

2. Significant FY 2006 Audits and Evaluations

The Department of Labor has a department-wide commitment to using audits and evaluations as part of our management and planning process. Evaluations are used to validate and measure the effectiveness of our goal achievement strategies. Audits and evaluations are also viewed as opportunities to improve the cost effectiveness and quality of our programs.

During the past year, the audits and evaluations summarized below have provided information and guidance to the Department’s agencies and bureaus. As each program is examined, the entire Department moves one step closer to our common goal of providing America with a prepared, secure, and competitive workforce with quality workplaces.

The audits and evaluations listed below are categorized by the DOL strategic goals they support.

GOAL 1: A PREPARED WORKFORCE	
1. Issue: Proper spending of WIA incumbent worker funds	
<p>Program Area: ETA WIA Performance Goal: Goal 05-1.1A – Increase placements and educational attainments for youth served through the WIA Youth program. Goal 05-4.1A – Increase the employment, retention, and earnings of individuals registered under the WIA Adult Program. Goal 05-4.1C – Increase the employment, retention, and earnings replacement of individuals registered under the WIA Dislocated Worker Program.</p>	<p>Report Title: Insufficient Federal Guidance Could Result in Misuse of Incumbent Worker Training Program Funds (OIG 06-05-003-03-390) Date Completed: September 2005 Conducted By: OIG</p>
<p>Program Implication: Lack of guidance to States could lead to misuse of incumbent worker funds. This is especially important since proposed legislation for WIA reauthorization provides that local boards could spend up to 10 percent of their funds for incumbent working training. It is necessary that ETA ensure that these funds are used to pay for upgrading current workers skills and not on business start-up or production costs.</p>	
<p>Findings: No Federal definition of “eligible individual” exists for incumbent worker training; each State defines eligibility.</p>	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. ETA should issue guidance to the States that clarifies that incumbent worker training programs are intended to pay for skills upgrading, not start-up costs for a new business. Such guidance might say that skills upgrading includes training that: <ol style="list-style-type: none"> a. help an employer’s workforce keep up with technology or other job changes to allow employees to keep their jobs, and b. help workers acquire skills to allow them to be promoted to higher paying jobs. 2. ETA should encourage the States to: <ol style="list-style-type: none"> a. establish policies and definitions that set some minimum time period for a company to be in business in a State in order to qualify for incumbent worker training funds available under either WIA statewide activities or local board activities, and b. set some minimum time for a worker to be employed in order to qualify as an incumbent worker. 3. ETA should seek to incorporate these recommendations into the WIA reauthorization legislation. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. ETA has requested additional information from the State of Arkansas to validate that no WIA funds were spent improperly. After a thorough review of Arkansas’ questioned WIA incumbent worker expenditures, ETA determined that all of the State’s costs were indeed allowable under WIA law and regulations. 2. ETA issued a final determination letter conveying this finding to the State on November 2, 2005. 3. On March 6, 2006, ETA issued TEGL No. 18-05, clarifying the ways in which WIA funds may be used for incumbent worker training. 	
<p>Actions Remaining: ETA will issue policies on incumbent worker training and on WIA-funded economic development activities.</p>	<p>Expected Completion: September 2006</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2005/06-05-003-03-390.pdf.</p>	

2. Issue: Data quality issues affecting States' efforts to collection and report WIA performance data	
<p>Program Area: ETA WIA Performance Goal: Goal 05-1.1A – Increase placements and educational attainments for youth served through the WIA Youth program. Goal 05-4.1A – Increase the employment, retention, and earnings of individuals registered under the WIA Adult Program. Goal 05-4.1C – Increase the employment, retention, and earnings replacement of individuals registered under the WIA Dislocated Worker Program.</p>	<p>Report Title: Workforce Investment Act: Labor and States Have Taken Actions to Improve Data Quality, but Additional Steps Are Needed (GAO-06-82) Date Completed: November 2005 Conducted By: GAO</p>
<p>Program Implication: WIA has significantly changed the way that performance outcomes are measured by States and localities. Consequently, it was necessary to review the impact that such changes have had on (1) the data quality issues previously identified as affecting States' efforts to collect and report WIA performance data, (2) States' actions to address them, and (3) the actions DOL is taking to address remaining issues.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Almost all States have made efforts to improve the quality of WIA performance data. At least 40 States have controls in their IT systems that capture WIA performance data, such as edit checks or exception reports to help screen for errors or missing data. 2. Forty-three States have taken actions to clarify DOL guidance and help local areas determine who should be tracked in the performance measures. 3. Most States said they monitor local areas by assessing local procedures and policies. 4. DOL addressed some data quality concerns by requiring States to validate their data and ensure the accuracy of their performance outcomes. 5. Most States reported that DOL requirements have increased awareness of data quality at the State/local level. 6. DOL does not have methods in place to review States' validation efforts or hold States accountable for complying with its requirements. 7. DOL issues guidance requiring States to implement common performance measures on July 1, 2005, which clarified some key data elements, but does not address all the issues. 8. The Department has Federal monitoring processes in place but lacks a standard monitoring guide to address data quality. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. DOL should determine a standard point of registration and monitor its implementation. 2. The Department should conduct a review of WIA participant files and take steps to hold States accountable for meeting data validation requirements. 3. DOL should develop a standard monitoring tool for WIA performance data. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. Training and Employment Guidance Letter (TEGL) 17-05, <i>Common Measures Policy</i>, issued February 17, 2006, provided States with a single, unified document on performance and reporting requirements for common measures and WIA Section 136 performance accountability purposes. It includes clarification regarding the point of participation (registration) and exit. 	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. DOL plans to modify the current data validation procedures to begin reviewing a sample of States' validation files and plans to hold States accountable for data validation results. 2. DOL is taking steps to develop a comprehensive monitoring guide for performance data and plans; will provide training on the new guide to improve the completeness and consistency of oversight. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. February 2007 2. December 2006
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d0682.pdf.</p>	
3. Issue: Helping students with cognitive disabilities to become employable	
<p>Program Area: Job Corps Performance Goal: Goal 05-1.1B – Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education.</p>	<p>Report Title: Strengthening Efforts to Assess and Account for Students with Cognitive Disabilities Would Help Job Corps Achieve its Mission (OIG 09-06-001-03-370) Date Completed: November 2005 Conducted By: OIG</p>

<p>Program Implication: Improving efforts to assess and account for students with unknown or undisclosed cognitive disabilities would help Job Corps achieve its mission to teach eligible young adults the skills they need to become employable and independent.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Assessing all Job Corps students for cognitive disabilities would improve student outcomes, but increase program costs. 2. Federal law requires assessment under specific circumstances, and Job Corps had not ensured compliance. 3. Job Corps cognitive disability data were not reliable. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Require Job Corps to identify students with unknown or undisclosed cognitive disabilities. 2. Conduct a pilot program to develop appropriate screening and formal evaluation methodology. 3. Assess the impact on performance and costs. 4. Implement national policies and procedures as appropriate. 5. Ensure that center schools subject to legislation requiring cognitive disability assessment comply with such requirements. 6. Ensure that data submitted by centers on cognitively disabled student are accurate and complete. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. Job Corps will follow its established process, comparable to that used in most public school systems, for identification of cognitive disabilities in accordance with the Rehabilitation Act of 1973. 2. A <i>Policy and Requirements Handbook</i> Change Notice has been developed and approved by the Department’s Office of Civil Rights. It will provide additional information for identifying students with cognitive disabilities. 3. New <i>Policy and Requirements Handbook</i> requirements have been developed for approval and release that: <ol style="list-style-type: none"> a. describe the entities required under IDEA and Section 504 to assess students for cognitive disabilities; b. require centers that meet any of the criteria to contact the appropriate State or Federal agencies for guidance; and c. require centers subject to IDEA or Section 504 requirements to document their processes for providing student assessments and special education for students in their center training plans. 4. Job Corps has incorporated improvements to its annual survey of centers regarding high school programs to better identify centers that might be subject to IDEA and Section 504 requirements. 5. Job Corps will continue to research, confer with national experts in the field, and convene expert and practitioner panels to study new models and strategies to assist students with cognitive disabilities. 6. Job Corps has established Regional Disabilities Specialists to provide ongoing, targeted technical assistance and training for center staff on the implementation of instructional strategies shown scientifically to work with cognitively disabled students and other low achieving students. The specialists will also help centers leverage community-based and other resources in serving students. 7. Through a designated contract, Job Corps conducted targeted assessments at a sample of 12 Job Corps centers to examine disabilities data collection practices and identified specific areas for improvement. 8. Job Corps has established a formal audit system and requires centers/contractors to be more accountable for the accuracy of data. This system enables the national office to routinely check on the accuracy of centers’ entry of disabilities data into the electronic data collection system. 9. Job Corps continues to monitor and upgrade its current system for communicating to centers its policies and procedures related to identifying, assessing and meeting the needs of students with cognitive disabilities. 	
<p>Actions Remaining: Job Corps is developing tools and training materials for Regional, operator, and center staff to help determine and maintain compliance.</p>	<p>Expected Completion: December 2006</p>
<p>Additional Information: A copy of the complete report can be obtained a ww.oig.dol.gov/public/reports/oa/2006/09-06-00103-370.pdf.</p>	
<p>4. Issue: The accuracy of Job Corps’ “On-Board-Strength” performance measure</p>	
<p>Program Area: Job Corps Performance Goal: Goal 05-1.1B – Improve educational achievements of Job Corps students, and increase participation of Job Corps graduates in employment and education.</p>	<p>Report Title: San Diego Job Corps Center: Student Attendance and Training Data Overstated (OIG 09-05-004-03-370) Date Completed: September 2005 Conducted By: OIG</p>
<p>Program Implication: Job Corps will continue to take steps to ensure the reliability of performance outcomes reported by all center operators.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. San Diego staff obtained undated resignation forms from students so they could make up a separation date later. 2. The practice of prolonging student stays after separation or completion of a vocation was widespread. 3. San Diego extended the stay of about half of 717 students who left the center in Program Year 2003, thereby overstating the 	

<p>“On-Board-Strength” performance measure.</p> <ol style="list-style-type: none"> Liquidated damages of a maximum of \$618,369 could be due to Job Corps. The “60-Day Commitment Rate” and “GED/High School Diploma Attainment Rate” performance measures were reliable. The number of vocational completions was overstated by over 50 percent. Training records did not support that students had in fact completed all the vocation’s tasks with an appropriate level of proficiency. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> DOL should ensure that Job Corps management takes corrective action. Controls and monitoring at the San Diego Job Corps Center should be strengthened to ensure compliance with Job Corps’ requirements for the student accountability and vocational completion. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> DOL obtained a Corrective Action Plan for San Diego and corrective actions began. DOL is reviewing the center’s response in regard to policies in effect for the timeframe of data reviewed. 	
<p>Actions Remaining: Final determination of liquidated damages.</p>	<p>Expected Completion: December 2006</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2005/0905-004-03-370.pdf.</p>	
<p>5. Issue: DOL’s leadership in the implementation of the Jobs for Veterans Act (JVA)</p>	
<p>Program Area: VETS Performance Goal: Goal 05-1.1C – Improve the employment outcomes for veterans who receive One Stop Career Center services and veterans’ program services.</p>	<p>Report Title: Labor Actions Needed to Improve Accountability and Help States Implement Reforms to Veterans’ Employment Services (GAO-06-176) and related testimony (GAO-06-357T) Date Report Completed: December 2005 Date Testimony Presented: February 2006 Conducted By: GAO</p>
<p>Program Implication: The ability of veterans to quickly obtain quality services leading to employment is becoming increasingly important as the number of service members leaving active duty is likely to increase by 200,000 annually. DOL’s ability to assist veterans will be improved by better integrating veterans’ representatives within the One-Stop Career Center delivery system and improving the performance accountability system for veterans.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> Most provisions of the Jobs for Veterans Act (JVA) were implemented within the first two years of enactment. However, some are still not fully implemented. About one-third of the States did not establish incentive award programs because their laws, policies, or agreements conflict with this JVA provision. New legislation has improved the quality of services to veterans and their employment outcomes. Greater availability of case management services under JVA is credited for this outcome. About half of State Directors of Veterans’ Employment and Training reporting their new monitoring role had strengthened local program accountability. About a third of Directors reported that accountability had lessened or not improved. This is attributed to (a) the absence of local performance data, (b) fewer annual visits to One-Stop centers, and (c) a lack of coordination among Labor’s agencies responsible for JVA provisions. While Labor has developed a system to monitor program performance, it lacks a strategy for using the information it gathers to make improvements and to help States. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> DOL should provide clear guidance that would integrate veterans’ staff into the one-stops; ensure priority of service for veterans among all programs; and foster State use of incentives. DOL should monitor results to develop program improvements. DOL’s program offices should coordinate their oversight regarding JVA provisions. The Department should establish effective methods for enforcing Federal contractor requirements. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> Began new evaluation of the integration of veterans’ staff into One-Stop Career Centers (August 2006). Convened work group to revise and update program policy guidance on provision of priority of service. Convened work group to revise and update monitoring guidance to include priority of service. Conducted joint monitoring targeting program improvement in selected States. Published a Notice of Proposed Rulemaking governing the VETS-100 Report in August 2006. 	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> Complete evaluation and disseminate results. Issue revised program policy guidance on priority of service. Disseminate best practices in State incentive award programs. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> September 2007 March 2007 September 2007

<p>4. Apply monitoring guidance, including priority of service, on a nationwide basis. 5. Coordinate ETA-VETS monitoring on a nationwide basis. 6. Publish Final Rules governing VETS-100 Reports.</p>	<p>4. September 2007 5. September 2007 6. June 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at www.gao.gov/cgi-bin/getrpt?GAO-06-176. A complete copy of the related testimony can be obtained at http://www.gao.gov/new.items/d06357t.pdf.</p>	
<p>6. Issue: Employment Rates for Disabled Veterans</p>	
<p>Program Area: VETS Performance Goal: Goal 05-1.1C – Improve the employment outcomes for veterans who receive One Stop Career Center services and veterans’ program services.</p>	<p>Report Title: Employment Rates for Disabled Veterans Date Completed: September 2006 Conducted By: SRA International, Inc.</p>
<p>Program Implication: The Department of Veterans Affairs (VA) makes substantial resource investments in providing vocational rehabilitation to disabled veterans who qualify for this program. In addition, Congress has consistently stressed the need for collaboration between VA and DOL to achieve the program’s employment and earnings goals for participants.</p>	
<p>Findings: 1. There is high correspondence between the area in which training is provided and the area in which employment is secured. 2. There is considerable variation in employment retention. 3. Higher average earnings for those participants who do not appear to have received services from State Workforce Agencies. 4. Complex patterns for attributing credit for employment placement to DVOP specialists, to Federal personnel with the Department of Veterans Affairs (VA), to personnel operating under VA contracts, or in some cases, among these three.</p>	
<p>Recommendations: 1. Involve DVOP specialists in the development of employment and training development plans for VR&E participants. 2. Encourage DVOP specialists to become certified as Career Development Facilitators. 3. Resolve differences between VA and DOL in the methods applied to measure outcomes.</p>	
<p>Actions Taken: The final report was received late September 29 so no actions have been taken yet.</p>	
<p>Actions Remaining: DOL and VETS have a Memorandum of Agreement (MOA) to work closer together in the referral process of VA clients to the DVOPs. The MOA establishes three work groups and many of the issues identified in this report are appropriate for follow up by the three work groups. There are overarching issues that all three will be interested in and some that are work group specific. VA and DOL will continue meeting at the national level to develop actions as well as coordinate the work of the three work groups.</p>	<p>Expected Completion: September 2006</p>
<p>Additional Information: A copy of the complete report can be obtained by contacting Ronald Drach at (202) 693-4749 or at Drach.Ronald@dol.gov</p>	
<p>7. Issue: Customer Satisfaction with the BLS Occupational Outlook Handbook (OOH) Website</p>	
<p>Program Area: BLS Performance Goal: Goal 06-1.2A – Improve information available to decision-makers on labor market conditions, and price and productivity changes.</p>	<p>Report Title: Customer Satisfaction with the BLS Occupational Outlook Handbook (OOH) Website Date Completed: September 2006 Conducted By: Federal Consulting Group</p>
<p>Program Implication: As BLS continues to provide more information to customers on its Web site, it is important to know how satisfied customers are with the delivery of BLS products and services. Improvements to the Occupational Outlook Handbook (OOH) portion of the BLS Web site in areas such as search or navigation can increase the usefulness of the Web site to BLS customers.</p>	
<p>Findings: BLS achieved a customer satisfaction score of 79 for FY 2006. Quarterly results indicated that Web site changes, such as improving the search component of the BLS OOH website, can improve overall customer satisfaction with the Web site.</p>	
<p>Recommendations: None made</p>	
<p>Actions Taken: BLS began using a replacement search engine for the entire BLS public website in July 2006.</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the quarterly news release can be obtained at http://www.foreseeresults.com/Form_ACSISep2006.html.</p>	
<p>8. Issue: Principal Federal Economic Indicator (PFEI) Performance Evaluations</p>	
<p>Program Area: BLS Performance Goal: Goal 06-1.2A – Improve information available to decision-makers on labor market conditions,</p>	<p>Report Title: U.S. Import and Export Price Index and Consumer Price Index Performance Evaluations Date Completed: March 2006</p>

and price and productivity changes.	Conducted By: BLS
Program Implication: For all Principal Federal Economic Indicators, the goal of the performance evaluations is to ensure that the Federal data and estimates used to assess current economic conditions meet high standards of accuracy and reliability, and are released to the public in a timely manner while avoiding disclosure prior to scheduled release. These evaluations are carried out in accordance with OMB Statistical Policy Directive No. 3.	
Findings: None	
Recommendations: Not Applicable	
Actions Taken: None	
Actions Remaining: None	Expected Completion: Not Applicable
Additional Information: None	
GOAL 2: A SECURE WORKFORCE	
9. Issue: WHD's Directed Enforcement Program	
Program Area: ESA WHD Performance Goal: Goal 2.1A – American workplaces legally employ and compensate workers.	Report Title: Low-Wage Industry Operational Models for Compliance Date Completed: June 2006 Conducted By: Mathematica Policy Research Inc./Boston U.
Program Implication: This evaluation will augment and expand upon prior evaluation efforts designed to develop and validate specific performance indicators. Additional analysis related to the integration of WHD's directed enforcement and complaint programs will aid WHD's resource allocation efforts.	
Findings: <ol style="list-style-type: none"> 1. Incidence and severity of violations can be measured across industries in terms of percent of employers in compliance, percent of employees employed in compliance, and average back wages due affected employees. 2. Data suggest 33 industries that have high potential for minimum wage and overtime violations. 3. In the health care industry, full FLSA investigations are more efficient than randomly selected survey cases, reflecting WHD's success in focusing its resources on establishments with substantial violations. 4. Within the health care industry, full FLSA investigations are slightly more efficient for identifying "employers in violation" in nursing home cases, than residential care cases. Residential care investigations are slightly more efficient in terms of "back wages agreed to pay." 5. Given resource constraints and the continuing need to focus on performance results, decisions regarding complaint and directed inspection activity in regional and district offices should better focus investigation resources on those low-wage industries of highest priority. 6. To ensure maximum performance, complaint and directed activity should be integrated with one another. 7. Overlaying information on complaint rates and underlying measures of compliance provides a way of setting priorities across different industries. 	
Recommendations: <ol style="list-style-type: none"> 1. At least in the health care industry, where complaints appear to identify many violations, WHD might consider increasing the rate at which it pursues complaints as full rather than limited investigations or exploring ways to elicit more complaints. 2. Conducting more full investigations in larger health care establishments may somewhat increase efficiency in identifying employees in violation. 3. Future policies must provide strategic approaches for responding to complaints and targeting directed investigations, as well as for taking greater advantage of the overlap between them. 	
Actions Taken: <ol style="list-style-type: none"> 1. WHD disseminated a list of the identified industries for use in local and regional planning efforts. 2. WHD conducted a national investigation-based survey of low-wage industries, identified in the list, to determine compliance with the FLSA. 3. WHD integrated a strategic approach to complaint and directed investigations into its FY 2007 initiative planning process. 4. WHD secured funding for additional evaluations to further research recommendations related to strategic enforcement and enforcement in the low-wage industry. 	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the report is available from the Wage and Hour Division, Office of External Affairs, 200 Constitution Avenue, NW, Washington, DC 20210 or by calling (202) 693-0051.	
10. Issue: The effectiveness of WHD's Web site	
Program Area: ESA WHD Performance Goal: Goal 2.1A – American workplaces legally employ and compensate workers.	Report Title: Evaluating the WHD Web Site Date Completed: March 2006 Conducted By: Gallup

Program Implications: Compliance assistance is a key component of the WHD’s efforts to secure voluntary compliance among the nation’s businesses.	
Findings: <ol style="list-style-type: none"> 1. The primary reason visitors accessed the WHD Web site was for minimum wage information. 2. Most respondents came from the private sector. 3. The majority of respondents were first time users: there are distinctions between first-time users and repeat visitors. 4. Among those who came to the Web site and answered the survey, one half came through a search engine. 5. The Web site was rated “very good” or “excellent” at providing information by 56% of respondents; fewer than 50% of respondents did not rate the Web site as very high in providing the information they needed. 6. Sixty-four percent of respondents reported that the information they were looking for was easy to find. 7. Over half of survey respondents said they would take some action as a result of their visit to the Web site. 	
Recommendations: <ol style="list-style-type: none"> 1. The Web site should provide more general information for users. 2. The Web site should be more user friendly for first timer users. 3. More specific information on overtime laws is needed and should be added to the web site. 4. With over half of those coming to the Web site coming from a generic search browser, WHD may need a clearer introductory page that would let visitors know exactly where they are and give some general information about WHD. 5. More research should be conducted to assess additional information to add to the Web site. 	
Actions Taken: WHD has begun making modifications to its Web site, incorporating recommendations of the study.	
Actions Remaining: Completion of the Web redesign.	Expected Completion: FY 2007
Additional Information: A copy of the complete report can be obtained from Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, FPB S-3502, 200 Constitution Ave., N.W., Washington, D.C. 20210, or by calling (202) 693-0051.	
11. Issue: WHD’s process of developing, negotiating, and awarding settlement agreements	
Program Area: ESA WHD Performance Goal: Goal 2.1A – American workplaces legally employ and compensate workers.	Report Title: Agreement With Wal-Mart Indicates Need for Stronger Guidance and Procedures Regarding Settlement Agreements (OIG 04-06-001-04-420) Date Completed: October 2005 Conducted By: OIG
Program Implications: WHD needed to strengthen procedures for settlement agreements with employers.	
Findings: <ol style="list-style-type: none"> 1. Wal-Mart agreement did not violate Federal laws or regulations. 2. Breakdowns existed in WHD’s process for negotiating, developing, and approving such agreements. 3. WHD did not consult with the Office of the Solicitor (SOL) in developing and approving the agreement. 	
Recommendations: <ol style="list-style-type: none"> 1. WHD should develop and implement written procedures for negotiating, developing, and approving agreements with employers. 2. Future WHD settlement agreements should be developed in coordination with SOL. 	
Actions Taken: WHD instituted a new settlement agreement policy in June 2006 that resolved OIG recommendations.	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/ oa/2006/04-06-001-04-420b.pdf .	
12. Issue: Worker classifications and FLSA protection	
Program Area: ESA WHD Performance Goal: Goal 2.1A –American workplaces legally employ and compensate workers.	Report Title: Employment Arrangements: Improved Outreach Could Help Ensure Proper Worker Classification (GAO-06-656) Date Completed: July 2006 Conducted By: GAO
Program Implications: Workers classified as “contingent” may be subject to FLSA protection and affected by WHD’s efforts in low-wage industries.	
Findings: <ol style="list-style-type: none"> 1. DOL detects and addresses misclassification of employees as independent contractors by investigating complaints, but does not always forward misclassification cases to other Federal and State agencies. 2. The FLSA poster is a principal means of communicating FLSA protections, but does not contain any information on employment relationship, or provide a telephone number for individuals to register complaints. 	

<p>Recommendations:</p> <ol style="list-style-type: none"> 1. DOL should revise its FLSA workplace poster to include additional contact information to facilitate the reporting of potential employee misclassification complaints. 2. DOL should evaluate the extent to which misclassification cases found through FLSA investigations are referred to other agencies, and take action to make improvements as needed. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. WHD is reviewing its internal processes to determine the extent and appropriateness of referring employee misclassification cases to other Federal or State agencies. 2. WHD has begun redesign of the FLSA poster. 	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. WHD will continue to review its internal process to determine the extent and appropriateness of referring employee misclassification cases to other Federal or State agencies. 2. WHD will complete the redesign of the FLSA poster. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. FY 2007 2. FY 2007
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d06656.pdf.</p>	
<p>13. Issue: The transparency of the Service Contract Act (SCA) wage determinations</p>	
<p>Program Area: ESA WHD Performance Goal: Goal 2.1A – American workplaces legally employ and compensate workers.</p>	<p>Report Title: Service Contract Act: Wage Determination Process Could Benefit From Greater Transparency, and Better Use of Violation Data Could Improve Enforcement (GAO-06-27) Date Completed: December 2005 Conducted By: GAO</p>
<p>Program Implications: Report highlights potential improvements to the administration of the Service Contract Act (SCA).</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. When making a wage determination, WHD analysts consult several sources of information for wage data on occupations. 2. The wage determination process produces a wealth of nationwide wage data for service occupations that WHD makes available online and strives to update annually. 3. Some stakeholders contend that the wage determination process is not transparent and that the resulting wages do not necessarily reflect local wage conditions. 4. WHD enforces SCA by conducting investigations, ensuring contractor payments and providing compliance assistance to stakeholders. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Develop a procedure for updating the SCA directory of occupations at regular intervals and include criteria for listing and removing occupations as the need emerges. 2. Analyze the historical SCA contractor violation data in the Wage and Hour Investigator Support and Reporting Database (WHISARD), as well as Department information not included in WHISARD. To the extent appropriate, use this information to plan compliance assistance and investigative efforts and to develop enforcement goals for additional industries, similar to those WHD currently uses for repeat violators and industries with chronic violations. 3. Update and revise the 1996 Service Contract Act/Walsh-Healey work site poster to include national and regional office telephone numbers and a Web site address for complaints. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. Issued the 5th edition of the SCA Directory of Occupations in April 2006. 2. Included an analysis of SCA enforcement data when establishing WHD’s annual priorities at the national level and for specific local and regional initiatives. 3. Began revising the SCA poster. 	
<p>Actions Remaining: Completion of the SCA poster revision.</p>	<p>Expected Completion: FY 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d0627.pdf.</p>	
<p>14. Issue: User’s opinion of the OLMS Web site</p>	
<p>Program Area: ESA OLMS Performance Goal: Goal 06-2.1B – Ensure union financial integrity, democracy, and transparency.</p>	<p>Report Title: Evaluating the OLMS Web site Date Completed: December 2005 Conducted By: Federal Consulting Group</p>
<p>Program Implication: Customers use the OLMS Web site to obtain forms, compliance assistance materials, and public disclosure data from reports filed under the Labor-Management Reporting and Disclosure Act. It is important that the Web site provides accurate information and ease of navigation in order to fulfill its function. Any improvement to the Web site increases its usefulness to the OLMS customers.</p>	

Findings:	
<ol style="list-style-type: none"> Survey results showed a fairly low customer satisfaction rating. Respondents gave the lowest ratings to the navigation and search functionality areas. 	
Recommendations: Improve the navigation and search functions.	
Actions Taken:	
<ol style="list-style-type: none"> OLMS redesigned the disclosure Web site. OLMS released the new Web site to the public in January 2006. OLMS renewed the contract and began a new round of data collection. 	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: Information about this study can be obtained on-line at http://www.dol.gov/esa/olms_org.htm .	
15. Issue: The prevalence of offshoring in Federal human services programs	
Program Area: ETA UI Performance Goal: Goal 06-2.2A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.	Report Title: Offshoring Occurs in Most States, Primarily in Customer Service and Software Development (GAO-06-342) Date Completed: March 2006 Conducted By: GAO
Program Implication: The State administered Unemployment Insurance Program is partially being performed offshore. Federal human service programs need to be aware of the (1) occurrence and nature of offshoring, (2) benefits achieved and problems encountered, and (3) actions that have been taken to limit offshoring and why.	
Findings:	
<ol style="list-style-type: none"> Some work is performed offshore in the majority of States for the four State-administered programs reviewed (Food Stamps, TANF, Child Support Enforcement, and Unemployment Insurance). No work is performed offshore for the Federally-administered student aid programs (Pell Grant and Federal Family Education Loan). Offshoring occurred in one or more programs in 43 of 50 States and the District of Columbia, most frequently in the Food Stamp and TANF programs. The services most frequently reported as being performed offshore were functions related to customer service, such as call centers. Functions in the Unemployment Insurance and Child Support Enforcement programs were related to software development. India was the most prevalent offshore location, followed by Mexico. Lower costs are a benefit of having services performed offshore and few officials identified problems with offshore service providers in their contracts. On average, cost comparisons showed a savings between 0.3 and 24 percent if some services are performed offshore. The few State officials that reported any problems with the quality of services provided by offshore contractors said that they involved difficulties in understanding the English of software programmers or customer service representatives. New Jersey and Arizona have prohibited offshoring in state contracts. Some States have taken other actions, such as requiring State agencies to disclose when State-contracted work is performed offshore or to report implications of offshoring. The Federal government does not have regulations specifically related to offshoring of services in the six programs reviewed. 	
Recommendations: None made	
Actions Taken: Not applicable	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cqi-in/getrpt?GAO06-342 .	
16. Issue: Fraudulent claims relating to Hurricane Katrina	
Program Area: ETA UI Performance Goal: Goal 06-2.2A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.	Report Title: Claimants with Unemployment Claims in Both Mississippi and Louisiana Related to Hurricane Katrina (OIG 06-06-004-03-315) Date Completed: December 2005 Conducted By: OIG
Program Implication: After Hurricane Katrina, both the States of Louisiana and Mississippi were inundated with Unemployment Insurance (UI) and Disaster Unemployment Assistance (DUA) claims. ETA Regional and National Office staff will need to work with State staff to identify potentially fraudulent claims.	
Findings:	
<ol style="list-style-type: none"> OIG identified 238 claims where the same Social Security Number was used to file claims in both States and benefits were paid in both States for the same week-ending dates. 	

<p>2. When UI and DUA claims are paid to the same claimant, it is likely that the DUA claim is fraudulent because State wages are required for a UI claim. Where DUA is being paid to a claimant in both States, it is likely that one claim is fraudulent. Consequently, Federal FEMA dollars for DUA are more likely to be at risk than State UI funds.</p>	
<p>Recommendations: Because of the susceptibility for Federally-funded DUA claims to be fraudulent, the Regional ETA offices should assist the States in their case reviews to expedite the identification of fraudulent claims.</p>	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. A claims review was conducted and non-monetary issues were established as appropriate. The States have begun recovery efforts for improper payments, as appropriate. 2. ETA's Regional Offices worked with the States to implement a crossmatch of DUA claims against claims in bordering States to identify potentially fraudulent claims. 3. ETA Dallas Regional Office assisted the Louisiana Department of Labor in initiating ongoing data matching with the National Directory of New Hires to detect unreported earnings by UI claimants. Through the use of this data matching system, it is possible to detect those claimants who are working in any State as well as those working with any Federal agency including the military. 4. ETA's Dallas Regional Office is working with the Office of Inspector General to identify fraudulent DUA and UI claims in cases where claimants were employed in jobs funded by a National Emergency Grant. The OIG will provide the results of investigations along with recommendations to the Department of Justice for prosecution. 	
<p>Actions Remaining: Work with the OIG to complete investigations.</p>	<p>Expected Completion: August 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2006/0606-004-03-315.pdf.</p>	
<p>17. Issue: Assisting State Workforce Agencies in the use of IRS Form 1099 data for accurate employee classification</p>	
<p>Program Area: ETA UI Performance Goal: Goal 06-2.2A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.</p>	<p>Report Title: State Workforce Agencies Use of IRS Form 1099 Data to Identify Misclassified Workers (OIG 03-05-005-03-315) Date Completed: September 2005 Conducted By: OIG</p>
<p>Program Implication: When employers misclassify employees as independent contractors, this reduces their tax liability because they do not pay State and Federal Unemployment Insurance, Social Security, and Medicare taxes. By using IRS data, State Workforce Agencies (SWAs) increase the possibility of identifying and correcting these misclassifications. ETA can provide guidance and help SWAs overcome obstacles in obtaining and using the data.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Only nine SWAs used IRS Form 1099 data to identify potential employers misclassifying employees as independent contractors. 2. Communication with the IRS was the key to successfully obtaining and using the 1099 data. SWAs already receiving other IRS tax information may be further ahead in meeting the IRS application and safeguard requirements. 3. Representatives from SWAs using the 1099 data identified several extract criteria to make the 1099 data useful. 4. The age of the 1099 data was a perceived obstacle, but the age of the data does not affect its usefulness in identifying potential employers who may be misclassifying employees. 5. As of December 2004, seven of the nine SWAs reported that they identified 7,118 misclassified employees, recovered \$1,492,521 in underreported UI tax contributions and adjusted \$328,634 for overreported UI tax contributions associated with these workers. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Provide assistance and guidance to the SWAs applying for the 1099 data to increase the possibility that they are successful in obtaining and using the data. 2. Communicate to these SWAs how to overcome obstacles in obtaining and using the data. 3. Encourage SWAs before the start of the 2006 IRS enrollment period to apply for and use the 1099 data in their UI field tax audit program. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. For 2006, the number of SWAs using the 1099 data increased to 27, resulting in part from several conference calls that were convened with the SWAs. 2. In February 2006, DOL sent the OIG Report to all SWA tax chiefs and reminded them of the enrollment period for 2007 (August through November 2006). 3. DOL is an active participant in an IRS workgroup to address Questionable Employer Tax Practices (QETP). 4. The work group also includes some State Workforce Agency staff. This work group was established to foster further coordination between the IRS and the SWAs, particularly in their discovery and audit of employers exercising questionable tax practices in their business operations. 	

Actions Remaining: Use the 2007 Unemployment Insurance National Tax Conference to further promote and foster participation in both the 1099 program and the QETP coordination initiative.		Expected Completion: August 2007
Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2005/0305-005-03-315.pdf .		
18. Issue: Understanding the factors that lead UI-eligible workers to receive benefits		
Program Area: ETA UI Performance Goal: Goal 06-2.2A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.		Report Title: Unemployment Insurance. Factors Associated with Benefit Receipt (GAO-06-341) Date Completed: March 2006 Conducted By: GAO
Program Implication: Using information on the extent to which an individual worker’s characteristics, including past UI benefit receipt or industry, are associated with the likelihood of UI benefit receipt or unemployment duration can help the Unemployment Insurance program better meet the needs of unemployed workers.		
Findings:		
<ol style="list-style-type: none"> 1. UI-eligible workers that GAO studied are more likely to receive UI benefits if they have higher earnings prior to becoming unemployed, are younger, have more years of education, or if they have a history of past UI benefit receipt when compared with otherwise similar workers. Past experience with the UI program has a particularly strong effect on the future likelihood of receiving UI benefits. 2. UI-eligible workers who receive UI benefits have longer unemployment durations than those who do not receive benefits. Other characteristics of UI-eligible workers associated with longer unemployment duration include lower earnings before becoming unemployed; fewer years of education; being African-American or female; and not belonging to a union. 3. Simulations show that the likelihood of receiving UI benefits during a first period of unemployment is highest among workers from the mining and manufacturing industries. The likelihood of receiving UI benefits when unemployed increases with each previous period of UI receipt across all industries, and the most notable increase occurs in public administration. 4. First-time unemployed workers from construction and manufacturing experience significantly shorter unemployment duration than workers from other industries. 		
Recommendations: None made		
Actions Taken: Not applicable		
Actions Remaining: None		Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d06341.pdf .		
19. Issue: Improper payment of UI benefits		
Program Area: ETA UI Performance Goal: Goal 06-2.2A – Make timely and accurate benefit payments to unemployed workers, facilitate the reemployment of unemployment insurance beneficiaries, and set up unemployment tax accounts promptly for new employers.		Report Title: Unemployment Insurance: Enhancing Program Performance by Focusing on Improper Payments and Reemployment Services (GAO-06-696T) Date Completed: May 2006 Conducted By: GAO
Program Implication: The Department of Labor and States have a shared responsibility to enhance UI program performance by ensuring that only eligible individuals receive benefits while on the UI rolls and fostering reemployment. DOL’s Office of Inspector General and others have found that aspects of UI may be vulnerable to fraud and improper payments, and despite the size and scope of UI, there has been little national information to fully assess States’ efforts to foster reemployment.		
Findings:		
<ol style="list-style-type: none"> 1. DOL has introduced a number of initiatives to help States improve their ability to detect and prevent overpayments, including new computer matches with Federal databases, a new core performance measure intended to provide States with added incentives for detecting and preventing overpayments, and additional funding for States’ overpayment detection efforts. 2. States most often made use of Federal UI program requirements to help connect claimants with reemployment. 3. States provide targeted reemployment services to particular groups of UI claimants, most often through Federally required claimant profiling. 4. Despite States’ efforts to design systems that link UI claimants to reemployment services, few data are available to gauge whether or not their efforts are having the intended result. 5. DOL has initiatives that may begin to shed light on claimant outcomes, but they fall short of providing a comprehensive understanding of services and outcomes for UI claimants. 6. DOL’s FY 2007 budget request does not include funding for additional evaluations on Federally required efforts to target 		

reemployment services.	
Recommendations: None made	
Actions Taken: Not applicable	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-696T .	
20. Issue: Determine the completeness and reliability of the CY 2003 data	
Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.	Report Title: GPRA Data Validation Review – Federal Employees’ Compensation Act (OIG 22-05-008-04-431) Date Completed: September 2005 Conducted By: OIG
Program Implications: DOL relies on data submitted by the district offices to assess whether or not the program is achieving its yearly goals and if changes are needed to make it more effective.	
Findings: Reductions in payments of Periodic Roll Management (PRM) benefits, due to the death of a claimant, are included in the FECA Program’s computation of savings generated in the first year.	
Recommendations: DOL should ensure the FECA Program excludes cases resolved due to claimants’ death from the calculation of savings generated through use of Periodic Roll Management.	
Actions Taken: ESA concurs with the finding that the methodology for calculating PRM savings should be modified to exclude savings from benefit payment reductions due to claimant deaths that occurred during the given time period. The Division of Federal Employees’ Compensation completed appropriate action to modify the methodology it applies to this calculation for PRM savings on October 1, 2005.	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/publicreports/oa/2005/2205-008-04-431.pdf .	
21. Issue: ESA’s compliance with Federal and departmental security standards in selected control areas for three ESA systems	
Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.	Report Title: Compliance with Federal and Departmental Security Standards in Selected Control Areas for Three Employment Standards Administration Systems (OIG 23-05-015-04-001) Date Completed: October 2005 Conducted By: OIG
Program Implications: Evaluate the agency’s compliance with Federal and Departmental requirements in security control areas that are emphasized by the Office of Management and Budget (OMB) in its annual Federal Information Security Management Act (FISMA) reporting requirements.	
Findings: <ol style="list-style-type: none"> 1. The Certification and Accreditation (C&A) packages for Energy Case Management System (ECMS), Longshore Case Management System (LCMS), and Automated Support Package (ASP) were not reevaluated and updated to comply with the April 2004 issue of the Department of Labor Computer Security Handbook and National Institute of Standards and Technology Special Publication 800-37, <i>Guide for the Security Certification and Accreditation of Federal Information Systems</i>. 2. There was a security control finding related to the ECMS, LCMS, and ASP Plan of Action and Milestone (POA&M) reports. However, ESA management took timely action to correct one of the four conditions of the medium-risk security control finding prior to the issuance of this report. The OIG considers this one condition of the medium-risk finding to be closed. 3. The ESA System Inventory process related to ECMS, LCMS, and ASP was in compliance with Departmental requirements. The Incident and Response tools and procedures were in compliance with Federal and Departmental requirements. 	
Recommendations: <ol style="list-style-type: none"> 1. Perform a security control assessment of ECMS, LCMS, and ASP to verify whether they are operating as designed. 2. Incorporate the results of the assessments into ECMS, LCMS, and ASP Certification and Accreditation (C&A) packages. 3. Update reports to indicate that technical testing is ongoing until corrective action has been taken. 	
Actions Taken: <ol style="list-style-type: none"> 1. During fourth quarter FY 2005, ESA performed logical access control testing of ECMS and LCMS applications. 2. Computer Sciences Corporation performed the same testing for the ASP. Records documenting the test results are on file with the Division of Information Technology Management and Services (DITMS). 	

<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. The ECMS, LCMS and ASP systems are scheduled for recertification; the Security Test and Evaluation for the recertification will include technical testing. 2. The results of the security control assessments from recent testing, as well as testing scheduled for the 2006 C&A, will be incorporated into the ECMS, LCMS, and ASP C&A packages. 3. ESA is currently in the process of renewing all system certifications. As part of this effort ESA will perform security control assessments of ECMS, LCMS, and ASP security control that include technical testing of the key management, operational, and technical controls, as defined in the ECMS, LCMS, and ASP System Security Plans, to verify whether they are operating as designed. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. November 2006 2. October 2006 3. December 2006
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Additional Information: A copy of the complete report can be obtained from the Office of the Inspector General, U.S. Department of Labor, FPB S-5502, 200 Constitution Ave., NW, Washington, DC 20210, or by calling 202-693-5100.

22. Issue: The mission, design, and costs for four Federal benefits programs

<p>Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.</p>	<p>Report Title: Federal Compensation Programs: Perspectives on Four Programs (GAO-06-230) Date Completed: November 2005 Conducted By: GAO</p>
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Program Implication: Federal benefit programs, such as DOL’s Black Lung Program and the Energy Employees Occupational Illness Compensation Program should be alert to the impact of legislative amendments on program costs and the timeliness of benefit payments.

Findings:

1. Looking at the Black Lung Program, the Vaccine Injury Compensation Program (VICP), the Radiation Exposure Compensation Program (RECP), and the Energy Employees Occupational Illness Compensation Program (EEOICP), GAO found that all four programs were designed to compensate individuals injured by exposure to harmful substances. However, their design, the agencies that administer them, their financing mechanisms, benefits paid, and eligibility criteria, including their standards of proof differ significantly.
2. All four programs were established within two years of their enacting legislation, and for some programs, benefits paid have exceeded the initial estimates.
3. The total benefits paid for the Black Lung Program have far exceeded initial estimates because the program was initially set up to end in 1976 when State workers’ compensation programs were to have provided these benefits and the program has been expanded several times since 1969, including several amendments that have increased benefits and added categories of claimants.
4. EEOICP costs are expected to rise substantially because of recent changes that move payments from State programs to DOL.
5. For all four programs, it has taken the agencies years to finalize some claims and compensate eligible claimants.
6. The Federal role in all four programs has expanded significantly over time. All four have expanded to provide eligibility to additional categories of claimants, cover more medical conditions, or provide additional benefits.
7. Program design, including the extent to which programs allow claimants and payers to appeal claims decisions in the courts and the standards of proof for each program, can affect claims-processing time.

Recommendations: None made

Actions Taken: Not applicable

Actions Remaining: None	Expected Completion: Not applicable
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Additional Information: A copy of the complete report can be obtained at www.gao.gov/cgi-bin/getrpt?GAO-06-230.

23. Issue: The Longshore program cannot compare its results with those of similar programs

<p>Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.</p>	<p>Report Title: Measuring the Comparability of the Longshore Program Date Completed: January 2006 Conducted By: SRA International</p>
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Program Implications: The Longshore Case Management System (LCMS) is insufficient in supporting the program’s objectives for performance measurement and comparability analysis with other State workers’ compensation programs.

Findings:

1. The current LCMS database does not thoroughly support the intended benchmarking goals because the database does not store certain key data elements that are essential to evaluate performance measures associated with these system goals. Medical, injury, rehabilitation, carrier, and attorney data elements that are needed for related types of performance measures are not captured.
2. The current data stored in the LCMS database is not based on specific national standards that can support any meaningful comparison of Longshore program performance measures to similar indicators from other State and national workers’ programs.

<p>3. The LCMS system does not classify injuries by occupation and industry classification codes. This largely impedes the ability to easily perform direct comparisons with external workers' compensation programs.</p> <p>4. The current LCMS database structure is optimized to store transactional data and hence lacks any extensive reporting capabilities. This limits the ability to effectively query the database and produce results that can be used for any standardized statistical analysis. This structure also makes it difficult to perform comparisons with data from other similar State-sponsored programs.</p>	
<p>Recommendations: The recommended alternative consists of two major project phases – a short-term approach for enhancing the existing LCMS system and a long-term approach for developing a claims management system that will address significant deficiencies with the existing LCMS system by upgrading the entire technology platform and extending functionality such that major functional requirements for performance measurement and benchmarking are satisfied.</p>	
<p>Actions Taken: The Longshore Program is exploring budgetary options to secure necessary additional funding to implement the two recommended project phases. In the absence of this funding, the Program is exploring what can be done within existing resources to develop short-term enhancements.</p>	
<p>Actions Remaining: Develop plans to implement the recommended alternative consisting of two major project phases – a short-term approach for enhancing the existing LCMS system and a long-term approach for developing a custom solution for a claims management system that will address significant deficiencies with the existing LCMS system by upgrading the entire technology platform and extending functionality such that all major functional requirements for performance measurement and bench-marking are satisfied.</p>	<p>Expected Completion: September 2011</p>
<p>Additional Information: A copy of the complete report can be obtained from the Office of Workers' Compensation Programs, Employment Standards Administration, U.S. Department of Labor, FPB S-3522, 200 Constitution Ave., NW, Washington, DC 20210, or by calling 202-693-0534.</p>	
<p>24. Issue: Disability benefits for military personnel and civilian public safety officers vary</p>	
<p>Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.</p>	<p>Report Title: Disability Benefits – Benefit Amounts for Military Personnel and Civilian Public Safety Officers Vary by Program Provisions and Individual Circumstances (GAO-06-4) Date Completed: April 2006 Conducted By: GAO</p>
<p>Program Implications: Congress mandated that GAO study the disability benefits available to Federal, State, and local government employees who serve the public in high-risk occupations and are injured in the line of duty.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> Neither military personnel, nor any of the civilian Public Safety Officers (PSOs) included in this study, consistently have more line-of-duty disability benefits available to them in all situations. During the initial period of treatment, recovery, and evaluation, program provisions governing the availability of continuation of pay and temporary disability benefits offer certain advantages for military service members compared with the selected civilian PSOs. When disabilities are permanent, however, the amount of benefits provided over a lifetime for permanent partial or totally incapacitating disabilities are sometimes greater for military veterans, and sometimes greater for the selected civilian PSOs, depending on such variables as the type and degree of impairment and the individual's pre-injury salary level. 	
<p>Recommendations: None made</p>	
<p>Actions Taken: Not applicable</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d064.pdf.</p>	
<p>25. Issue: The Actuarial Liability, Net Intra-Governmental Accounts Receivable and Benefit Expenses of the FECA Special Benefit Fund for the year ending September 2005</p>	
<p>Program Area: ESA OWCP Performance Goal: Goal 2.2B – Minimize the impact of work-related injuries.</p>	<p>Report Title: Special Report Relating to the Federal Employees' Compensation Act Special Benefit Fund – FY 2005 (OIG 22-06-006-04-431) Date Completed: October 2005 Conducted By: OIG</p>
<p>Program Implication: DOL is charged with the responsibility of operating the Employees' Compensation Fund to provide income and medical cost protection to covered Federal civilian employees injured on the job, employees who have incurred a work-related occupational disease and beneficiaries of employees whose death is attributable to job-related injury or occupational disease. This schedule has been prepared to report the actuarial liability, net intra-governmental accounts receivable and benefit expense of the Fund.</p>	

Findings:

1. The benefit expense for the year ending September 30, 2005 was comprised of the following (dollars in thousands):
 - a. Benefits paid for compensation = \$1,692,469
 - b. Benefits paid for medical benefits = \$681,038
 - c. Change in accrued benefits = \$854
 - d. Change in actuarial liability = \$436,968
 - e. Total benefit expense = \$2,811,329.
2. Aggregate liability increased approximately 1.6%. Two agencies had liabilities that changed by more than 10%: OPM (96.17%) and DOJ (11.70%).
3. The Liabilities to Benefits Paid ratio was 11.
4. Actual payments were about 16.7% lower than predicted by model. Four agencies' actual payments varied from the prediction by more than 20%: Treasury (-22.1%), DHS (-36.9%), DOL (-20.9%), and USPS (-21.8%).
5. The calculated liability amounts were within 10% of amounts derived by DOL models for all agencies except for the Nuclear Regulatory Commission (16%) and U.S. Agency for International Development (-19.2%).
6. A non-statistical sample of at least 50 claimant accounts receivable showed 12 instances in which the establishment, recording, or processing of the receivable or related recoveries was not done in accordance with established policy and related standards.
7. The 4th quarter estimation was -0.77% from the actual.
8. The 2005 benefits decreased by 0.24% over 2004.
9. Comparison of the Summary Chargeback Billing Report to the total benefit payments for the fiscal year ending September 2005 resulted in a 3.7% variance.
10. Benefit payments for the fiscal year ending September 2005 decreased by 1.96% overall from September 2004.

Recommendations: None made**Actions Taken:** Not applicable**Actions Remaining:** None**Expected Completion:** Not applicable**Additional Information:** A copy of the complete report can be obtained at <http://www.oig.dol.gov/public/reports/oa/2006/22-06-001-13-001.pdf>.**26. Issue: Customer Satisfaction with EBSA****Program Area:** EBSA**Performance Goal:** **Goal 2.2C** – Secure pension, health and welfare benefits.**Report Title:** Office of Participant Assistance Program Evaluation Studies**Date Completed:** December 2005**Conducted By:** The Gallup Organization**Program Impacts:** EBSA employees most engaged with their customers are better able to identify situations requiring the attention of enforcement staff. Being able to provide feedback to employees on the strengths and weaknesses of their customer interactions is instrumental in continued program improvement.**Findings:****Participant Assistance Customer Satisfaction Surveys:**

1. EBSA achieved a customer satisfaction score of 67 percent (customers rating 4 or 5 on a 5-point scale).
2. With few office exceptions, EBSA improved its overall customer satisfaction score each year since 2001.
3. Individual employee performance drives the customer service experience.
4. Poor service delivery has greater impact than just on the immediate customer; unhappy customers tell more people about their experience than those who were pleased.
5. Despite improvement, EBSA should still focus on the perception that EBSA is willing to work with its constituents to ensure their needs are met.
6. There was strong improvement in employees following up on commitments to their customers.

Outreach Surveys:

1. Approximately 85 percent of seminar attendees rate overall satisfaction and usefulness favorably.
2. As in FY04, EBSA presenters are rated favorably for being knowledgeable and well informed, but they rate lower on being able to connect with the audience.
3. Ratings vary widely by office.
4. 90 percent of attendees would recommend the seminar and have a better understanding of the regulations.

Public Disclosure Room:

1. The Public Disclosure Room satisfies 73 percent of its customers.
2. Clerks need to improve their ability to help customers identify what records will best meet their needs.
3. Accessibility and timeliness of the material in the Public Disclosure Room are issues that need to be addressed.

Recommendations:**Participant Assistance Customer Satisfaction Surveys:**

1. Examine barriers to providing excellent customer service in offices that have failed to improve.
2. Continue to share individual results and provide training in customer service and customer engagement.

<p>3. Examine staff fitness for customer service role. Customer service training has had an impact but managers need to ensure customer service skills are present in new hires</p> <p>4. Focus on developing the best talents of each Benefits Advisor.</p> <p>5. Set clear expectations and hold Benefits Advisors and Supervisors accountable for their service delivery.</p> <p>6. Recognize and compensate for greatness.</p> <p><u>Outreach Surveys:</u></p> <p>1. Closely examine presentation skills of the presenters.</p> <p>2. Consider reorganization of seminars to incorporate attendees' comments.</p> <p><u>Public Disclosure Room:</u></p> <p>1. Review results with new Disclosure Room contractor and develop an action plan for addressing performance.</p> <p>2. Develop specific action plan for training program for clerks.</p>	
<p>Actions Taken:</p> <p><u>Participant Assistance Program:</u></p> <p>1. The Gallup Organization analyzed one of the offices that had been struggling with customer service and identified several areas for the office to focus on to improve customer service.</p> <p>2. The Benefits Advisors in each office meet to refine and update plans for improving their office's scores.</p> <p>3. Certain offices conduct morale building events as part of their action plans to improve service.</p> <p>4. Regional Directors are now rated on whether or not they meet the current year goal for customer satisfaction.</p> <p><u>Outreach Surveys:</u> EBSA continues to evaluate this service and relate updated findings for conducting outreach.</p> <p><u>Training:</u> Public speaking training was made available to those conducting outreach events to improve outreach performance.</p> <p><u>Public Disclosure Room:</u> Results have been communicated to the Supervisor of the Public Disclosure Room for development of an action plan to address the issues identified in the study.</p>	
<p>Actions Remaining: Public Disclosure Room personnel have met to devise methods for improving service in the areas identified by the report and will continue to work toward improving performance.</p>	<p>Expected Completion: Ongoing</p>
<p>Additional Information: A copy of the complete reports can be obtained from the Employee Benefits Security Administration, 200 Constitution Avenue, NW, Room N-5625 Washington, DC 20210, or by calling 202-693-8655.</p>	
<p>27. Issue: The transparency of PBGC financial reporting</p>	
<p>Program Area: PBGC</p> <p>Performance Goal: Goal 06-2.2D – Improve pension insurance program.</p>	<p>Report Title: Private Pensions. Opportunities Exist to Further Improve the Transparency of PBGC's Financial Disclosures (GAO-06-429)</p> <p>Date Completed: March 2006</p> <p>Conducted By: GAO</p>
<p>Program Implication: The PBGC single-employer insurance program insures the pension benefits of over 34 million participants in almost 29,000 private sector defined benefit pension plans. The increase in PBGC's probable claims has raised question PBGC's monitoring and financial disclosure practices, including whether the information that PBGC discloses is sufficient for interested parties to understand the effect on PBGC's financial condition.</p>	
<p>Findings:</p> <p>1. PBGC takes steps to monitor and ensure the accuracy of its single-employer probable claims forecasts by (a) contacting plan sponsors to obtain financial information, (b) reviewing filings submitted by probable plans to conduct a risk analysis, and (c) performing valuations to determine the present value of net probable claims and expected date of probable plan termination.</p> <p>2. To ensure the accuracy of its probable claims, PBGC reported that it uses an automated system and available plan financial data to calculate the assets and liabilities for probable plans.</p> <p>3. While PBGC and public companies follow the same accounting standards for recording probable losses in their annual financial statements, they each follow different policies and requirements when reporting information throughout the fiscal year. PBGC, which is not subject to Security and Exchange Commission's (SEC) requirements, follows its own set of policies and procedures.</p> <p>4. PBGC has made efforts to improve the transparency of the information it discloses about its financial condition, but pension experts, financial analysts, and others believe that additional improvements are still needed. Many stated that the press releases PBGC issues that announce newly terminated plans do not provide the public with enough information to determine the financial impact of such plans on PBGC's published deficit.</p> <p>5. Experts also expressed concern about the lack of transparency regarding the methodology PBGC uses to determine the interest rate it uses to calculate liabilities.</p>	
<p>Recommendations:</p> <p>1. PBGC should disclose whether a newly terminated plan was already included in its published deficit.</p> <p>2. PBGC should make its interest rate methodology more widely available to the public.</p>	
<p>Actions Taken:</p> <p>1. Decision made that in future media releases, PBGC will release whether or not reserves have previously been made relating to the termination of the subject company's defined benefit plans.</p>	

2. Additional details regard the interest methodology were added to the Web site, http://www.pbgc.gov .	
Actions Remaining: None	Expected Completion: Not applicable
Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d06429.pdf .	
GOAL 3: QUALITY WORKPLACES	
28. Issue: Ensuring the safety and health of underground coal miners	
<p>Program Area: MSHA Performance Goal: Goal 06-3.1A – Reduce mining-related fatalities and injuries. Goal 06-3.1B – Reduce mining-related illnesses.</p>	<p>Report Title: MSHA’s Programs for Ensuring the Safety and Health of Coal Miners Could be Strengthened (GAO-06-370T) Date Completed: January 2006 Conducted By: GAO</p>
<p>Program Implication: GAO was asked to submit a statement for the record highlighting findings from a 2003 report on how well MSHA oversees its process for reviewing and approving critical types of mine plans and the extent to which MSHA’s inspections and accident investigations processes help ensure the safety and health of underground coal miners. MSHA has a new opportunity to report additional progress toward implementing the recommendations from that report.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> MSHA could improve its oversight, guidance, and human-capital-planning efforts. MSHA headquarters did not ensure that 6-month inspections of ventilation and roof support plans were being completed on a timely basis. Officials did not always ensure that hazards found during inspections were corrected promptly. Gaps were found in the information that MSHA used to monitor fatal and nonfatal injuries, limiting trend analysis and agency oversight. Specifically, the agency did not collect information on hours worked by independent contractors staff needed to compute fatality and nonfatal injury rates for specific mines, and it was difficult to link information on accidents at underground coal mines with MSHA’s investigations. Guidance provided by MSHA management to agency employees could be strengthened. Some inspections procedures were unclear and were contained in many sources, leading to differing interpretations by mine inspectors. The guidance on coordinating inspections conducted by specialists and regular inspectors was also unclear, resulting in some duplication of effort. As of 2003, although about 44 percent of MSHA’s underground coal mine inspectors were going to be eligible to retire within five years, the agency had no plan for replacing them or using other human capital flexibilities available to retain its highly qualified and trained inspectors. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> Monitor the timeliness of inspections conducted as part of the six-month review of certain mine plans. Ensure that mine operators are correcting hazards identified during inspections in a timely manner. Develop a plan for addressing anticipated shortages in the number of qualified inspectors due to retirements. Revise the systems used to collect information on accidents and investigations. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> MSHA has developed and continues to refine a Mine Plan approval database to facilitate headquarters monitoring timely ventilation and roof control plan approvals. Operator abatements are being monitored by Headquarters through data reviews and through field audits pursuant to MSHA’s revised Accountability Program. MSHA Headquarters has implemented a process to monitor abatement times in each District, and reviews this information as part of its ongoing oversight responsibilities. In response to retirements in an aging mine inspector workforce, DOL launched a Career Intern Program to fill the demand for qualified mine safety inspectors. This effort has included recruitment and screening sessions at mining locations nationwide. The result has been a wider field of qualified applicants and a recruitment process that now takes 45, compared to the 180 days it took in FY 2004. MSHA effectively linked accident, investigations and other Part 50 data and databases in FY 2004. These are fully accessible via MSHA’s current data model and are part of the migration to MSHA new standardized information system. In January 2006, MSHA revised its <i>Handbook of General Coal Mine Inspection Procedures</i> which strengthens and clarifies guidance provided to enforcement personnel. This is in addition to policy memorandums designed to make inspection procedures more clear and straightforward, including guidance on coordinating inspections conducted by specialists and regular inspectors. 	
Actions Remaining: Regarding recommendation 2, when the OIG audit is completed, MSHA will respond to the report and prepare corrective actions and action plans as applicable.	Expected Completion: 2007
Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-370T .	

29. Issue: MSHA’s Process for Handling of Miner’s Complaints of Unsafe Working Conditions	
<p>Program Area: MSHA Performance Goal: Goal 06-3.1A – Reduce mining-related fatalities and injuries. Goal 06-3.1B – Reduce mining-related illnesses.</p>	<p>Report Title: Coal Mine Hazardous Condition Complaint Process Should Be Strengthened (OIG-05-06-006-06-001) Date Completed: September 2006 Conducted By: OIG</p>
<p>Program Implication: The Mine Safety and Health Act of 1977 (Mine Act) gives miners and miner representatives the right to confidentially obtain an immediate inspection when there are reasonable grounds to believe that an imminent danger, or a violation of the Mine Act or a mandatory safety or health standard exists.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. MSHA should ensure that the hazard complaint process is promoted consistently. 2. MSHA should ensure that complaints are evaluated and inspected timely, consistently, and in accordance with applicable requirements. 3. MSHA should ensure that information used for headquarters oversight and management of the hazard complaint process is complete. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Develop a written strategy to plan, monitor, and evaluate the effectiveness of efforts to promote MSHA’s hazardous condition complaint process to coal miners, coal miner representatives, and other stakeholders. Additionally, MSHA should ensure personnel receiving and documenting hazardous condition complaints are properly trained and knowledgeable about coal mining terminology. 2. Establish management controls to ensure that the expectation for evaluation timeliness is quantified and that the timeliness is monitored and systemic reasons for delays are identified and addressed. Additionally, management should ensure evaluation of the seriousness of complaints is documented, training and oversight is provided for appropriate determination of imminent danger complaints, and copies of complaints provided to mine operators are consistent with MSHA’s guidelines to remove detailed information that could compromise a complainant’s identity. 3. Establish management controls to ensure that inspections for complaints filed with both headquarters and the districts are timely and that inspection timeliness is monitored and systemic reasons for delays are identified and addressed. 4. Additionally, management should ensure expectation of timeliness for starting inspections of imminent danger allegations is quantified and that inspector notes receive appropriate supervisory review. 5. Establish management controls to ensure complaints made directly to CMS&H’s eleven districts are included in management reports used to direct oversight and enforcement. Additionally, management should ensure hazardous condition complaint data reported to the public are complete. 	
<p>Actions Taken: During the audit, MSHA initiated action to monitor the quality of services provided by the contractor receiving complaints filed through MSHA headquarters, track the timeliness of hazardous condition complaint evaluations and inspections, and use the MSHA Standard Information System (MSIS) to record, track, and report headquarters and district-generated condition complaints.</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained http://www.oig.dol.gov/public/reports/oa/2006/05-06-006-06-001.pdf.</p>	
30. Issue: MSHA’s Enforcement Accountability Program	
<p>Program Area: MSHA Performance Goal: Goal 06-3.1A – Reduce mining-related fatalities and injuries. Goal 06-3.1B – Reduce mining-related illnesses.</p>	<p>Report Title: MSHA Accountability Program Coal Mine Safety and Health Management Letter (OIG 05-06-007-06-001) Date Completed: September 2006 Conducted By: OIG</p>
<p>Program Implication: MSHA’s Accountability Program was established to evaluate the quality of MSHA enforcement activities by conducting peer reviews of District activities, and to provide reasonable assurance that policies and procedures are being complied with consistently.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. The Accountability Program does not require a standard process for selecting mines to be reviewed during District Peer Reviews and Head Quarter’s (HQ) Reviews of Districts. 2. The Accountability Program does not require that a review team member visit those mines selected for review during District Peer Reviews and HQ Reviews of Districts. 3. The Accountability Program does not require that a review team member interview appropriate district and/or field office personnel during District Peer Reviews and HQ Reviews of Districts. 4. The Accountability Program does not require a standard format for District Peer Review reports and corrective action plans. 5. The Accountability Program does not require a centralized system for HQ to record and track the deficiencies and corrective actions identified during District Peer Reviews and HQ Reviews of Districts. 	

Recommendations:

- MSHA should develop and require a standard process for the selection of a mine(s) to be reviewed during both District Peer Reviews and HQ Reviews of Districts. The process should assure that (a) any entity could be selected and (b) the selection is not within the control of any individual. In addition, to the mine(s) selected through this process, MSHA could, if desired, select an additional mine(s) for review based on criteria of its choosing (e.g., fatalities, accidents, enforcement history, size).
- MSHA should require that one or more review team members observe selected portions of the mine(s) chosen for review. The scope of these observations should be sufficient to form an overall perspective of the mine’s condition and operation in comparison to that reflected by the related mine plans and records (e.g., inspector notes, citations, etc.).
- MSHA should require that review team members interview appropriate individuals during District Peer Reviews and HQ Reviews of Districts. The scope of these interviews should address overall office operations as well as the information contained in any specific records (e.g., inspector notes, citations, etc.) reviewed.
- MSHA should require the use of a standard report format, in both presentation and content, for District Peer Review Reports and corrective action plans. This would help MSHA to assess the consistent application of policies and procedures nationwide as well as facilitate the identification of systemic weaknesses and the implementation of potential best practices.
- MSHA should develop a system to record and track the results of District Peer Reviews and HQ Reviews of Districts, e.g., identified deficiencies, planned corrective actions, potential best practices, etc. This tracking system will facilitate review and analysis of systemic weaknesses and trends, help to ensure that corrective actions are completed in a timely manner, and that potential best practices are shared nationwide.

Actions Taken: Based on MSHA’s written response to the OIG’s recommendations, OIG stated that they considered recommendations 1, 3, 4, and 5 resolved.

Actions Remaining: MSHA will include visits to a percentage of mines selected for District Peer Reviews. The OIG will take the action into account as they continue their ongoing audit and issue recommendations from that audit.	Expected Completion: 2007
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Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/cgi-bin/oa_rpts.cgi?s=&y=fy92005n&a=all.

31. Issue: Concerns for the safety of Federal workers and the costs associated with unsafe Federal workplaces

Program Area: OSHA Performance Goal: Goal 06-3.1C – Reduce work-related fatalities. Goal 06-3.1D – Reduce work-related injuries and illnesses.	Report Title: OSHA Could Improve Federal Agencies’ Safety Programs with a More Strategic Approach to its Oversight (GAO-06-379) Date Completed: April 2006 Conducted By: GAO
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Program Implication: OSHA oversees and assists Federal agencies’ efforts to develop and administer their safety programs. Because Federal workers’ compensation costs exceeded \$1.5 billion in 2004, with approximately 148,000 new claims files that year, OSHA could provide a more strategic approach to its oversight.

Findings:

- OSHA’s oversight of Federal agencies’ safety programs is not as effective as it could be because the agency does not use its enforcement and compliance assistance resources in a strategic manner.
- Inspections are one of OSHA’s primary enforcement tools, but it does not conduct many inspections of Federal work sites or have a national strategy for targeting worksites with high injury and illness rates for inspections.
- Although OSHA is responsible for tracking disputed violations and reporting any unresolved disputes to the President, OSHA does not do so.
- Although OSHA is required to review agencies’ safety programs annually and submit a report on them to the President each year, as of January 2006, the last report submitted was for FY 2000.
- While OSHA has a range of compliance assistance programs designed to help agencies comply with its regulations and improve safety, these programs are not being fully utilized.

Recommendations:

- OSHA should conduct targeted inspections of Federal facilities.
- OSHA should track disputed violations to their resolution.
- OSHA should report unresolved disputes to the President.
- OSHA should conduct evaluations of the largest and most hazardous agencies as required.
- OSHA’s annual report to the President should include an assessment of each agency’s safety program and recommendations for improvements.

Actions Taken:

- OSHA began developing an inspection targeting program and expects to have it in place by FY 2007.
- OSHA continues to work with OWCP and others to devise a methodology to combine site-specific injury data with Federal agency employment numbers.
- A process was implemented whereby each agency’s annual report is reviewed and analyzed. Information from inspection

and evaluation activity will be incorporated into this process as these efforts begin to provide significant information.	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. Develop an internal tracking system for appealed violations. 2. Redesign reporting instructions that are sent out to Federal agencies each year. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. March 2007 2. March 2007
<p>Additional Information: A copy of the complete report can be obtained at http://www/gao.gov/cgi-bin/getrpt?GAO-06-379.</p>	
<p>32. Issue: Improving implementation of OSHA's voluntary guidelines</p>	
<p>Program Area: OSHA Performance Goal: Goal 06-3.1C – Reduce work-related fatalities. Goal 06-3.1D – Reduce work-related injuries and illnesses.</p>	<p>Report Title: Evaluation of OSHA Voluntary Guidelines Date Completed: June 2006 Conducted By: Eastern Research Group (ERG)</p>
<p>Program Implication: Promotion of voluntary OSHA guidelines begins with the development process. Involving stakeholders early in the process and using market information on the target population are particularly important. Obtaining feedback on the use of voluntary guidelines once issues would enable OSHA to better evaluate the interventions that incorporate the voluntary guidelines.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Of the three guidelines studied, the Nursing Home Ergonomics Guidelines had the highest percent of employers aware of the OSHA guidelines. Employers are also aware of guidelines issued by other Federal agencies. 2. The OSHA Web site was identified as a source of information on ergonomics for 74 percent of the survey respondents, but only 21% of respondents to the Late-Night Retail survey cited the OSHA Web site for information on violence prevention. 3. A higher percentage of respondents in the Nursing Home Ergonomics Survey and the Health Care Violence Prevention Guidelines Survey implemented program features addressed in the respective OSHA guidelines vs. Late-Night Retail. 4. A greater percent of respondents indicated lack of information as an obstacle for program features they had not implanted. 5. Over half of all respondents reported using OSHA guidelines to implement ergonomic or violence prevention programs. 6. To the extent that employers were aware of the OSHA Guidelines and used the OSHA guidelines in their programs, the OSHA voluntary guidelines contributed to the benefits employers reported. 7. Establishments that had both OSHA inspections and awareness of the guidelines had larger and more frequent reductions in lost work days rates and the number of days away from work, restriction or transfer due to injury or illness. 8. Establishments that implemented ergonomics programs with more features did better, as did those establishments that implemented all the specific features of their ergonomics program earlier than those who implemented more recently. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Better define voluntary guidelines and their role for OSHA. 2. Pursue wider recognition of OSHA voluntary guidelines. 3. Adopt the protocol that worked well for the Nursing Home Ergonomics Guidelines for the development and promotion of all voluntary guidelines. 4. Expand awareness of OSHA voluntary guidelines through refinement of marketing efforts. 5. Monitor continued relevance of specific OSHA voluntary guidelines. 	
<p>Actions Taken: None</p>	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. Better define voluntary guidelines and their role for OSHA. 2. Pursue wider recognition of OSHA voluntary guidelines. 3. Adopt the protocol that worked well for the Nursing Home Ergonomics Guidelines for the development and promotion of all voluntary guidelines. 4. Expand awareness of OSHA voluntary guidelines through refinement of marketing efforts. 5. Monitor continued relevance of specific OSHA voluntary guidelines. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. September 2008 2. September 2008 3. September 2008 4. September 2008 5. September 2008
<p>Additional Information: A copy of the complete report can be obtained by calling John Smith at (202) 693-2244.</p>	
<p>33. Issue: Finding ways to improve the efficiency of resource allocation for compliance reviews</p>	
<p>Program Area: OFCCP Performance Goal: Goal 06-3.2A – Federal contractors achieve equal opportunity workplaces.</p>	<p>Report Title: A Study to Refine the OFCCP Discrimination Prediction Model Date Completed: October 2005 Conducted By: Eastern Research Group (ERG)</p>
<p>Program Implication: By understanding the indicators of discrimination, OFCCP can concentrate its resources on fostering equal opportunity in employment.</p>	

<p>Findings:</p> <ol style="list-style-type: none"> 1. The use of county-based models appear to provide a more valid means of measuring local market conditions than Metropolitan Statistical Area data. 2. A county-based model has more significant coefficients and appears to do a better job of predicting discrimination findings. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Use county-based models when predicting discrimination findings. 2. Additional analyses may further refine and improve OFCCP's ability to identify patterns of discrimination. 	
<p>Actions Taken: Initiation of a test to validate the findings presented in the report. The test is based on a set of audits selected by (a) random selection and (b) targeted selection using prediction models.</p>	
<p>Actions Remaining: Complete case reviews to gauge the benefits of the modeling procedures.</p>	<p>Expected Completion: September 2007</p>
<p>Additional Information: Information on the study can be obtained from the Office of Federal Contract Compliance Programs, Employment Standards Administration, Department of Labor, FPB N-3402, 200 Constitution Avenue, NW, Washington, DC 20210, or by calling Michael D. Sinclair at 693-1153.</p>	
<p>34. Issue: The extent to which USERRA has been supported and enforced by the Departments of Defense, Labor, Justice and the Office of Special Counsel</p>	
<p>Program Area: VETS USERRA Performance Goal: Goal 06-3.2B – Reduce employer-employee employment issues originating from service members' military obligations conflicting with their civilian employments.</p>	<p>Report Title: Federal Management of Servicemember Employment Rights Can Be Further Improved (GAO-06-60) Date Completed: October 2005 Conducted By: GAO</p>
<p>Program Implication: Hundreds of thousands of employers and service members have been educated about USERRA, but the efficiency and effectiveness of this outreach is hindered by a lack of employer information. DOL also relies on paper files when transferring or reviewing complaints, slowing effective and timely oversight. The program could be improved by focusing on results, rather than outputs.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Whether overall USERRA compliance or employer support has increased, decreased, or remained steady is difficult to firmly establish. Limited insights into USERRA compliance is provided by formal and informal complaint data and employer support figures. 2. DOL numbers show that formal complaints rose in FY 1991 and 1992. 3. Despite many general outreach efforts, agencies lack essential employer information needed to efficiently and effectively target outreach to employers who actually have service member employees. Without complete information about the full expanse of service member employers, the Federal agencies conducting outreach have no assurance that they have informed all service member employers about USERRA rights and obligations. 4. Agency abilities to address service member complaints, as intended by USERRA, are hampered by incompatible data systems, reliance on paper files, and a segmented process that lacks visibility. 5. Analysis revealed substantial differences between the recorded processing times and the actual elapsed times for those complaints. The recorded processing times averaged 103 days, although it took much longer because the service members actually waited an average of 619 days from the time they filed their initial formal complaints with DOL until the time they complaints were fully addressed. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. DOD should include USERRA questions in its periodic surveys of servicemembers. 2. DOD should take steps to enforce the requirement for servicemembers to report their civilian employment information, maintain the database on this civilian employment information, and share applicable employer information with other agencies. 3. The Departments of Defense, Labor, and Justice, along with Office of the Special Counsel (OSC) should explore methods of electronically transferring information between agencies. 4. The Secretary of Labor should develop a plan to reduce agency reliance on paper files and fully adopt the agency's automated complaint file system. 5. Congress should consider designating a single office to maintain visibility over the entire complaint resolution process. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. In September 2005, DOL made efforts to promote the agencies' goal of early resolution of USERRA employment and reemployment issues a longstanding cooperative relationship with the DOD Employer Support of the Guard and Reserve. 2. DOL's Office of the Solicitor and VETS have begun to discuss ways in which the two offices can use one electronic case management system, interfaced as appropriate with DOD, DOJ, and OSC. 	

<p>3. DOL has discussed with the other agencies ways to improve inter-agency information exchange and data-sharing capabilities. Based on agreements reached among all USERRA agencies, an upgraded version of VETS’</p> <p>4. USERRA Information Management System (UIMS) will be used by all USERRA agencies for case status reporting, effective October 2, 2006.</p>	
<p>Actions Remaining: VETS’ UIMS will be further upgraded to enable electronic versions of case documentation to be uploaded into case records. This functionality will be the first step toward a fully automated complaint file system</p>	<p>Expected Completion: February 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at www.gao.gov/cgi-bin/getrpt?GAO-06-60.</p>	
<p>GOAL 4: A COMPETITIVE WORKFORCE</p>	
<p>35. Issue : Implementation of the seamless One-Stop vision</p>	
<p>Program Area: ETA One-Stop</p> <p>Performance Goal: Goal 05-4.1B – Improve the outcomes for job searchers and employers who receive One-Stop employment and workforce information services.</p>	<p>Report Title: Two of Illinois’ One-Stop Centers Have Not Fully Implemented the Seamless Service Concept (OIG 06-05-011-03-390)</p> <p>Date Completed: September 2005</p> <p>Conducted By: OIG</p>
<p>Program Implication: ETA views the One-Stop system as the cornerstone of the new workforce investment system, which unifies numerous training, education, and employment programs into a single, customer-friendly system in each community. ETA envisions one overall service system where One-Stop truly means one stop.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. There are issues in two of the State of Illinois’ One-Stops implementation of the seamless One-Stop vision. 2. The One-Stop organizational structures provide shared administration of the One-Stop centers, but better collaboration and coordination will enhance service delivery. 3. One-Stop partners did not share a statewide common intake system for the One-Stop service delivery system. 4. Local boards established MOUs, but greater detail would enhance the One-Stop concept. 	
<p>Recommendations: None made</p>	
<p>Actions Taken: Not applicable</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2005/0605-011-03-390.pdf.</p>	
<p>36. Issue: Implementation of the One-Stop Seamless Service Concept in Texas</p>	
<p>Program Area: ETA One-Stop</p> <p>Performance Goal: Goal 05-4.1B – Improve the outcomes for job searchers and employers who receive One-Stop employment and workforce information services.</p>	<p>Report Title: The State of Texas has Effectively Implemented the One-Stop Seamless Service Concept (OIG 06-05-007-03-390)</p> <p>Date Completed: September 2005</p> <p>Conducted By: OIG</p>
<p>Program Implication: The State of Texas could serve as a model for successful implementation of the seamless One-Stop vision.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. The State of Texas was an early implementer of the One-Stop system, and they established an organizational structure that supports the seamless service concept. 2. The Texas Workforce Commission (TWC) effectively coordinates a cohesive workforce system. The TWC coordinates the oversight and administration of the One-Stop system. 3. The State has developed a statewide common intake system for One-Stop service delivery; the TWC provides guidance through statewide policies and procedures. 4. One-Stop system partners established memoranda of understanding (MOUs) and contracts to support the One-Stop concept. 	
<p>Recommendations: None made</p>	
<p>Actions Taken: Not applicable</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2005/06-05-007-03-390.pdf.</p>	

37. Issue: An alleged mismanagement of WIA Dislocated Worker Program and funds	
<p>Program Area: ETA Dislocated Worker</p> <p>Performance Goal: Goal 05-4.1C – Increase the employment, retention, and earnings replacement of individuals registered under the WIA Dislocated Worker Program.</p>	<p>Report Title: Alleged Violations of WIA Program and Federal Guidelines at One-Stop Center Operated by Affiliated Computer Services, Inc. (OIG 05-06-002-03-390)</p> <p>Date Completed: December 2005</p> <p>Conducted By: OIG</p>
<p>Program Implication: Local Workforce Investment Boards are authorized to continue setting program policies and regulations consistent with the WIA Act within their local areas.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> The alleged mismanagement of the WIA Dislocated Worker Program and funds was unsupported. The Local Workforce Investment Board (LWIB) IV WIA program policy was consistent with the WIA Act and regulations. WIA, Section 117 authorizes the LWIB to set policy for the workforce investment system within the local area. The LWIB decided and adopted a policy to give priority for training services for adult participants to recipients of public assistance and other individuals with low income in accordance with WIA, Section 134(d) (4) (E). 	
<p>Recommendations: None made</p>	
<p>Actions Taken: Not applicable</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.oig.dol.gov/public/reports/oa/2006/05-06-002-03-390.pdf.</p>	
38. Issue: The effect of recent amendments to the Older Americans Act	
<p>Program Area: ETA SCSEP</p> <p>Performance Goal: Goal 05-4.1D – Assist older workers to participate in a demand-driven economy through the Senior Community Employment Service Program.</p>	<p>Report Title: Senior Community Service Employment Program: Labor Has Made Progress Implementing Older Americans Act Amendments of 2000, but Challenges Remain (GAO-06-549T)</p> <p>Date Completed: April 2006</p> <p>Conducted By: GAO</p>
<p>Program Implication: The aging of the baby boom generation presents serious challenges for the nation's workforce investment system. The expected increase in the number of low-income older adults means that, more and more, older Americans will have to continue working in order to have sufficient income. Given the problems that older adults often experience in obtaining in-depth services, such as training, it is unclear whether the existing workforce system is able to provide the type and level of services this population may need.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> The 2000 Older Americans Act (OAA) Amendments have had little impact on the distribution of funds between national and State grantees. National grantees continue to receive approximately 78 percent of the funding and States about 22 percent. Distribution of funding among national grantees changed substantially after DOL's 2002 open competition for the national grants portion of Senior Community Service Employment Program (SCSEP) funding. DOL has taken steps to establish an enhanced performance accountability system for the SCSEP, but has yet to implement some features. DOL has implemented an early version of a data collection system to track grantee performance, but the final Internet-based version is not yet available. Changes to SCSEP eligibility criteria and difficulties coordinating with the WIA one-stop system have posed challenges to grantees. DOL modified some SCSEP eligibility criteria to target limited program funds to individuals it believes are most in need of services. However, grantees expressed concern that these changes had made it more difficult for them to meet their enrollment goals. Despite provisions in the OAA Amendments to strengthen connections between SCSEP and WIA, problems persist in coordinating with WIA providers and obtaining intensive and training services for older workers at one-stop centers. 	
<p>Recommendations: None made</p>	
<p>Actions Taken:</p> <ol style="list-style-type: none"> Beginning in PY 2005 and continuing into PY 2006, ETA has been implementing the Internet-based Senior Community Service Employment Program Performance Accountability Quarterly Progress Report (SPARQ2) data collection system to collect program information and data on the common performance measures and SCSEP-specific performance measures. States will begin reporting using SPARQ2 during PY 2006. 	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/new.items/d06549t.pdf.</p>	

39. Issue: The aging of the American workforce	
<p>Program Area: ETA SCSEP Performance Goal: Goal 05-4.1D – Assist older workers to participate in a demand-driven economy through the Senior Community Employment Service Program.</p>	<p>Report Title: Older Workers: Labor Can Help Employers and Employees Plan Better for the Future (GAO-06-80) Date Completed: December 2005 Conducted By: GAO</p>
<p>Program Implication: There is a need for a Federal interagency taskforce to work collectively to address the workforce challenges posed by an aging workforce.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. Employers in every occupation face the likelihood that a greater percentage of their workforce will be nearing retirement age, resulting in the loss of a significant number of experienced workers in a short period of time. 2. Almost 80 percent of between the ages of 55 and 74 are employed in professional, management, service, office and administrative support, and sales occupations. These occupations make up about 75 percent of the total workforce aged 25 to 74. 3. Given the potential skill gaps and slowdown in the growth of the labor supply, older workers may become a resource of growing importance to employers. 4. Some employers are making an effort to hire and retain older workers, but most have not made targeting older workers a priority. 5. Just over 60 percent of full-time workers aged 55 or older have expressed a desire to gradually reduce their hours at their current jobs, but few employers have implemented policies of phased or partial retirement. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. The Secretary of Labor should design a comprehensive and highly visible public awareness campaign as a way to help employers and employees plan better for the future and by so doing, bridge the gap between employer and employee needs. 2. The campaign should involve other relevant agencies and target employer organizations and groups that interact with employees and, ultimately, encourage employers to find ways to retain and recruit older workers, and assist older workers in finding opportunities for continued work. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. DOL has convened an intra-agency taskforce on older workers and is working with business leaders on issues concerning the aging workforce. 2. ETA has initiated an outreach campaign to inform employers about the benefits of hiring and retaining older workers. The message of the campaign is “Strength in Numbers,” in recognition of the important role that the baby boom generation will play in the U.S. workforce over the next 25 years. 3. ETA is also targeting older workers to encourage them to remain in or re-enter the workforce. 4. ETA has developed campaign materials, including an employer outreach kit, a Public Service Announcement, posters, and brochures, for all workforce investment system professionals, employers, and the public-at-large. 5. ETA released a <i>Protocol for Serving Older Workers</i> to the workforce investment system to enhance the services provided to older workers. 6. ETA’s <i>Workforce Innovations</i> conference (July 2006) placed special emphasis on older worker issues. 7. Workshops focused on solutions to the challenges employers face in recruiting and retaining older workers; effective strategies for providing employment and training services to older individuals; and skill assessment/training techniques for this population. 8. ETA’s Business Relations Group has sponsored educational forums intended to inform employers about the benefits of employing older workers. 	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. DOL is participating in the Taskforce on the Aging of the American Workforce, an inter-agency effort. The Taskforce will make recommendations to increase awareness of and outreach to older workers relating to: 1) individual opportunities for employment; 2) legal and regulatory issues regarding work and retirement and 3) employer response to the aging workforce. 2. ETA will support National Employ Older Worker Week in September 2006 with outreach materials, posters, news releases and will post grantee commemorative events on the SCSEP Web site calendar to encourage exchange of peer best practices and heighten awareness. 	<p>Expected Completion:</p> <ol style="list-style-type: none"> 1. April 2007 2. September 2006
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-80.</p>	
40. Issue: Worker classifications through the H-1B program	
<p>Program Area: ETA FLC Performance Goal: Goal 06-4.1A – Address worker shortages through the Foreign Labor Certification Program</p>	<p>Report Title: Labor Could Improve Its Oversight and Increase Information Sharing with Homeland Security (GAO-06-720) Date Completed: June 2006 Conducted By: GAO</p>
<p>Program Implication: The H-1B visa program assists U.S. employers in temporarily filling certain occupations with highly-</p>	

<p>skilled foreign workers. There is considerable interest regarding how DOL, along with the Departments of Homeland Security and Justice, is enforcing the requirements of the program.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. DOL could improve its oversight of employers' compliance with requirements of the H-1B program. 2. DOL review of employers' applications to hire H-1B workers is timely, but lacks quality assurance controls and may overlook some inaccuracies. 3. From January 2002 through September 2005, DOL electronically reviewed more than 960,000 applications and certified almost all of them. About one-third of the applications were for workers in computer systems analysis and programming occupations. 4. Analysis of DOL data found certified applications that could have been identified by more stringent checks: 3229 applications were certified even though the wage rate on the application was lower than the prevailing wage for that occupation, and 1000 certified applications contained erroneous employer identification numbers. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Congress should consider eliminating the restriction on DOL using information from Homeland Security to initiate an investigation and directing Homeland Security and DOL to share information on employers that may not be fulfilling program requirements. 2. DOL should improve its checks of employers' applications. 3. Homeland Security should include DOL's application case number in its new information technology system. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. DOL developed 26 new fact sheets to describe employer responsibilities and employee rights that will be made available on the web in 2006. 2. DOL is working with the Department of State to provide information cards to H-1B workers and employers about their employment rights and responsibilities. 	
<p>Actions Remaining: DOL is conducting a thorough review of the FEIN and prevailing wage issues raised in the GAO report.</p>	<p>Expected Completion: January 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-720.</p>	
<p>41. Issue: Reemployment services available to workers laid off as a result of international trade</p>	
<p>Program Area: ETA TAA Performance Goal: Goal 06-4.1B – Assist workers impacted by international trade to better compete in the global economy through the Trade Adjustment Assistance Program.</p>	<p>Report Title: Most Workers in Five Layoffs Received Services, but Better Outreach Needed on New Benefits (GAO-06-43) Date Completed: January 2006 Conducted By: GAO</p>
<p>Program Implication: Little is known nationally about the extent to which workers laid off as a result of international trade use the variety of Federally funded reemployment services available to them. Programs need to understand the extent to which workers access their services, the factors affecting participation, and the outcomes achieved by the services.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. At all five trade-related plant closures that GAO studied, about three-quarters or more of the workers received reemployment assistance through a One-Stop center. 2. Workers at the sites most often received one-on-one services such as job search assistance. 3. About a third or less of the workers at most sites received training and long-term income support, with workers over age 55 less likely to enter training than younger workers. 4. Workers who did not visit a center most often said they needed to find a job right away and did not think they had time to visit a center, or did not think they needed help finding a new job. 5. At the time GAO conducted its survey, most of the workers had either found a new job or retired. At three sites, over 60 percent were reemployed. At another site only about 40 percent were reemployed, but another third had retired. At the final site, about a third were reemployed, but this site had the highest proportion of workers in training and most were likely to still be in training. 6. The majority of reemployed workers earned less than they had previously, replacing about 80 percent or more of their prior wages. At one site, over half the reemployed workers matched their prior wages. 7. Few workers at each site received either the health insurance benefit or the wage insurance benefit available to some older workers. No more than 12 percent of workers at each site received the health insurance benefit; many were unaware of it. 8. No more than one in five of the older workers at each site received the wage insurance benefit; many were unaware of it. 	
<p>Recommendations: Provide guidance to State and local officials on how to promote awareness of the new health insurance and wage insurance benefits to potentially eligible workers.</p>	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. A national Rapid Response Summit was held in St. Louis, Missouri, from May 23 through 25, 2006. This summit, attended 	

<p>by over 500 Workforce system practitioners at the State and local level, included workshops on both health insurance and wage insurance benefits which were designed to ensure that potentially eligible workers were made aware of these options.</p> <p>2. In conjunction with the Rapid Response Summit, a national State Trade Coordinator’s meeting was held on May 23, 2006. Specifically, the agenda featured a discussion of the recommendations of this report and the importance of ensuring that potentially eligible workers were made aware of all available programs.</p>	
<p>Actions Remaining: None</p>	<p>Expected Completion: Not applicable</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-43.</p>	
<p>42. Issue: The accuracy of program performance data</p>	
<p>Program Area: ETA TAA Performance Goal: Goal 06-4.1B – Assist workers impacted by international trade to better compete in the global economy through the Trade Adjustment Assistance Program.</p>	<p>Report Title: Labor Should Take Action to Ensure Performance Data Are Complete, Accurate, and Accessible (GAO-060496) Date Completed: April 2006 Conducted By: GAO</p>
<p>Program Implication: In the current tight budgetary environment, program performance is likely to be an increasingly significant factor to help policymakers assess programs and determine funding levels. Given concerns over the quality of performance data for the TAA program, it is important to provide a credible picture of the program’s performance by improving the quality of data submitted by the States.</p>	
<p>Findings:</p> <ol style="list-style-type: none"> 1. The performance information that Labor makes available on the TAA program does not provide a complete and credible picture of the program’s performance. 2. Only half the States are including all participants, as required, in the performance data they submit to DOL. 3. Many States are not using all available data sources to determine participants’ employment outcomes, resulting in lower reported outcomes. 4. Some States compile their performance data using manual processes or automated systems that lack key capabilities to help minimize errors, but many States have plans to improve their systems’ capabilities. 5. Performance data reported by DOL represents participants who left the program up to 30 months earlier and is not useful for gauging the TAA program’s current performance. 6. Performance information reported by DOL is not displayed using categories that would be informative to policymakers, such as the type of service received and industry of dislocation. 7. Most States find performance information from Labor to be at least moderately useful, but many want more information. 8. DOL has taken steps to improve the quality of TAA performance data, but issues remain. In 2003, Labor began requiring States to validate data, but the process does not address the problem of excluding participants from the performance data. 9. In FY06, DOL instituted a set of common measures and many States reported delays implementing all required changes. 	
<p>Recommendations:</p> <ol style="list-style-type: none"> 1. Clarify through guidance and other communications with States that all participants who exit the program should be included in the Trade Act Participant Report (TAPR), along with the documentation needed to verify the training completion date. 2. Ensure the core monitoring guide currently under development for regional office site visits includes guidance for assessing whether States’ data collection processes for performance reporting capture all participants. 3. Provide States with opportunities to share lessons learned with other States on issues that may affect data quality. 4. DOL should provide data by the type of services received by TAA participants. 	
<p>Actions Taken:</p> <ol style="list-style-type: none"> 1. Issued Training and Guidance Letter No. 3-03, Changes 2 and 3 which implemented the data validation system for the TAPR and required documentation from the training institution for three elements related to a participant’s training, including completion. These records are now required to be contained in each participant’s file. 2. A national State Trade Coordinators’ meeting was held in conjunction with the Rapid Response Summit in St. Louis on May 23, 2006. This meeting provided an opportunity for staff to clarify State issues, dispel misunderstandings, and share lessons learned with other States on issues that may affect data quality. 3. As part of the implementation of Common Measures, three rounds of training sessions were held nationwide, providing States an opportunity to share lessons learned and approaches to properly managing program data. 	
<p>Actions Remaining:</p> <ol style="list-style-type: none"> 1. Finalize a Core Monitoring Guide for ETA Regional Office staff to include guidance for review of data and reporting requirements, data quality, and performance of the TAA Program in all States. 2. Updating its TAPR reporting system for Trade Adjustment Assistance. Once completed, States will be able to access data more quickly, easily and in a variety of ways that may prove useful to them. 	<p>Expected Completion: December 2007</p>
<p>Additional Information: A copy of the complete report can be obtained at http://www.gao.gov/cgi-bin/getrpt?GAO-06-496.</p>	