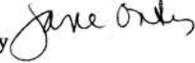


Appendix D

ETA's Response to Draft Report

U.S. Department of Labor	Assistant Secretary for Employment and Training Washington, D.C. 20210	
SEP 30 2011		
MEMORANDUM FOR:	ELLIOT P. LEWIS Assistant Inspector General Office of Audit	
FROM:	JANE OATES  Assistant Secretary	
SUBJECT:	Management's Response to the Office of the Inspector General's Audit of the <i>Recovery Act: Implementation of Planning Efforts to Coordinate Workforce Development Activities With Federal Infrastructure Investments</i> , Audit Report 18-11-010-03-001	

Thank you for the opportunity to respond to the final report cited above. The Employment and Training Administration (ETA) appreciates the time and effort your staff spent to meet with my staff and to incorporate our comments into the report.

ETA is very pleased with the workforce system's ability to quickly and successfully fulfill the legislative requirements of the American Recovery and Reinvestment Act (ARRA). In addition to ensuring all of our legislative obligations were met, ETA encouraged activities and practices that would help optimize this valuable infusion of funds, including the coordination of workforce development resources with other federal infrastructure investments. The public workforce system assisted in the placement of over 6 million jobseekers into available jobs throughout the country in both Program Year 2009 and Program Year 2010 – the heart of the Recovery Act period.

The report accurately acknowledges that while coordination with Federal Infrastructure Investments was not a legislative requirement, ETA proactively issued guidance and technical assistance around this subject. Within just 30 days from the passage of ARRA, ETA outlined substantive guidance in Training and Employment Guidance Letter (TEGL) 14-08. The Secretary of Labor then issued a letter directly to each Governor requesting the Governor's leadership in "connecting workers to Recovery Act jobs" by ensuring that all "new jobs generated through the Recovery Act are listed on your state job bank" and that they "connect together the range of activities funded by the Recovery Act." As a result, at least 24 states required ARRA-created jobs to be posted to the state job banks.

In addition, ETA conducted an on-site "readiness review" of all states and 153 local entities which included information about each state's ability to coordinate with other

agencies engaged in Recovery Act activity. The feedback received from the readiness reviews informed ETA's technical assistance agenda for ARRA which included the hosting of six Regional Recovery and Reemployment forums at which the coordination activities were encouraged (e.g., Job Creation in Energy).

ETA provided further guidance through Webinars and other activities to encourage state and local workforce areas to link employment and training with new and emerging jobs. For example, ETA hosted the National *Road to Recovery* Summit which included sessions on how to develop and apply real-time labor market information (such as current job postings) to encourage optimal connection to job opportunities. Collectively, the guidance and technical assistance made an impact in the workforce system as evidenced, in part, by the fact that the seven states interviewed as part of this audit included collaboration plans and the majority of the states provided guidance or technical assistance to local areas.

We offer the following response to the sole recommendation in your memorandum.

Recommendation: That the Assistant Secretary for Employment and Training continue to strengthen cross-collaboration efforts across Federal and state agencies and encourage states and local areas to continue to pursue collaboration as part of their regular practice.

ETA's Response: ETA agrees with the Office of Inspector General (OIG) recommendation that the agency should continue to strengthen cross-collaboration efforts. The agency has engaged in a variety of activities that show the agency continues to move in a direction consistent with the recommendation. Below are some noteworthy examples:

1. *Workforce Investment Fund:* Most recently, ETA has engaged in a consultation process with Federal partners to discuss the planning, development, and implementation of the Workforce Investment Fund (WIF) which is designed to test and evaluate best practices within the workforce system. This is one of the most important investments ETA will make in recent years and several Federal partners have pledged their support. The solicitation, scheduled to be released in the fall of 2011, will encourage system change and cross-agency alignment at the state and local levels to improve employment outcomes, better connect employers with the skills they need, and increase the cost-effective delivery of services.
2. *TANF-WIA Collaboration:* A joint letter (TEGL 24-09) was issued between the U.S. Department of Labor and the U.S. Department of Health and Human Services to identify and explore areas of collaboration that support training and employment opportunities for low-income families, particularly opportunities to place eligible TANF participants in subsidized employment. The guidance encourages cross-collaboration efforts, stating "it is our hope that this national partnership focused on subsidized employment will be modeled throughout state and local TANF and workforce agencies."
3. *Career Pathways Initiative:* The Department of Labor/ETA, Department of Education/Office of Vocational and Adult Education (OVAE), and the

Department of Health and Human Services/Administration on Children and Families (ACF) are engaged in a cross-agency partnership to promote best practices around career pathways at the state and local level. The term “career pathway” means a clear sequence of education coursework and/or training credentials which lead up a career ladder. The Federal partnership has encouraged a diverse group of representatives from state and local agencies, private and non-profit partners, and employers and members of the business community collaborate to design, craft, and implement a shared vision. More than 13 states along with their local partners are participating. Our website includes information on how the Federal partners are collaborating as well as the critical “how to” examples for state and local areas to implement this vision. In the fall of 2011, this Federal partnership will take an additional step by issuing a Quick Start Action Planner for areas interested starting up career pathways programs. Information will be made available at the Career Pathways Initiative website <https://learnwork.workforce3one.org>.

4. *Unified Planning*: The Department of Labor/ETA and its Federal partners (DOL/Veterans Employment and Training Services, Department of Education/OVAE and Rehabilitation Services Administration, the Department of Health and Human Services/ACF, Department of Agriculture/Supplemental Nutrition Assistance Program, Housing and Urban Development/Community Development Block Grant Program) are taking steps to enhance the State planning process across multiple programs and to improve the ability of States to submit a single, integrated or unified plan, which is an option available in Section 501 of the Workforce Investment Act. DOL and its Federal partners are in the process of identifying activities they can pursue together for FY 2012, including joint State consultations; issuing a joint letter to State stakeholders on key connection opportunities; providing technical assistance; and identifying joint activities or pilot projects to improve integrated program planning and alignment in 2012. In FY 2013, DOL and its Federal partners intend to issue redesigned unified planning guidance that streamlines paperwork processes and eliminates multiple and overlapping planning requirements across programs.
5. We are engaged in many other Joint Federal Initiatives, such as:
 - o MOU with SSA to provide technical assistance to the One-Stop system to better serve disabled jobseekers; and
 - o Prisoner Reentry: ETA’s Division of Youth Services and the U.S. Justice Department to strengthen communities and help ex-offenders successfully transition in those communities.

ETA appreciates the opportunity to share follow-up activities that address the concerns of the audit.

Please let us know if these on-going and planned actions results in closing this recommendation. Thank you again for the opportunity to comment. If you have any questions, please contact Christine Ollis at (202) 693-3937.