grantees can use to facilitate data analysis and reporting, among other things. For a list of these contracts, see appendix III.

While these monitoring and technical assistance efforts are useful to help grantees manage their grants, they do not provide a risk-based monitoring process to identify and resolve problems, such as compliance issues, in a consistent and timely manner.

Labor Provides Risk-Based Monitoring for High Growth and Community Based Grants

Labor uses a risk-based strategy to monitor grants under two of the three grant initiatives: High Growth and Community Based. For these initiatives it selects grantees to monitor based on indications of problems that may affect grant performance. Labor's risk-based approach to monitoring most grants reflects suggested grant practices. Suggested grant practices recognize that it is important to identify, prioritize, and manage potential at-risk grant recipients for monitoring given the large number of grants awarded by federal agencies. Through this process, Labor staff determine if grantee administration and program delivery systems operate, the grantee is in compliance with program requirements, and information reported is accurate.

Labor's risk-based monitoring strategy involves conducting site visits based on grantees' assessed risk-levels and availability of resources, among other things.³² These site visits include written assessments of grantee's management and performance and compliance findings and requirements for corrective action. For example, Labor's site visit guide

³¹A geographic information system is a computer application used to store, view, and analyze geographical information, especially maps.

³²Labor's grant monitoring plans are to reflect any program-specific monitoring requirements as well as specific requirements for on-site visits to grantees with new grants and those rated "at-risk" through the risk assessment process.

includes questions about financial and performance data reporting systems, such as how well the grantee maintains files on program participants.³³

Labor has monitored about half of the High Growth grants and over one-quarter of the Community Based grants. Labor officials said these monitoring efforts have resulted in a number of significant findings which have generally been resolved in a timely manner. (See table 4.) For example, during a November 2006 site visit of a Community Based grantee Labor identified three findings: incomplete participant files, failure to follow internal procurement procedures, and missing grant partnership agreements. Similarly, during a site visit in spring 2006 to a High Growth grantee, Labor found that the grantee did not accurately track participant information and reported incorrect information on expenditures, among other things. As of September 2007 Labor said these findings had been resolved (see table 4).

Table 4: Status of Risk-Based Monitored Grants as of September 30, 2007

Status	High Growth	Community Based
Findings resolved	38	13
Findings not yet resolved	10	5
No findings	31	21
Total monitored	79	39

Source: GAO analysis of U.S. Department of Labor grants monitoring data.

As another part of Labor's risk-based monitoring strategy, Labor's internal requirements specify that Labor staff are to make site visits to all new grantees, including High Growth, Community Based, and WIRED, within 12 months of beginning grant activity and to new grantees rated as "at risk" within 3 months. Labor officials said they consider "new grantee" site visits to be orientation visits and had not made visits to most new grantees. They said they broadly interpret this requirement to include a variety of methods of contact and generally use teleconference and video conference training sessions rather than site visits, based on the availability of resources. For example, Labor calls each new Community Based grantee to schedule new grantee training. Labor is taking steps to

³³Employment and Training Administration, U.S. Department of Labor, *Core Monitoring Guide* (Washington D.C.: April 2005).

update its internal requirements to better reflect the purpose of the new grantee monitoring.

Labor Is Planning to Develop a Risk-Based Approach for Monitoring WIRED Grants, but It Has Not Yet Done So

Labor officials said they are developing a WIRED grant assessment tool, but it is not finalized. They plan to implement it in spring 2008; however, the department has not developed a schedule for its use. Labor officials explained that a specific tool is needed for monitoring WIRED grants because the site visit guide used for most other Labor grants would not be appropriate for WIRED grants. One reason is that WIRED grants are awarded to states but are generally administered by other entities. For example, Labor awarded a \$15 million WIRED grant to the state of Colorado, but programs funded by the grant are primarily administered by the not-for-profit Metro Denver Economic Development Corporation.

Conclusions

Seven years after awarding the first grants, Labor is in the process of evaluating the High Growth and WIRED initiatives and has plans to evaluate the Community Based initiative but will be challenged to evaluate the effect of the almost \$900 million spent on the grant initiatives. Because of poor planning, the agency will not be able to perform the kind of comprehensive impact evaluation that would have been possible if it had been collecting data consistent with that collected for other WIA programs all along. Because Labor lacks such data it will be challenged in drawing strong conclusions from its planned evaluations. Until Labor collects consistent outcome data, such as the common measures, that would allow comparison of impact of each of the three grant initiatives to those of other Labor programs, Labor cannot know the extent to which the initiatives improve employment outcomes, if at all.

The vast majority of High Growth grants—more than \$263 million— were awarded noncompetitively using inconsistent selection criteria under a process that was not adequately documented. As a result there is little assurance that the grants selected were the best possible projects. Although Labor currently awards grants under all three grant initiatives competitively, the fact that Labor used inconsistent selection criteria that changed over time and did not adequately document the process when awarding High Growth grants noncompetitively raises questions about how Labor uses this method of awarding grants. This is a critical concern given that Labor could again award millions of dollars of noncompetitive grants. While it has taken steps to strengthen the noncompetitive process, the newly developed procedures do not explicitly identify the statutory program requirements for which compliance should be documented.

Finally, the absence of a risk-based monitoring approach for WIRED puts Labor at risk of not knowing if the millions of dollars awarded to WIRED grantees have been used for the purposes they are intended.

Recommendations for Executive Action

To determine the impact of the three grant initiatives, ensure that the best possible projects are selected, and improve accountability of grant funds, we recommend that the Secretary of Labor take the following three actions:

- Take steps to ensure that the department can evaluate the impact of the initiatives so that it can draw strong conclusions based on its evaluations, such as following through with plans to collect consistent data, integrating the initiatives into its overall research agenda with relevant performance goals and indicators, and including these initiatives in its assessment of the impact of WIA services.
- Direct the Employment and Training Administration to identify the statutory program requirements for which compliance must be documented when awarding noncompetitive grants.
- Develop and implement a risk-based monitoring approach for WIRED and a schedule for its use.

Agency Comments and Our Evaluation

We provided a draft of the report to Labor for review and comment. In response to our first recommendation, Labor said it has taken initial steps to evaluate the impact of the initiatives and disagreed with our assertion that the initiatives are not integrated into its strategic plan. We agree that the agency has taken initial steps, but these do not ensure that they will be able to assess the initiatives' impact. We do not dispute that the strategic plan mentions the initiatives; however, we found that both the strategic and research plans do not tie the High Growth or WIRED initiatives to performance goals, making it unclear what criteria Labor will use to evaluate their effectiveness. In response to the first recommendation, Labor also disputed a claim that we did not make, namely that the initiatives belong in the assessment of WIA services.

In response to our second recommendation, Labor said it recently developed procedures to document noncompetitive grant proposals' compliance with statutory requirements. In its comments and in its corrective action plan to address Labor's inspector general's findings, Labor noted that its new procedures for reviewing noncompetitive grant

proposals included determining if they met these requirements and requires documenting this. Labor's inspector general is in the process of reviewing these corrective actions to determine their adequacy. Our review of the documents supporting these new procedures found no specific reference to statutory program requirements against which proposals would be checked for compliance. We revised our draft recommendation to clarify that we are asking Labor to identify the statutory program requirements for which compliance should be documented.

In response to our third recommendation, Labor said it plans to implement a risk-based monitoring approach for the WIRED initiative. Given that Labor has not yet done so, we stand by our recommendation that they follow through with this effort.

In its comments Labor disagreed with several of our findings and stated that

- the initiatives were not considered research projects and were not designed to compare participant outcomes with the participant outcomes achieved under the WIA formula program;
- workforce boards face no challenges that cannot be overcome in pursuing demand driven practices that are encouraged under the three initiatives;
- it is not improper to modify criteria for selecting grantees when the agency assessment of workforce needs changes; and
- there are no specific rules for documenting the decision-making process for noncompetitive grants, but agreed that additional documentation would be valuable and indicated that it has taken steps to require such documentation

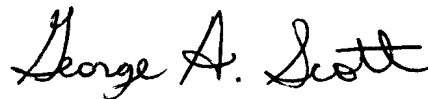
While we recognize that the grants awarded under these initiatives were not research projects per se, many were funded as pilots and demonstrations and by statute were required to have an evaluative component. Although Labor says that it did not intend to compare the initiative participants' outcomes with those of participants in WIA formula programs, its own documents suggest that these types of comparisons are warranted. We stand by our findings that workforce boards face challenges implementing demand-driven approaches. Labor acknowledged their efforts to provide workforce boards with assistance in this area. Regarding selection of noncompetitive, High Growth grantees, the fact remains that Labor could not provide specific criteria used for selecting these grantees and told us that these criteria changed over time. Although Labor's statement that no rules exist for documenting decision

making runs counter to federal principles for internal controls, it indicated that it is taking steps to address this issue.

Labor officials also provided technical comments that we incorporated into the report where appropriate. Labor's written comments are reproduced in appendix IV.

We are sending copies of this report to the Secretary of Labor, relevant congressional committees, and other interested parties. We also will make copies available to others upon request. In addition, the report will be made available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or scottg@gao.gov. Contact points for our Office of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix IV.



George A. Scott
Director, Education, Workforce,
and Income Security Issues

Appendix I: Scope and Methodology

Our objectives were to examine (1) the intent of the grant initiatives and the extent to which Labor will be able to assess their effects; (2) the extent to which the process used competition, was adequately documented, and included key players; and (3) what Labor is doing to monitor individual grantee compliance with grant requirements.

To determine the intent of the grant initiatives and the extent to which Labor was able to assess their effects, we reviewed documents, including grant proposals and quarterly reports, Labor's strategic plan to identify plans for research, and a study on the implementation and sustainability of the early High Growth grants.¹ We reviewed available solicitations for grant applications to understand the purpose and goals of the grants and to identify the kinds of outcome data that Labor expected from grantees—three for competitive High Growth grants, three Community Based grants, and two WIRED grants. In addition, we interviewed the appropriate Labor officials and also public workforce experts from the Upjohn Institute, the Council on Competitiveness, the National Governors Association, the National Network of Sector Partners, the Urban Institute, the National Association of State Workforce Agencies, and the National Association of Workforce Boards to obtain their views on the grant initiatives and workforce system activities. We also obtained a list of all High Growth, Community Based, and WIRED grants awarded between fiscal year 2001 and 2007 to determine the amounts, the source of funding, and the timing of the awards. We assessed the reliability of the individual grant data Labor provided by (1) reviewing the data for obvious errors and completeness, (2) reviewing related documentation, and (3) interviewing agency officials knowledgeable about the data. We determined that the data were sufficiently reliable for the purposes of this report. In addition, we reviewed the Workforce Investment Act (WIA) and the American Competitiveness Act (ACWIA), the two primary laws under which the funding for these grants was authorized.

We also conducted site visits. Out of a universe of about 340 grantees provided by Labor at the time of our review, we selected eight for more in-depth study, conducted semi-structured interviews of grantees and state and local workforce officials, and reviewed grantees' proposals and recent quarterly reports. We visited six grantees in five states—Colorado, Florida,

¹ John Trutko, Carolyn O'Brien, Pamela Holcomb, and Demetra Smith Nightingale, *Implementation and Sustainability: Emerging Lessons from the Early High Growth Job Training Initiative (HGJTI) Grants, Final Report* (Washington, D.C.: The Urban Institute, April 2007).

New Hampshire, New York, and Washington and contacted two additional grantees by telephone in Illinois and Pennsylvania. Four criteria were used to select these grantees: (1) grant type—we selected an industry/business representative, a community college, and a representative of the public workforce system for High Growth grantees; three community colleges for the Community Based grantees; and two regional grantees for WIRED; (2) geographic location—the sites represented different regions of the country; (3) time period—for the High Growth grantees, we selected two that received a grant through the noncompetitive process and had been operating 3 or more years and one grantee that competed for its award and was 2 years old; all of the Community Based were 2-year-old grants; and the WIRED grantees represented the first generation, which were only 1 year old; and (4) award amount—we selected grantees with awards that exceeded \$1 million.

In examining the extent to which the process used competition, was adequately documented, and included key players, we reviewed documents regarding the processes used to award both competitive and noncompetitive grants, and interviewed officials. We also analyzed data on the timing, numbers, and amounts of the High Growth grants and whether they were awarded competitively and noncompetitively. To understand Labor’s internal procedures and requirements for awarding grants, we reviewed the Department of Labor’s Manual Series guidance for awarding noncompetitive grants, its guidelines for submitting a noncompetitive grant proposal, and several solicitations for grant applications, which are used to announce competitive grant proposals. In addition, we reviewed recommendations from the Domestic Working Group Grant Accountability Project’s report on awarding federal grants and the Standards for Internal Control. We also reviewed the Federal Grant and Cooperative Agreement Act to determine the legal requirements for awarding noncompetitive grants. Finally, we reviewed Labor’s inspector general’s report on High Growth grants for findings concerning the procedures for awarding these grants noncompetitively. Labor also provided rosters of invitees and participants to its executive and solutions forums, which we analyzed to determine the numbers of state and local workforce participants at each of the forums.

To address what Labor is doing to monitor the performance of grantees, we interviewed Labor officials regarding the monitoring process and reviewed a list of High Growth and Community Based grants that had been monitored. We reviewed examples of six grantee monitoring reports and the single audit report of one grantee we contacted. We also reviewed Labor’s monitoring procedures, but we did not assess their effectiveness.

In addition, we reviewed Labor's inspector general's reports on grantee performance data and on the single audit process. We conducted our work from May 2007 to May 2008 in accordance with generally accepted government auditing standards.

Appendix II: High Growth, Community Based, and WIRED Grantees through September 30, 2007, by Initiative and State

Table 5: High Growth Grantees

Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
State of Alaska, Department of Labor and Workforce Development	\$7,000,000	AK		Energy	Sole source
University of Alaska	499,988	AK		Healthcare	Competitive
Alabama Dept of Economic And Community Affairs	3,548,115	AL		Advanced manufacturing	Sole source
Aerospace Development Center	1,898,820	AL	CA, FL, TX, CO, CT, IL, NY, OH, VA, WA, WI	Aerospace	Sole source
Alabama Department of Economic & Community Affairs	3,000,000	AL		Non-sector specific	Sole source
State of Arkansas - Department of Workforce Services	5,935,402	AR		Advanced Manufacturing	Sole source
Arkansas Department of Workforce Services	1,350,665	AR		Transportation	Sole source
Jobpath, Inc.	276,393	AZ		Biotechnology	Competitive
State of Arizona Department of Commerce	3,403,168	AZ		Information Technology	Sole source
League for Innovation in the Community College	500,000	AZ	National	Non-sector specific	Sole source
Alameda County Workforce Investment Board	2,000,000	CA		Biotechnology	Sole source
San Bernardino Community College District	1,618,334	CA		Advanced manufacturing	Sole source
San Diego Workforce Partnership, Inc.	2,510,117	CA		Biotechnology	Sole source
Rancho Santiago Community College District	187,939	CA	MO	Geospatial	Sole source
County of Orange/OC Workforce Investment Board	1,000,000	CA		Biotechnology	Competitive
City of Los Angeles/Community Development Department	1,196,000	CA		Healthcare	Competitive
Los Angeles Valley College	1,500,000	CA		Advanced manufacturing	Competitive
International Association of Nanotechnology	1,500,000	CA		Advanced manufacturing	Competitive
Colorado Department of Labor & Employment	1,024,580	CO		Healthcare	Sole source
Colorado Department of Labor & Employment	1,600,000	CO		Healthcare	Sole source
Pueblo Community College	\$658,519	CO		Healthcare	Sole source

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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
Geospatial Information & Technology Association	695,362	CO	National	Geospatial	Sole source
The Workplace, Inc.	2,000,000	CT		Advanced manufacturing	Sole source
The State of Connecticut, Department of Economic & Community Development	2,748,405	CT		Financial services	Sole source
CBIA Education Foundation	1,775,030	CT	MA	Advanced manufacturing	Competitive
Capital Workforce Partners	506,836	CT		Healthcare	Competitive
National Alliance of Business	813,000	DC	National	Non-sector specific	Sole source
U.S. Hispanic Chamber of Commerce	136,000	DC	CA, FL	Automotive	Sole source
Home Builders Institute	4,268,454	DC	National	Construction	Sole source
National Foundation for the Advancement of Elder and Disabled Care in America	104,929	DC	National	Healthcare	Sole source
National Retail Federation Foundation	99,900	DC	National	Retail	Sole source
National Retail Federation Foundation	5,065,000	DC		Retail	Sole source
Center for Energy Workforce Development	98,270	DC	National	Energy	Sole source
Arch Training Center, Inc.	269,193	DC		Financial services	Sole source
The Association of Career Management Firms International	60,000	DC	National	Non-sector specific	Sole source
National Center for Neighborhood Enterprise	99,635	DC	AL	Information technology	Sole source
Council on Competitiveness	99,999	DC	National	Non-sector specific	Sole Source
Association of Career Firms North America	99,000	DC	National	Non-sector specific	Sole Source
National Association of Workforce Boards	200,000	DC	National	Non-sector specific	Sole Source
Delaware Workforce Investment Board	200,697	DE		Biotechnology	Sole source
Brevard Community College	88,252	FL	National	Aerospace	Sole source
Florida Space Research Institute, Inc.	355,628	FL		Aerospace	Sole source
Workforce Alliance, Incorporated	2,325,303	FL		Biotechnology	Sole source
Agency for Workforce Innovation	1,261,997	FL		Healthcare	Sole source
Florida International University Board of Trustees, Office of Sponsored Research Administration	1,419,266	FL		Healthcare	Sole source
Miami Dade College	1,000,000	FL		Biotechnology	Competitive

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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
Florida Agency for Workforce Innovation	\$793,000	FL		Financial services	Sole source
Georgia Department of Labor	724,659	GA		Healthcare	Sole source
UPS	1,789,970	GA	National	Transportation	Sole source
University of Hawaii	1,400,000	HI		Construction	Sole source
Indian Hills Community College	996,250	IA		Biotechnology	Sole source
Western Iowa Tech Community College	1,498,548	IA	NE, SD	Advanced manufacturing	Competitive
Iowa Workforce Development	850,000	IA		Non-sector specific	Sole source
Illinois Department of Employment Security	5,086,538	IL		Advanced manufacturing	Sole source
Council for Adult and Experimental Learning Center	2,555,706	IL	TX, MO, SD, WA	Healthcare	Sole source
Comptia	2,818,795	IL	National	Information technology	Sole source
Illinois State University	5,774,420	IL	OH	Advanced manufacturing	Sole source
Chicago Women in Trades	2,092,343	IL		Construction	Sole source
National Congress of Parents and Teachers	480,000	IL	National	Non-sector specific	Sole source
Indianapolis Private Industry Council, Inc.	1,000,000	IN		Biotechnology	Competitive
Ivy Tech Community College of Indiana	1,860,515	IN		Advanced manufacturing	Competitive
The Manufacturing Institute	498,520	KS		Advanced manufacturing	Sole source
Neosho County Community College	495,600	KS		Healthcare	Competitive
Henderson-Henderson County Chamber of Commerce	2,991,840	KY		Advanced manufacturing	Sole source
Catalyst Learning	2,000,000	KY	IN, MD, VA, OH, PA	Healthcare	Sole source
West Kentucky Workforce Investment Board	3,025,260	KY		Energy	Sole source
The Kentucky Community and Technical College System	2,480,852	KY		Automotive	Sole source
Louisiana, Department of Labor Employment and Training	3,000,000	LA		Non-sector specific	Sole source
Board of Supervisors of Community and Technical Colleges	4,998,800	LA		Construction	Sole source
Jobs for the Future, Inc.	927,068	MA	National	Non-sector specific	Sole source
Jobs for the Future, Inc.	4,190,052	MA	National	Non-sector specific	Sole source

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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
Youth Build USA	\$18,202,600	MA	National	Construction	Sole source
Massachusetts Biotechnology Education Foundation	1,372,250	MA		Biotechnology	Sole source
Maryland Department of Labor, Licensing and Regulation	1,500,000	MD		Healthcare	Sole source
Maryland Department of Labor, Licensing and Regulation	1,000,000	MD		Non-sector specific	Sole source
Johns Hopkins Health System Corporation	3,237,411	MD		Healthcare	Sole source
Community Transportation Development Center	2,000,000	MD	DC, GA, OH, OR, PA	Transportation	Sole source
Paul Hall Institute of Human Development, Inc.	2,499,618	MD	HI, AK, Gulf Coast	Transportation	Sole source
360vu Research and Education Foundation	2,000,322	MD	National	Advanced manufacturing	Sole source
Maine Department of Economic And Community Development	2,996,724	ME	CT, MA, NH, RI, VT	Advanced manufacturing	Sole source
Automotive Youth Educational Systems, Inc.	600,000	MI	National	Automotive	Sole source
Automotive Youth Educational Systems, Inc.	2,200,000	MI	National	Automotive	Sole source
CVS Regional Learning Center	1,757,981	MI		Healthcare	Competitive
Northwest Michigan Council of Governments	500,000	MI		Healthcare	Competitive
Downriver Community Conference Retraining	5,000,000	MI		Automotive	Sole source
St. Louis City Workforce Investment Board	1,499,998	MO		Advanced manufacturing	Sole source
Carpenters' Joint Apprenticeship Program	2,187,107	MO		Construction	Sole source
University of Missouri – Columbia	2,305,995	MO		Energy	Sole source
University of Southern Mississippi-School of Engineering Tech	1,565,227	MS		Geospatial	Sole source
Mississippi Department of Employment Security	3,000,000	MS		Non-sector specific	Sole source
Mississippi Department of Employment Security	5,000,000	MS		Construction	Sole source
MHA Health Research & Educational Foundation	500,000	MS		Healthcare	Competitive
Forsyth Tech Community College	5,000,000	NC	NH, IA, WA, CA	Biotechnology	Sole source
Forsyth Tech Community College	754,146	NC		Biotechnology	Sole source

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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
North Carolina Department of Commerce	\$1,500,000	NC		Healthcare	Sole source
Central Community College	1,639,403	NE	SD, WY, IO, CO, KS	Advanced manufacturing	Sole source
San Juan College	2,113,127	NM	UT, AZ, CO, WY	Energy	Sole source
Southern Nevada Workforce Investment Board	1,121,166	NV		Hospitality	Sole source
Girl Scouts of the USA	200,000	NY	National	Automotive	Sole source
Excelsior College	516,154	NY	National	Healthcare	Sole source
Paraprofessional Healthcare Institute	999,902	NY	National	Healthcare	Sole source
Orange County Workforce Investment Board	1,048,300	NY		Healthcare	Competitive
Research Foundation of CUNY	494,386	NY		Hospitality	Sole source
Rochester Institute of Technology	1,158,983	NY		Advanced manufacturing	Competitive
Workforce Investment Board of Herkimer, Madison and Oneida Counties	497,576	NY		Healthcare	Competitive
1199 SEIU League Grant Corporation	192,500	NY		Healthcare	Sole source
Berger Health System	200,000	OH		Healthcare	Sole source
Ohio Department of Job and Family Services	4,296,624	OH		Advanced manufacturing	Sole source
Ohio Board of Regents	1,178,425	OH	FL, LA	Financial services	Sole source
Techsolve, Inc.	1,464,670	OH		Advanced manufacturing	Competitive
Lake Land Community College	333,485	OH		Biotechnology	Sole source
Lorain County Community College	2,599,979	OH		Non-sector specific	Sole source
High Plains Technology Center	1,495,487	OK	KS, TX	Energy	Sole source
State of Oklahoma Department of Career and Technology Education	2,363,539	OK	TX, KS, AK	Energy	Sole source
State of Oklahoma	1,500,000	OK		Advanced manufacturing	Competitive
Columbia Gorge Community College	1,250,000	OR		Healthcare	Sole source
Oregon Manufacturing Extension Partnership	3,199,709	OR	WA, ID	Advanced manufacturing	Sole source
Oregon Department of Community Colleges and Workforce Development	300,000	OR		Healthcare	Sole source
William F. Goodling Regional Advanced Skills Center	990,125	PA		Geospatial	Sole source

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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
Pennsylvania Automotive Association Foundation	\$95,000	PA		Automotive	Sole source
Delaware Valley Industrial Resource Center	3,000,000	PA		Advanced manufacturing	Sole source
Pittsburgh Life Sciences Greenhouse	2,433,159	PA		Biotechnology	Sole source
Lancaster County Workforce Investment Board	1,354,585	PA		Advanced manufacturing	Sole source
Pennsylvania Workforce Investment Board	6,378,000	PA		Advanced manufacturing	Sole source
The Pennsylvania State University	503,210	PA		Energy	Sole source
International Association of Jewish Vocational Services	1,000,000	PA	CA, NJ	Financial services	Sole source
Philadelphia Workforce Investment Board	1,500,000	PA	NJ, DE	Advanced manufacturing	Competitive
Johnson & Wales University	977,992	RI		Hospitality	Sole source
American College of the Building Arts	2,750,000	SC	National	Construction	Sole source
Clafin University	750,000	SC		Biotechnology	Competitive
Evangelical Lutheran Good Samaritan Society	1,877,517	SD	ND, MN	Healthcare	Sole source
Institute for GIS Studies	2,000,000	TN	NC, MS	Geospatial	Sole source
Hospital Corporation of America	4,000,000	TN	National	Healthcare	Sole source
Texas Workforce Commission	1,453,115	TX		Healthcare	Sole source
Eastfield College	837,424	TX		Automotive	Sole source
Houston-Galveston Area Council	1,000,000	TX		Aerospace	Sole source
Lower Rio Grande Valley Workforce Development Board	2,000,000	TX		Advanced manufacturing	Sole source
Community Learning Center, Inc.	1,168,400	TX		Aerospace	Sole source
Community Learning Center, Inc.	2,779,408	TX		Aerospace	Sole source
Valley Initiative for Development And Advancement	4,000,000	TX		Healthcare	Sole source
Capital Investing in the Development & Education of Adults, Inc.	224,088	TX		Healthcare	Sole source
Temple College	920,495	TX		Biotechnology	Competitive
United Regional Health Care System	846,325	TX		Healthcare	Competitive
Texas Workforce Commission	3,000,000	TX		Non-sector specific	Sole source
North Central Texas Workforce Development Board	1,562,382	TX		Advanced manufacturing	Competitive
Management And Training Corporation	1,499,686	UT	PA, OH, IL	Healthcare	Sole source
University of Utah	871,707	UT		Healthcare	Competitive

**Appendix II: High Growth, Community Based,
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Recipient name	Total award amount	Grantee state	Other states where activities take place	Sector	Award method
College of Eastern Utah	\$2,737,804	UT		Energy	Sole source
Kidz Online, Inc.	1,000,000	VA	National	Geospatial	Sole source
National Institute For Automotive Service Excellence	300,000	VA	National	Automotive	Sole source
Greater Peninsula Workforce Development Consortium	1,965,000	VA		Advanced manufacturing	Sole source
The National Institute for Metalworking Skills, Inc.	1,956,700	VA	National	Advanced manufacturing	Sole source
The National Institute for Metalworking Skills, Inc.	939,815	VA	National	Advanced manufacturing	Sole source
Skills USA VICA	142,000	VA	National	Non-sector specific	Sole source
Automotive Retailing Today	150,000	VA	National	Automotive	Sole source
Virginia Biotechnology Association	1,494,369	VA	MD	Advanced manufacturing	Competitive
Associated General Contractors	235,500	VA	National	Construction	Sole source
Vermont Department of Labor	570,688	VT		Information technology	Sole source
Shoreline Community College	1,496,680	WA	AK, ID, MT, OR, WA	Automotive	Sole source
Edmonds Community College	1,475,045	WA		Aerospace	Sole source
Tacoma-Pierce County Employment & Training Consortium	736,147	WA		Healthcare	Sole source
Gateway Technical College	900,000	WI	National	Automotive	Sole source
University of Wisconsin – Milwaukee	1,365,101	WI		Healthcare	Competitive
Wisconsin Healthcare Workforce Network	215,600	WI		Healthcare	Sole source
West Virginia University Research Corporation on Behalf of West Virginia University	3,000,000	WV		Energy	Sole source
State of Wyoming	2,400,000	WY		Energy	Sole source

Source: GAO analysis of U.S. Department of Labor grants data.

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Table 6: Community Based Grantees

Recipient name	Total award amount	Grantee state	Other states where activities take place
University of Alaska - Fairbanks Tanana Valley Campus	\$1,994,819	AK	
Calhoun Community College	2,465,656	AL	
Enterprise-Ozark Community College	1,636,688	AL	
George C. Wallace Community College	1,921,841	AL	FL, GA
George C. Wallace Community College at Hanceville	1,600,606	AL	
H. Councill Trenholm State Technical College	3,018,928	AL	
Northwest-Shoals Community College	1,656,636	AL	TN, MS
Snead State Community College	1,560,550	AL	
Bevill State Community College	1,909,973	AL	
H. Councill Trenholm State Technical College	2,300,000	AL	
Northwest Arkansas Community College	1,895,564	AR	
Pulaski Technical College	1,271,550	AR	
UAM College of Technology - McGehee	1,620,000	AR	
South Arkansas Community College	1,573,688	AR	
Rich Mountain Community College	2,349,207	AR	
University of Arkansas Community College at Batesville	1,992,274	AR	
Arizona Western College	1,996,654	AZ	
Central Arizona College	1,985,204	AZ	
Yavapai College	1,394,475	AZ	
Cypress Community College	1,663,164	CA	
Santa Monica College	1,393,442	CA	
Solano Community College	1,260,000	CA	
Board of Governors, California Community Colleges	1,992,481	CA	
West Hills Community College District	1,999,753	CA	
County of Merced	1,850,443	CA	
Contra Costa Community College	1,484,918	CA	
Aims Community College	818,691	CO	
Otero Junior College	998,453	CO	
Trinidad State Junior College	1,496,673	CO	
Manchester Community College	2,147,325	CT	
Manchester Community College	2,174,000	CT	
Broward Community College	1,603,627	FL	
Edison College	1,986,371	FL	
Palm Beach Community College	1,561,713	FL	
Pensacola Junior College	1,329,145	FL	

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Recipient name	Total award amount	Grantee state	Other states where activities take place
Santa Fe Community College	\$1,072,339	FL	
St. Petersburg College	1,653,765	FL	
Valencia Community College	1,999,392	FL	
Broward Community College	1,998,621	FL	
St. Petersburg College	1,246,869	FL	
Florida Community College at Jacksonville	1,999,835	FL	
Polk Community College	2,000,000	FL	
Darton College	2,484,456	GA	
Georgia Perimeter College	1,513,281	GA	
Savannah Technical College	1,298,411	GA	
Atlanta Technical College	2,102,900	GA	
Athens Technical College	1,996,326	GA	
Northwest Iowa Community College	1,740,322	IA	MN, SD, NE
Eastern Iowa Community College District	1,564,012	IA	IL
College of Southern Idaho	1,459,411	ID	NV, OR, UT, NY
Idaho State University	1,996,958	ID	
Lake Land College	863,321	IL	
College of Dupage	1,422,342	IL	
Illinois Eastern Community Colleges, District #529	859,214	IL	
Ivy Tech Community College of Indiana	2,572,436	IN	
North Central Kansas Technical College	1,600,000	KS	MO
Dodge City Community College	1,926,238	KS	
Madisonville Community College	1,210,008	KY	
Owensboro Community and Technical College	824,779	KY	IN
Bluegrass Community and Technical College	1,416,947	KY	
L.E. Fletcher Technical Community College	3,600,768	LA	
Southern University at Shreveport	1,992,240	LA	
Middlesex Community College at Bedford	853,736	MA	
Middlesex Community College	1,886,569	MA	
Hagerstown Community College	1,649,348	MD	PA, WV
Anne Arundel Community College	2,077,137	MD	
Frederick Community College	1,997,776	MD	
The Community College of Baltimore County	2,585,471	MD	
Kennebec Valley Community College	955,831	ME	
Southern Maine Community College	2,214,394	ME	
Southwestern Michigan College	634,677	MI	

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Recipient name	Total award amount	Grantee state	Other states where activities take place
Alpena Community College	\$1,941,935	MI	
Berrien Cass Van Buren Michigan Works!	1,937,112	MI	IN
Washtenaw Community College	150,357	MI	
Riverland Community College	2,219,453	MN	
The Junior College District of Kansas City - Missouri	1,970,252	MO	
Texas County Technical Institute	1,949,954	MO	
Coahoma Community College	2,250,560	MS	
Mississippi Gulf Coast Community College	1,928,457	MS	
Itawamba Community College	1,951,138	MS	AL, TN
Montana State University - Billings College of Technology	1,980,042	MT	
Montana State University- Billings College of Technology	1,998,885	MT	
Trustees of Haywood Community College	1,696,974	NC	
United Tribes Technical College	1,463,996	ND	
Central Community College	1,910,185	NE	
Northeast Community College	1,999,999	NE	
NH Community Technical College - Manchester/Stratham	1,999,039	NH	
Passaic County Community College	1,608,948	NJ	
Gloucester County College	2,000,000	NJ	PA, DE
Cumberland County College	1,632,530	NJ	
Clovis Community College	1,270,705	NM	TX
Mesalands Community College	2,000,000	NM	
Suffolk County Community College	2,377,114	NY	
CUNY Kingsborough Community College	1,620,987	NY	
Cuyahoga Community College	1,863,833	OH	
Cincinnati State Technical And Community College	1,493,299	OH	
Edison State Community College	2,030,387	OH	
City of Cleveland/Cuyahoga County Workforce Area 3	2,289,449	OH	
Eastern Oklahoma State College, Inc.	1,786,780	OK	
Chemeketa Community College	2,900,000	OR	
Blue Mountain Community College	1,220,423	OR	
Clackamas Community College	848,486	OR	
Lane Community College	1,969,923	OR	ID
Harrisburg Area Community College	2,007,740	PA	
Northampton County Area Community College	713,025	PA	
Montgomery County Community College	1,371,264	PA	
Community College of Rhode Island	1,826,689	RI	

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Recipient name	Total award amount	Grantee state	Other states where activities take place
Midlands Technical College	\$1,946,563	SC	
Cleveland State Community College	861,840	TN	
Jackson State Community College	1,941,632	TN	
Southwest Tennessee Community College	1,829,320	TN	
Walters State Community College	1,939,796	TN	
Alamo Community College District	1,344,569	TX	
Amarillo College	1,386,525	TX	
College of the Mainland	1,909,380	TX	
Midland College	617,291	TX	
North Central Texas College	1,999,564	TX	
Southwest Texas Junior College	1,929,645	TX	
Texas State Technical College Harlingen	2,064,161	TX	
The Victoria County Junior College District	1,980,011	TX	
Del Mar College	1,982,812	TX	
Odessa College	1,751,178	TX	
South Texas College	708,476	TX	
Lamar State College - Orange	1,526,700	TX	
College of Eastern Utah - San Juan Campus	1,260,893	UT	AZ
Salt Lake Community College	1,997,759	UT	
Blue Ridge Community College	1,937,786	VA	
Northern Virginia Community College	1,221,062	VA	
Piedmont Virginia Community College - Division of Workforce Services	1,479,497	VA	
Central Virginia Community College	1,249,527	VA	
Mountain Empire Community College	1,999,266	VA	
Columbia Basin College	1,992,675	WA	
Seattle Central Community College	2,762,496	WA	
Whatcom Community College	2,145,400	WA	AK
Everett Community College	2,000,000	WA	
Waukesha County Technical College	2,307,306	WI	
College of Menominee Nation	2,000,000	WI	
Madison Area Technical College	1,961,110	WI	
Milwaukee Area Technical College	1,999,999	WI	
West Virginia State Community and Technical College	1,598,212	WV	
Northern Wyoming Community College District - Gillette Campus	1,997,385	WY	
Casper College	1,015,602	WY	UT, OR, WA, ID, CA

Source: GAO analysis of U.S. Department of Labor grants data.

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Table 7: WIRED Grantees

Recipient name	Total award amount	Grantee state	Other states where activities take place
Alabama Department of Economic & Community Affairs	\$15,000,000	AL	MS
Alabama Department of Economic & Community Affairs	5,000,000	AL	TN
Arkansas - Department of Workforce Services	5,000,000	AR	
Arizona Department of Commerce	5,000,000	AZ	
State of California	15,000,000	CA	
California Employment Development Department	5,000,000	CA	
Colorado Department of Labor & Employment	15,000,000	CO	
Connecticut Department of Labor	5,000,000	CT	
State of Florida	15,000,000	FL	
Idaho Department of Commerce and Labor	5,000,000	ID	
Indiana Department of Workforce Development	15,000,000	IN	
Indiana Department of Workforce Development	5,000,000	IN	
Kansas Department of Commerce	5,000,000	KS	
Kentucky Office of Employment and Training	5,000,000	KY	
Maine Department of Labor	14,402,780	ME	
Michigan Department of Labor	15,000,000	MI	
Michigan Department of Labor	14,996,953	MI	
Michigan Department of Labor (Detroit)	5,000,000	MI	
Minnesota Department of Employment and Economic Development	5,000,000	MN	
Missouri Department of Economic Development	14,922,702	MO	KS
Missouri Division of Workforce Development	5,000,000	MO	
Mississippi Department of Employment Security	5,000,000	MS	
Montana Department of Labor and Industry	15,000,000	MT	
North Carolina Department of Commerce, Division of Employment and Training	14,685,000	NC	
New Jersey Department of Labor and Workforce Development	5,000,000	NJ	
New Jersey Department of Labor and Workforce Development	5,000,000	NJ	
New Mexico Department of Workforce Solutions	5,000,000	NM	
New York Department of Labor	14,792,509	NY	
Governor's Grant Office - Ohio	100,000	OH	
Ohio Department of Job and Family Services	5,000,000	OH	
Oregon Department of Community Colleges and Workforce Development	5,000,000	OR	
Pennsylvania Department of Labor and Industry	15,000,000	PA	
Pennsylvania Department of Labor and Industry	5,000,000	PA	NJ, DE

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Recipient name	Total award amount	Grantee state	Other states where activities take place
Puerto Rico Department of Labor	\$5,000,000	PR	
Texas Workforce Commission	100,000	TX	
State of Texas - Office of the Governor	5,000,000	TX	
Utah Department of Workforce Services	5,000,000	UT	
Virginia Employment Commission	5,000,000	VA	
Washington Employment Security Department	5,000,000	WA	
Wisconsin Department of Workforce Development	5,000,000	WI	
Wisconsin Department of Workforce Development	5,000,000	WI	

Source: GAO analysis of U.S. Department of Labor grants data.

Appendix III: Department of Labor Technical Assistance Contracts

Table 8: Department of Labor Technical Assistance Contracts Related to High Growth, Community Based, and WIRED Grant Initiatives

Contractor	Contract amount
DTI Associates, Inc	\$23,236
DAH Consulting, Inc., and Aspen Institute	39,566
Coffey Communications, LLC	27,000
Coffey Communications, LLC	250,000
Jobs for the Future	30,000
M.H. West & Co., Inc.	1,499,977
TATC Consulting	1,892,947
Leonard Resource Group	700,000
DTI Associates, Inc	2,497,259
Berkeley Policy Associates Old H-1B Technical Skill Training Grant Program, recast for HG	399,835
Mathematica Policy Research, Inc.	99,842
DAH Consulting, Inc.	349,995
M.H. West & Co., Inc.	2,252,515
Technology & Management Services, Inc.	2,287,884
New Economy Strategies	3,750,000
Total	\$16,100,056

Source: U. S. Department of Labor

Appendix IV: Comments from the Department of Labor

U.S. Department of Labor

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



APR 11 2008

Mr. George A. Scott
Director
Education, Workforce and Income Security Issues
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Scott:

This letter is the Department of Labor's (DOL) response to the Government Accountability Office (GAO) Draft Report No. 08-486 entitled, "*Employment and Training Program Grants: Evaluating Impact and Enhancing Monitoring Would Improve Accountability.*" We appreciate the opportunity to comment on the draft.

Overall Comments on Report

GAO's report on the Employment and Training Administration's (ETA) three grant initiatives, High Growth Job Training Initiative (HGJTI), Community Based Job Training Grants (CBJTG), and Workforce Innovation in Regional Economic Development (WIRED), makes conclusions regarding all three initiatives without taking into consideration some key distinctions. Although all three initiatives are connected to ensuring more workers receive training and education to access and fill jobs and careers in high growth industries and occupations, they are very different initiatives with different objectives.

None of the three initiatives is considered to be a research project. Consequently, these initiatives were not designed to compare participant outcomes with the participant outcomes achieved under the WIA formula programs. Instead, these initiatives are designed to highlight model approaches and necessary partnerships with industry, community colleges, economic development organizations, foundations, and investors.

Responses to Overarching Findings

DOL offers its responses below to several conclusions drawn by GAO on the attached report.

GAO suggests that Labor did not plan well to get the appropriate performance and outcome data to enable comparisons to other programs (HGJTI and WIRED).

High growth industries identified a variety of workforce challenges, including industry image, recruitment and retention, skills development, and capacity of training providers.

The workforce solutions funded by the HGJTI addressed these challenges in a variety of ways. HGJTI grantees implemented workforce solutions within a given industry through different strategies, making it difficult to compare across grants. Additionally, some grants focused on solutions for a single challenge and others implemented solutions to a number of challenges. These differences among grants made it necessary to assess the individual grants using different methodologies – an approach ETA has attempted since the inception of the initiative. Over time, the HGJTI has become more “programmatic” in nature, and ETA has moved to formalize the reporting and performance measurement processes, which are expected to be in place by July 2008.

Evaluations are in progress for all three generations of WIRED grantees. Similar to the HGJTI, the approaches in the thirty-nine (39) regions funded under WIRED are all very different. Every region has been required to identify their region’s specific outcomes and track against them, and, where job training is provided, to capture data consistent with the Office of Management and Budget’s common measures. The outcomes for common measures are not yet available due to the timing of training, which generally follows a period of building capacity to do the training and the lag in gaining access to wage record data. Many of the region-specific indicators are more long term indicators, such as a reduction in high school dropouts, new business start-ups, and job creation.

GAO finds fault with the HGJTI’s non-competitive process related to several issues such as: inclusion of workforce system partners in the process; criteria for grant review was not documented and changed over time; where WIA funds were used, there was a lack of documentation of statutory requirements; and documentation supporting the procurement process was not sufficient (citing the Office of Inspector General’s (OIG) report).

The HGJTI represents a systemic change from the approach taken by ETA in the past and is designed to propel the workforce investment system to become demand-driven. With this new initiative, ETA felt that worker and employer needs would be served most expeditiously and effectively by awarding the early HGJTI grants on a non-competitive basis. It was, however, ETA’s intent from the early phases of the HGJTI to move to a fully competitive investment model, and ETA began that process in Program Year 2004. Currently, all HGJTI grants are awarded through a competitive process.

Prior to making the initial noncompetitive awards, ETA took a rigorous approach to identifying growth industries, collecting data from industry leaders, and reviewing over 450 unsolicited grant applications. Many of the reviewed proposals put forth truly innovative approaches to workforce solutions, and many of the applicants demonstrated a commitment to their approach by proposing to provide substantial funding or other contributions to the project. ETA made sole source awards consistent with the DOL policies and procedures governing non-competitive awards and Federal procurement rules.

➤ **Inclusion of workforce system partners**

The HGJTI had a primary goal of changing the perspective and approach through which the workforce system operates. Rather than focusing only on the individual job seeker, HGJTI set forth a framework where employers' needs and the training associated with employment opportunities are the starting point for action. This initiative recognized the importance of strategic partnerships among the workforce system and employers in the implementation of these actions. As GAO identified in their report, ETA went to significant lengths to gain workforce system involvement in its HGJTI efforts. ETA would add that in addition to those outreach efforts specifically referenced, ETA routinely issued press releases on all HGJTI grants, posted grant information on the ETA website, worked collaboratively with the National Association of Workforce Boards and the National Association of State Workforce Agencies to fully describe the initiative, and developed Workforce3One.org – a website designed to promote demand-driven approaches.

GAO also suggests that workforce boards faced barriers to adopting the framework for the HGJTI and WIRED. In response, ETA asserts that the framework for the HGJTI and WIRED are a part of the vision of WIA. Workforce boards are intended to drive the use of WIA resources toward meeting industry needs and to develop the capacity of the workforce system to address future training and education demands. Additionally, the workforce boards should work to leverage additional resources beyond those directly provided by WIA. Many workforce boards have proven to be exceptionally entrepreneurial in their collaboration with strategic partners and have leveraged a wide array of resources beyond those granted through WIA to successfully implement these approaches to workforce development. ETA has supported and continues to support, the workforce system with these initiatives by providing flexibility in the use of WIA funds through the issuance of waivers and by providing significant technical assistance to help workforce boards learn how to implement these approaches. ETA agrees that a more flexible and reformed WIA statute would enable the workforce system to better engage in these approaches, but we do not agree that any current challenges cannot be overcome.

➤ **Criteria for grant review was not documented and changed over time**

ETA provided GAO with a history of the HGJTI that clearly stated that DOL reviewed these proposals with an intent to choose those proposals that: 1) were innovative; 2) responded directly to the issue areas defined by industry; 3) represented strategic partnerships that included business and industry, education, and the public workforce system; and, 4) in many cases leveraged both public and private funding from other sources. Over time, ETA also began to find that similar workforce challenges emerged across industry sectors, such as the image of the industry, the need for a pipeline of youth, the need to build educational capacity, the need for well-defined skills and competencies, the need for understanding career ladders and lattices within an industry, and the need to engage untapped talent pools. As we gained this knowledge, ETA began to look for solutions in specific industries that covered these challenges. It is not

improper to modify the standards for selecting grantees when the agency's assessment of the workforce needs changes. .

Documentation supporting the procurement process was not sufficient (See OIG report).

ETA strongly disagreed with the majority of the findings of the OIG's audit report on HGJTI and, where GAO repeats these findings, ETA continues to disagree. There are no specific rules for documenting the decision-making process for non-competitive grants and ETA believes that its methods of documentation went beyond practices usually applied in overseeing noncompetitive grants. However, as GAO suggests, ETA concurs that additional documentation would be valuable and has taken steps to change its processes to require such documentation.

GAO suggests that HGJTI and WIRED should have been included in ETA's strategic plan and research agenda.

While the strategic plan is part of the program/budget exercise applied mainly to statutory programs, ETA discusses both the HGJTI and WIRED initiatives in its annual budget request, which provides comprehensive policy guidance on agency priorities. In addition, the DOL's Strategic Plan for Fiscal Years 2006-2011 discusses how the HGJTI is helping workers by "targeting private and public resources and support to capitalize on industries and sectors experiencing economic growth and expansion" (page 11) and "increasing system focus on understanding, predicting, and populating the high-growth marketplace, using models and lessons developed by the President's High Growth Job Training Initiative" (page 28). The strategic plan also lists the HGJTI in the active program evaluations table (page 76). The strategic plan also discusses how the Department is developing competitiveness through WIRED in response to the President's Competitiveness Agenda (page 29).

ETA's Five-Year Research, Demonstration and Evaluation Strategic Plan for 2007-2012 identifies the HGJTI as one of the current research, demonstration and evaluation projects being implemented (pages 10-11). In addition, under future research, the plan discusses an option to measure integration success by evaluating the partnerships within the HGJTI, CBJTI, and WIRED initiatives to determine their role in training outcomes and regional economic stability and growth. ETA has taken initial steps towards measuring integration through the HGJTI evaluation and the WIRED initiative evaluation (pages 16-17).

Responses to Recommendations for Executive Action

On page 27 of the draft report, GAO made three Recommendations for Executive Action. DOL would like to respond.

Recommendation #1

Take steps to ensure that the department can evaluate the impact of the initiatives so that it can draw strong conclusions based on its evaluations, such as following through with plans to collect consistent data, integrating the initiatives into its overall research agenda with relevant performance goals and indicators, and including these initiatives in its assessment of the impact of WIA services.

ETA has taken initial steps to evaluate the impact of the three initiatives and is continuously looking for better methods to evaluate the outcomes of these complex and innovative strategic approaches. ETA is committed to identifying methods for collecting hard data on common measures for all three initiatives where grant dollars are used for direct training.

ETA reiterates that the three initiatives are already integrated in its most recent five-year strategic plan. ETA also disagrees with the premise that these three initiatives belong in its assessment of the impact of WIA services, since these initiatives have their own evaluation efforts.

Recommendation #2

Direct the ETA to ensure that in awarding noncompetitive grants, statutory program requirements are met and that this is documented.

ETA has processed unsolicited proposals based on established procedures since 1999. ETA has recently updated this process in an effort to streamline and improve accountability. Under the updated process, proposals undergo a thorough preliminary review to assess compliance with applicable Federal laws and regulations, alignment with the Secretary of Labor's strategic goals, ETA's guiding principles, and our current policy and investment focus. Compliance with statutory requirements is now fully documented.

Organizations submitting proposals that are not compliant with these criteria do not receive further consideration. Proposals compliant with these criteria are forwarded to agency programmatic experts for a comprehensive feasibility review. If this comprehensive review results in an equivocal recommendation, the proposal is peer reviewed. Proposals that receive a favorable review by programmatic experts or a peer review group, as applicable, are recommended to the Assistant Secretary for funding consideration. Funding for unsolicited (non-competitive) proposals for amounts greater than \$100,000 must be approved by the DOL Procurement Review Board (PRB) and must meet one or more of the criteria for non-competitive funding.

All facets of this process, including the initial, comprehensive, and peer reviews; funding recommendations; and PRB requests and determinations are fully documented, and the documentation is maintained for the period required by regulation and statute.

The Office of Grants and Contract Management will maintain all approved PRB recommendations that are funded in the official grant file.

Recommendation #3

Develop and implement a risk-based monitoring approach for WIRED and a schedule for its use.

ETA plans to implement a risk-based monitoring approach for the WIRED grants by June 2008. The Core Monitoring Guide (the Guide) and Financial Supplement used for all ETA grants, including the HGJTI and CBJT grants, will be the source documents for these reviews. The Guide will be supplemented further with a WIRED-specific set of objectives and questions designed to elicit information that is specific to the WIRED grants, including activities such as education, marketing, and intellectual property development. While the Guide and supplements will be used to determine adherence to requirements at the state or grantee level, they will also be used to determine adherence to requirements at the regional or subgrantee levels.

A schedule for these reviews is in the initial stage, with the first review currently scheduled for the week of June 2, 2008. At that time, the supplements will be field-tested for any needed changes and a core group of reviewers will be trained in the use of the Guide and report development. Subsequent to the initial review, Federal Project Officers assigned to the WIRED grants will be trained. We anticipate that the second review will be conducted the week of June 23, 2008, with the remainder of the Generation I grantees being reviewed by the end of September 2008. Generation II and III grantees will be reviewed after October 1, 2008. Grantees will be notified of the upcoming reviews at the WIRED Academy to be held May 1-2, 2008, in Boston.

The Guide and the Financial Supplement have previously been provided to GAO. The WIRED specific supplement is currently in development.

Again, thank you for the opportunity to comment on this report.

Sincerely,



Brent R. Orrell
Acting Assistant Secretary

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

George A. Scott, Director, 202-512-7215 or scottg@gao.gov

Staff Acknowledgments

Patrick di Battista, Assistant Director, and Julianne Hartman Cutts managed this engagement.

Karen A. Brown and Nancy Purvine, Senior Analysts, and Stephanie Toby, Analyst, made significant contributions to this report. Jean McSween provided methodological assistance, and Jessica Botsford provided legal assistance. The team also benefited from key technical assistance from Susan Aschoff, Pat L. Bohan, Paul Caban, Jessica Orr, Michael Springer, and Charles Willson.

Related GAO Products

Workforce Investment Act: Additional Actions Would Improve the Workforce System. [GAO-07-1061T](#). Washington, D.C.: June 28, 2007.

Veterans' Employment and Training Service: Labor Could Improve Information on Reemployment Services, Outcomes, and Program Impact. [GAO-07-594](#). Washington, D.C.: May 24, 2007.

Workforce Investment Act: Employers Found One-Stop Centers Useful in Hiring Low-Skilled Workers; Performance Information Could Help Gauge Employer Involvement. [GAO-07-167](#). Washington, D.C.: December 22, 2006.

National Emergency Grants: Labor Has Improved Its Grant Award Timeliness and Data Collection, but Further Steps Can Improve Process. [GAO-06-870](#). Washington, D.C.: September 5, 2006.

Discretionary Grants: Further Tightening of Education's Procedures for Making Awards Could Improve Transparency and Accountability. [GAO-06-268](#). Washington, D.C.: February 21, 2006.

Workforce Investment Act: Labor and States Have Taken Actions to Improve Data Quality, but Additional Steps Are Needed. [GAO-06-82](#). Washington, D.C.: November 14, 2005

Workforce Investment Act: Substantial Funds Are Used for Training, but Little Is Known Nationally about Training Outcomes. [GAO-05-650](#). Washington, D.C.: June 29, 2005.

Workforce Investment Act: Labor Should Consider Alternative Approaches to Implement New Performance and Reporting Requirements. [GAO-05-539](#). Washington, D.C.: May 27, 2005.

Workforce Investment Act: Employers Are Aware of, Using, and Satisfied with One-Stop Services, but More Data Could Help Labor Better Address Employers' Needs. [GAO-05-259](#). Washington, D.C.: February 18, 2005.

Public Community Colleges and Technical Schools: Most Schools Use Both Credit and Noncredit Programs for Workforce Development. [GAO-05-4](#). Washington, D.C.: October 18, 2004.

Workforce Investment Act: States and Local Areas Have Developed Strategies to Assess Performance, but Labor Could Do More to Help. [GAO-04-657](#). Washington, D.C.: June 1, 2004.

National Emergency Grants: Labor Is Instituting Changes to Assess Performance, but Labor Could Do More to Help. [GAO-04-496](#). Washington, D.C.: April 16, 2004.

Workforce Investment Act: Labor Actions Can Help States Improve Quality of Performance Outcome Data and Delivery of Youth Services. [GAO-04-308](#). Washington, D.C.: February 23, 2004.

Workforce Investment Act: One-Stop Centers Implemented Strategies to Strengthen Services and Partnerships, but More Research and Information Sharing Is Needed. [GAO-03-725](#). Washington, D.C.: June 18, 2003.

Workforce Training: Employed Worker Programs Focus on Business Needs, but Revised Performance Measures Could Improve Access for Some Workers. [GAO-03-353](#). Washington, D.C.: February 14, 2003.

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