WHY READ THE REPORT
Congress enacted the American Recovery and Reinvestment Act of 2009 (Recovery Act) to promote economic recovery and assist those most affected by the recession. The Department of Labor (DOL) received an additional $400 million in Wagner-Peyser grant funds for states. In appropriating these funds, Congress required that $250 million of the $400 million be spent for reemployment services (RES) for Unemployment Insurance (UI) claimants. Authority to obligate the additional RES funds provided by the Act expired on September 30, 2010.

The Recovery Act required agencies to implement an unprecedented level of transparency and accountability to ensure the public could see where and how their tax dollars were being spent and what results the spending produced. The U.S. DOL Office of Inspector General (OIG) audited the Employment and Training Administration’s (ETA) implementation and oversight of the RES funding to determine if the Act’s requirements were achieved.

WHY OIG CONDUCTED THE AUDIT
Our audit objectives were to answer the following questions:

1. Did the Department establish sufficient and timely planning and reporting procedures to assure adequate oversight of how reemployment services funds were used?
2. Did states use reemployment services funds under the Recovery Act, as intended?
3. What were the outcomes of the states’ use of the Recovery Act RES funds?

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/oia/2011/18-11-005-03-315.pdf.