

BRIEFLY...

Highlights of Report Number: 04-03-017-03-390, a report to the Assistant Secretary, Employment and Training Administration. March 31, 2003.

WHY READ THE REPORT

The Workforce Investment Act (WIA) of 1998 promotes "consumer choice" for eligible adults and dislocated workers (DW) seeking job training. Under Title I of WIA, eligible participants may use Individual Training Accounts (ITAs) to select and pay for skills training offered by approved eligible training providers (ETP). States and local Workforce investment Boards (WIBs) maintain lists of ETPs and information on their placement rates.

ITAs signal a change in the delivery of federally-funded job training. Under the previous Job Training Partnership Act (JTPA), local workforce agencies generally contracted with a limited number of service providers. Eligible jobseekers could usually only obtain a referral to one of those providers. Congress is reviewing the effectiveness of the ETP system as it considers various legislative proposals to reauthorize WIA in 2003.

WHY OIG CONDUCTED THIS AUDIT

The Office of Inspector General (OIG) assessed training activities for adults and dislocated workers in the States of Arizona, Delaware, Florida, Mississippi, Ohio, and Texas to determine if WIA encourages training providers to participate in the One Stop Career system. The audit covered training provided between July 1, 2000, and June 30, 2001.

READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2003/04-03-017-03-390.pdf>

To view the report, including the scope, methodology, and full agency response, click on the link above.

MARCH 2003

CHANGES TO WIA TRAINING PROVISIONS WOULD IMPROVE CONSUMER CHOICE

WHAT OIG FOUND

Although the majority of participants said they obtained the skills training they wanted, five of the six states reported fewer people enrolled in training under WIA than under JTPA. Some WIA requirements and state and local policies may discourage ETP participation and affect the quality of training. These factors may have contributed to the decline in the number of jobseekers enrolled in training. Key findings include:

- WIA requires ETPs to report program performance for all students in courses attended by WIA participants. Providers with few WIA participants in a class were reluctant to gather data on all students to accommodate WIA reporting requirements.
- Nearly 40 percent of the providers reported that WIBs required them to modify program fees or reduce course length. About one-third of the providers said that, as a result of these changes, students did not always receive sufficient training and preparation for jobs.

WHAT OIG RECOMMENDED

We recommended that the Employment and Training Administration (ETA) seek support for changes in WIA's provisions to encourage increased ETP participation. Specifically, we urged ETA to:

- Endorse changes to reduce the ETP burden associated with reporting data on non-WIA students.
- Encourage states to periodically review training courses to ensure that fee and time restrictions do not lower program quality.