



## Illinois Migrant Council

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Executive Director

February 19, 2004

Ms. Dawn E. Schoene, Assistant Regional Inspector General  
Office of the Inspector General  
U.S. Department of Labor  
230 South Dearborn Street  
Chicago, Illinois 60604

Dear Ms. Schoene:

Re: Draft Audit Report for Grant No. AC-10707-00-55

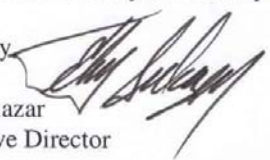
Please find attached the Illinois Migrant Council's response to the Draft Audit Report regarding its Workforce Investment Act (WIA) Title I Section D 167 National Farmworker Job Training Program for the period July 1, 2000 through June 30, 2001.

In response to the first two findings, IMC allocated the \$17,378 from the National Farmworker Jobs Program (NFJP) program costs to the indirect cost pool, and transferred the \$17,559 from the NFJP administrative costs to NFJP program costs.

IMC disagrees with the substance and wording of the third finding in the Draft Audit Report and its Executive Summary. It disregards the significant program goals met by IMC during Program Year 2000 which was the transition period for the Workforce Investment Act and permeated with considerable changes in the workforce development system for services delivery. IMC was successful in meeting many of the program goals outlined in the grant, including serving a total of 693 participants, assisting participants (554) to maintain their economic self-sufficiency within the agricultural workforce, placing all of the Intensive and Training participants (26) who exited in Program Year 2000 into jobs, providing outreach for enrollment into Intensive and Training services to all 693 Workforce Investment Act (WIA) eligible farmworkers who had the opportunity to choose as WIA customers to obtain these services, collaborating with twelve Local Workforce Investment Boards for Memoranda of Understanding, developing partnerships in the one stop delivery system as required by the Act, and coordinating with one stop center partners. IMC met its overall program intent, met or made significant progress in meeting its program goals, complied with NFJP rules and regulations and accurately reported in accordance with ETA requirements.

Please contact me if you have any questions.

Sincerely,

  
Eloy Salazar  
Executive Director

Enclosure

**Illinois Migrant Council (IMC)  
Response to  
Draft Audit Report for Grant No. AC-10707-00-55  
Workforce Investment Act (WIA) Title I Section D Part 167  
National Farmworker Job Training Program (NFJP)  
Program Year 2000: July 1, 2000 through June 30, 2001**

**Response to Executive Summary (Page 1)**

The Illinois Migrant Council (IMC) made the changes requested in the first two cost findings and addressed the third finding. It is anticipated that the resolution of the findings will be included in the final audit report. Attachments are also provided to our response.

- Response to Finding No. 1: IMC allocated \$17,378 from the program costs category of the National Farmworker Jobs Program (NFJP) to the indirect cost pool. (Attachment A.)
- Response to Finding No. 2: IMC transferred \$17,559 from the NFJP administrative costs to NFJP program costs after discussions with DOL about the transfer. (Attachment B.)
- IMC disagrees with the substance and wording of the third finding in the Executive Summary and Draft Audit Report that disregard the significant program goals met by IMC during Program Year 2000. This was the transition period for the Workforce Investment Act (WIA) that was permeated with considerable changes in the workforce development system for services delivery.

IMC was successful in meeting many of the program goals outlined in the grant plan including serving a total of 693 participants, assisting participants (554) to maintain their economic self-sufficiency within the agricultural workforce, placing all of the Intensive and Training participants (26) who exited in Program Year 2000 into jobs, providing outreach for enrollment into Intensive and Training services to all 693 WIA eligible farmworkers who had the opportunity to choose as WIA customers to obtain these services, collaborating with twelve Local Workforce Investment Boards (LWIB) for Memoranda of Understanding (MOU), developing partnerships in the one stop delivery system as required by the Act, and coordinating with one stop center partners. IMC met its overall program intent, met or made significant progress in meeting its program goals, complied with NFJP rules and regulations and accurately reported in accordance with ETA requirements.

**Response to Findings (page 6-11)**

**Finding No. 1 – “Program Costs That Should Have Been Allocated to Indirect Costs”  
(Page 6-7)**

IMC allocated the \$17,378 from the program cost category of the NFJP to the indirect cost pool. (Attachment A.)

**Finding No. 2 – “Administrative Costs That Should Have Been Program Costs”  
(Page 7)**

IMC transferred the \$17,559 from NFJP administrative costs to NFJP program costs after discussions with DOL about the transfer. (Attachment B.)

**Finding No. 3 “Program Goals Not Met” (Pages 8-11)**

IMC disagrees with the substance and wording of the third finding in the Executive Summary and Draft Audit Report that disregard the significant program goals met by IMC during Program Year 2000. This was the transition period for the Workforce Investment Act that was permeated with considerable changes in the workforce development system for services delivery. IMC was successful in meeting many of the program goals outlined in the grant, including serving a total of 693 participants, assisting participants (554) to maintain their economic self-sufficiency within the agricultural workforce, placing all of the Intensive and Training participants (26) who exited in Program Year 2000 into jobs, providing outreach for enrollment into Intensive and Training services to all 693 WIA eligible farmworkers who had the opportunity to choose as WIA customers to obtain these services, collaborating with twelve Local Workforce Investment Boards for Memoranda of Understanding, developing partnerships in the one stop delivery system as required by the Act, and coordinating with one stop center partners. IMC met its overall program intent, met or made significant progress in meeting its program goals, complied with NFJP rules and regulations and accurately reported in accordance with ETA requirements.

Many of the program goals included in IMC’s grant plan are qualitative in nature as necessitated by the transition year’s changes to the workforce development service delivery system. These program goals are not covered by the quantitative-based Program Status Summary (PSS). The NFJP program goals for the transition year of Program Year 2000 included the WIA required development of new program relationships with Local Workforce Investment Boards that encompassed a challenging and rigorous approval process. This was an immense undertaking in Illinois involving communications with the Chief Elected Officials of twelve Workforce Investment Areas covering numerous Illinois counties in which farmworkers resided. This was then followed by continuing negotiations with representatives from each of the twelve LWIB’s to accomplish a number of steps, such as education about the NFJP, which led to completing the MOU and becoming a One Stop Center partner in each area. Because the MOU process was so new and extensive with a multitude of State requirements, the completion of each of the twelve MOU’s was a major accomplishment for IMC’s NFJP. IMC participated in the development of Illinois’ WIA Title I Five Year Local and State Plan that contributed to the negotiations for Memoranda of Understanding with LWIB’s. IMC’s Executive Director was appointed by the Governor to the State Workforce Investment Board to represent Illinois’ migrant and seasonal farmworkers – an exceptional accomplishment for an NFJP grantee.

While these program goals were being pursued, IMC was navigating the major directional shifts required by WIA such as adopting the WIA principles of universality and “customer choice” with a focus on customer needs and satisfaction, and adapting the statewide migrant and seasonal farmworker service delivery system to provide WIA defined Core, Related Assistance and Intensive and Training services, and to meet new recordkeeping and reporting requirements. In contrast to the Job Training Partnership Act (JTPA) which was familiar to employment and training professionals, farmworker program staff and farmworkers, WIA’s implementation presented new and additional programmatic components, including six month follow ups and placement earnings documentation, which needed to be understood very quickly. For many farmworkers, there was a reluctance to participate in any training programs with new terminology and requirements that they did not immediately understand; many participants chose to remain in agriculture seeking WIA assistance to ameliorate emergency situations which was a recognizable, customary service.

In the program areas identified in its grant plan, IMC met program goals or made progress toward meeting them during a tumultuous period when the entire workforce development system was in transition and there was a programmatic environment of ongoing flux for both NFJP grantees and states. IMC successfully provided authorized workforce investment activities including outreach opportunities for farmworkers to receive National Farmworker Jobs Program Core, Related Assistance, Intensive and Training services at the same time that it conducted transitional workforce investment activities such as participating in the development of Illinois’ WIA Title I Five Year Local and State Plan on behalf of the NFJP.

In the third sentence of the last paragraph below the table on Page 8, it is stated that IMC was entirely unsuccessful in meeting its “expected goals” which overlooks that IMC met its “expected” qualitative program goals, several of its quantitative program goals and made progress toward its other quantitative program goals. Since Program Year 2000 was a transitional year, when definitions and guidance were still being developed, it was to be expected that the unexpected could occur such as variances from goals planned prior to the start of the transition. The very nature of a transitional period means that programs are passing from one form or stage to another, often altering planned outcomes with unexpected events occurring. It is disingenuous to convey both that Program Year 2000 was a transition year and to hold an agency at fault for not having anticipated the unexpected during the transition. While the Draft Audit Report further states that there were “no other performance indicators,” there were many other program features and goals to review in addition to participant numbers which were met by IMC such as implementing WIA principles, content and structural changes, compliance with rules and regulations, and accurate reporting.

The Draft Audit Report dismisses the transitional factors that existed which affected IMC’s resources to meet all its numerical program goals. In the preamble section of the WIA regulations titled “New Name of the MSFW (WIA Sec. 167 and JTPA Sec. 402 Training Program),” the “Introduction” discussed the difficulties that NFJP grantees might encounter in participating as new partners in the local one stop system. Nevertheless, through an extensive process of educating and negotiating, IMC was able to develop partnering relationships with a number of LWIB’s during the transition year. The Draft Audit Report does not give credence to IMC’s success in negotiating MOU’s with twelve Local Workforce Investment Boards in locations with migrant and seasonal farmworkers, nor to the appointment of the IMC Executive Director to the State Workforce Investment Board. It does not recognize IMC’s success as an active partner in the development of the WIA Title I Five Year Local and State Plan, its success in formalizing its relationships as a partner within the one stop delivery system, and its success in coordinating with other one stop center partners on a weekly and often daily basis to comprehensively serve farmworkers who traditionally have not been served by mainline workforce development programs (Comprehensive Employment Training Act, JTPA, WIA).

During the transition year when WIA directives were being refined and clarified, there were few communications issued about how to proceed in regards to interpreting the new definitions for program activities, implementation and reporting. During the transition year, procedures for modifications of the grant plans were also in transition for NFJP grantees. As a result IMC did not have the opportunity to revise the planned program goals for Intensive and Training services or job placements that had been submitted prior to the start of the program year and the final regulations. Had modification of the grant plan been a feasible option with procedures in place and communicated, IMC would have been able to pursue changes to its numerical goals.

Further complicating activities to reach numerical program goals were the recession-related changes in the labor market and economy such as increasing unemployment, the comprehensive efforts to accommodate evolving interpretations of WIA, the complex changes in the State’s workforce development system and in the target population’s needs as well as the choice made by the majority of participants to remain in agriculture rather than enroll in new training activities. Also occurring during this time were unexpected changes in migration patterns that resulted in participants residing in rural areas without alternative employment and many were unable to relocate to other areas with more job opportunities.

The participant numbers referenced in the table on Page 8 show that IMC met its numerical goal of “Related Assistance Only Exits” to provide Related Assistance services (139%), which strengthened the economic self-sufficiency of farmworkers remaining in agriculture thereby stabilizing Illinois’ agricultural workforce in the midst of the recession. A significant program goal in IMC’s grant plan included provision of Related Assistance services to participants in need to enable them to achieve economic self-sufficiency while remaining in farmwork - and filling the agricultural industry’s labor needs. Also shown are the number of “Terminated Participants Entering Unsubsidized Employment.” Although less than planned (34%), IMC

successfully provided unsubsidized employment (100%) for all twenty-six (26) participants who enrolled in Intensive and Training services and exited in the transition year. This indicates that IMC performed successfully in line with the intent of the NFJP to job place participants who chose employment outside agriculture. Follow-up results showed that twenty (20) or 76% of the twenty-six (26) job placements were retained for six months after employment with nineteen (19) receiving an earnings gain of over \$2,475. Moreover, this success occurred in an environment burdened with numerous complexities involved with implementing major changes in the WIA transition year.

The nature of the transition year and its impact upon the delivery of services and meeting certain of the quantitative goals is vastly understated in the Draft Audit Report. Among the unforeseen factors stemming from the uncertainties surrounding the first year of WIA which impacted attainment of every quantitative program goal were: the unexpected delay of final regulations and definitions for Intensive and Training services in the NFJP until after Program Year 2000 had started, unclear directives about implementing the requirement for partnering with the one stop system, varying degrees of receptivity to the NFJP grantee as a partner by LWIB's, and concerns about interpreting new guidelines and definitions including those affecting the gathering of additional data to meet new reporting requirements. A major change was the requirement placed on IMC during the transition period that "the NFJP grantee must negotiate with the Board on the terms of its MOU and the scope of its on-going role in the local workforce investment system" [CFR 669.220 (a)]. Responsibility for implementation of WIA rules and regulations required coordination with twelve different LWIB's themselves undergoing difficulties in transitioning to WIA, identifying the LWIB partners and its role and responsibilities, and setting up one stop centers. Grantee resources needed to be directed toward negotiating with LWIB's for MOU's and re-configuring linkages with partners of the one stop center system. In this context there was a continuing need and choice expressed by Illinois's farmworkers for Related Assistance services to enable them to achieve economic self-sufficiency and stability while remaining in the agricultural workforce.

During the transition year, emphasis was placed on a "customer-driven" services delivery system. The majority of Illinois' farmworkers in need who were outreached in Program Year 2000 sought Related Assistance services and wished to continue working in the agricultural industry. At the same time that Related Assistance services were offered, opportunities were given to all 693 participants for enrolling into Intensive and Training services with job placement as the desired outcome. Fewer than planned farmworkers or "customers" chose to enroll in the new WIA training program (Intensive and Training services) and to find jobs outside of agriculture during the transition year; as explained previously, this unexpected reluctance by farmworkers about WIA Intensive and Training services was not foreseen. IMC did succeed in developing job placements for all participants who chose to enroll in Intensive and Training services and who exited during the program year. IMC provided Related Assistance services in keeping with the WIA principle that promotes the presence of opportunities for clients to make choices about the services available to them. By providing these services, IMC accomplished the NFJP purpose of stabilization of the agricultural workforce.

The table on Page 9 shows the planned and actual enrollment in specific Intensive and Training activities; this represents one component of the overall program strategy in the grant plan which included providing a diversified program with various program activities available to program participants. IMC was successful in making this diversified program mix available to all participants from which each could choose Intensive and Training Services. The majority of participants chose not to enroll in classroom training, on the job training or work experience. While IMC provided Intensive Services to fewer participants than planned (45%), it provided the opportunity to all Illinois farmworkers, who chose to enroll in NFJP, to obtain Intensive and Training Services and unsubsidized employment outside of agriculture. The fact that the majority of farmworkers sought Related Assistance services demonstrates that this service is a real need by farmworkers for them to sustain their economic self-sufficiency and stability as members of the agricultural workforce in Illinois. The need for Related Assistance services is evident for economically disadvantaged farmworkers with minimal education, negligible English language proficiency and very low incomes. Related Assistance services were assessed as a

need by IMC field staff and requested by migrant and seasonal farmworkers in all of IMC's field locations to maintain basic necessities for their families.

IMC was successful in providing the opportunity for farmworkers to access and enroll in Intensive and Training Services when they chose to seek alternative non-agricultural employment by enrolling in Intensive Services (objective assessment, individual employment plans, or basic skills training such as English as a Second Language instruction) leading to non-agricultural jobs. The number of farmworkers who chose to leave the agricultural workforce was minimal in Program Year 2000. Because of the language barriers of farmworkers many of whom were at preliterate or beginning ESL levels, very few who did enroll in classroom training (Intensive services) progressed to on-the-job training or chose job readiness instruction (Training services). During the transition period, delays in communications about interpretations of WIA also affected NFJP operations and outreach for enrollments in Intensive and Training services.

IMC was not given an opportunity to discuss enrollment goals during the on-site audit; no questions were raised about the program's plan for Intensive and Training services enrollments or requests for the reasons for achieving less than planned goals in this area. On the contrary, during the visit, positive comments were made about IMC's fiscal, management information and operations systems. On the occasions when job placement data was requested, IMC provided its perspective about the difficulty in conducting job placements during the transition year as previously discussed and the information that all of those participants who chose to enroll in Intensive and Training services who exited during the program year were job placed.

During the transition year of Program Year 2000, IMC maintains that it successfully met its overall program intent, met or made significant progress in meeting its program goals, complied with NFJP rules and regulations and accurately reported in accordance with ETA reporting requirements. In light of the recommendations made by the Draft Audit Report, IMC will continue to assess its operations and outreach activities to meet program goals. IMC has initiated a system for quarterly outreach planning by its field offices. IMC will contact the Department of Labor about procedures for modification of its grant plans so that modifications may be developed when factors affect the course of program operation. IMC will explore incentives within the framework of WIA NFJP to encourage participants to enroll in Intensive and Training services leading to unsubsidized employment; and will seek more frequent communications about updated NFJP procedures with the U.S. Department of Labor when there is a need for clarification. It is anticipated that these activities will allow IMC to more effectively meet program goals.