

BRIEFLY...

Highlights of Report Number: 05-04-004-03-390, a report to the Assistant Secretary, Employment and Training Administration. March 31, 2004.

WHY READ THE REPORT

The Workforce Investment Act of 1998 (WIA) reformed Federal job training programs by creating a new comprehensive workforce investment system. WIA's goal is to increase employment, retention, and earnings of participants, and in doing so, improve the quality of the workforce to sustain economic growth, enhance productivity and competitiveness, and reduce welfare dependency. Authorization for WIA ended on September 30, 2003. Reauthorization legislation is still pending before Congress.

WHY OIG DID THE AUDIT

The OIG conducted a performance audit of Ohio's implementation of WIA from July 2000 through June 2002. The Ohio Department of Job and Family Services (ODJFS), which administers the WIA program for Ohio, reported expenditures of \$156 million to operate the program during that time. Specifically, our audit looked at Ohio's compliance with 17 provisions of WIA identified by the Department of Labor's (DOL) Employment and Training Administration (ETA) as critical to states' implementation of WIA. We also examined corrective actions taken by Ohio to address 40 noncompliance and nonperformance concerns ETA identified in a 2001 review of ODJF's operation.

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/2004/05-04-004-03-390.pdf>

MARCH 2004

OHIO'S WIA PROGRAM NOT IN COMPLIANCE WITH PROGRAM REQUIREMENTS

WHAT OIG FOUND

After 2 years of operation, Ohio's WIA program was still not fully implemented or in compliance with program requirements. We found that Ohio:

- Did not comply with 9 of 17 elements critical to states' implementation of WIA. Noncompliance resulted in inaccurate accounting and time reporting, unreliable participant activity reporting, and inefficient delivery of services.
- Did not complete corrective action on 60 percent of the concerns raised by ETA in its 2001 review of the state's implementation of WIA.

Additionally, OIG questioned \$9.3 million in costs related primarily to improper charging of administrative costs and inadequate documentation of expenditures. ODJFS took corrective action to resolve the questioned costs before the audit report was issued.

WHAT OIG RECOMMENDED

We recommended that the Assistant Secretary for Employment and Training direct ODJFS to:

- Improve controls over its accounting and time reporting systems.
- Improve the availability of WIA services at One-Stop centers.

Overall, ODJFS officials agreed with our findings and recommendations. In their response, ODFJS identified steps they have taken or plan to take to address OIG's recommendations.