

BRIEFLY...

Highlights of Report Number **26-11-004-03-370**, issued to the Assistant Secretary, Employment and Training Administration.

WHY READ THE REPORT

The Department of Labor, Employment and Training Administration (ETA), oversees the Office of Job Corps (Job Corps), which administers and manages the Job Corps program. The program's mission is to help at-risk youth become more employable, responsible, and productive citizens.

Prior audit reports and evaluations conducted over the last 15 years cited concerns about the reliability of the metrics covering two key performance areas – job training match, which is used to measure how effectively participants are placed in jobs that match the training they received in Job Corps, and cost efficiency, which is used to measure program costs. Our audit confirmed these long-standing deficiencies persist.

Job Corps' budget for program years (PY) 2009 and 2010 totaled approximately \$3.39 billion (\$1.68 billion for PY 2009 and \$1.71 billion for PY 2010).

WHY OIG CONDUCTED THE AUDIT

We conducted the audit to address the following question:

To what extent does Job Corps have metrics in place to assess the program's performance?

Our scope covered Job Corps' performance metrics and outcomes for PY 2009 and the month of October 2010, and policies, procedures, and processes through March 7, 2011.

READ THE FULL REPORT

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

<http://www.oig.dol.gov/public/reports/oa/2011/26-11-004-03-370.pdf>.

SEPTEMBER 2011

JOB CORPS NEEDS TO IMPROVE RELIABILITY OF PERFORMANCE METRICS AND RESULTS

WHAT OIG FOUND

Our audit identified deficiencies with 22 of the 58 performance metrics. These deficiencies included reporting inaccurate results (9 metrics); not reporting results and/or establishing targets (4 metrics); and not publicly publishing required results as Job Corps asserted it would in response to our prior work on non-compliance with the Workforce Investment Act of 1998 (WIA) reporting requirements (19 metrics). For example, we found Job Corps overstated 42.3 percent (7,517) of 17,787 job training match placements it reported to comply with WIA for the periods reviewed. These overstatements included 3,226 (18.1 percent) matches where the jobs did not relate or poorly related to the students' training and 3,778 (21.2 percent) matches where students were enrolled in post-secondary education or training rather than jobs. The job training matches also included 1,569 placements in jobs that required little or no previous work-related skills, knowledge, or experience, such as fast food cooks and dishwashers that potentially could have been obtained without Job Corps training. Thus, we believe that if Job Corps improves oversight to better recruit, train, and place these students, an estimated \$61.18 million would be put to better use.

There were also problems with Job Corps' approach for calculating its cost efficiency metric, or cost per participant (\$26,551 for PY 2009). For example, the metric did not effectively measure performance. Additionally, our analysis of available Job Corps data showed alternate cost efficiency metrics, such as cost per student training slot utilized (\$37,880, if all slots are fully utilized) or job placement (\$76,574), could provide decision-makers with more reliable information to measure and manage the program's performance and costs.

WHAT OIG RECOMMENDED

The OIG recommended that ETA require Job Corps review and improve its performance metrics to provide decision-makers with useful and reliable information regarding the program's performance and costs; improve oversight of its service providers to increase the number of students who find employment that relate to and utilize the vocational training received; and develop a process to ensure work contracted for and conducted by consultants is managed appropriately.

The Assistant Secretary for Employment and Training did not completely agree with our conclusions, but fully concurred with one recommendation and partially concurred with two recommendations.