

# BRIEFLY...

Highlights of Report Number: 21-04-002-03-365, a report to the Assistant Secretary, Employment and Training Administration. March 10, 2004.

## WHY READ THE REPORT

The National Farmworker Jobs Program (NFJP) provides training and employment assistance for migrant and seasonal farmworkers. Congress established the NFJP under the Workforce Investment Act (WIA) to provide employment-related assistance to workers who depend on jobs in agricultural labor. The Division of Migrant and Seasonal Farmworkers within the Employment and Training Administration (ETA) administers the program for the Department of Labor.

In Program Year 2000 (July 1, 2000 through June 30, 2001), ETA awarded the Idaho Migrant Council (IMC) a \$957,349 grant under NFJP to provide training and services to eligible migrant and seasonal farmworkers in the State of Idaho. IMC reported it placed 60 participants in unsubsidized jobs and provided 245 with supportive services.

## WHY OIG CONDUCTED THE AUDIT

The OIG conducted a series of performance audits on nine NFJP grantees, including IMC. The audit objectives were to determine: (1) whether the costs claimed by IMC for the period July 1, 2000 through June 30, 2001, were reasonable, allowable, and supported; and (2) if performance data reported were accurate and properly supported.

## 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/2004/21-04-002-03-365.pdf>

MARCH 2004

# AUDIT FINDS IMPROVED PAYROLL DOCUMENTATION IS NEEDED IN GRANT FOR IDAHO FARMWORKERS

## WHAT OIG FOUND

Our audit found that:

- ❑ All participants were eligible.
- ❑ IMC claimed reimbursement for \$5,718 in either unallowable or unsupported costs (legal fees, travel, and award plaques) charged to the indirect cost pool. In response to our draft report, IMC removed the unallowable legal fees (\$4,804). We questioned \$914, the remaining portion of unallowable or unsupported costs that would be absorbed by the DOL grant.
- ❑ IMC needs to improve its payroll record documentation. Auditors found inadequate time and attendance records; consequently, they could not verify that time worked was correctly charged to the DOL grant. IMC relied on budget estimates rather than time actually worked (*after the fact determination*) to make program cost allocation.
- ❑ Reported performance data were accurate and supported.

## WHAT OIG RECOMMENDED

We recommended that the Assistant Secretary for Employment and Training:

- ❑ Recover \$914 in questioned indirect costs.
- ❑ Ensure that IMC implement payroll documentation procedures that adhere to the guidance in OMB Circular A-122 for payroll documentation. (Finding 3)

IMC partially agreed with Finding 2 and stated it would reimburse DOL for charging the grant for the award plaques. In response to Finding 3, IMC reported they had instituted *after the fact determinations* of time and activities to support program cost allocation.