

**Department of Labor
Office of Inspector General
Office of Audit**

BRIEFLY...

Highlights of Report Number: 26-07-001-01-370, to the National Director of Job Corps

WHY READ THE REPORT

Job Corps' stated mission is to attract eligible young adults, teach them the skills they need to become employable and independent, and place them in meaningful jobs or further education. To carry out this mission Job Corps uses contractors and other federal agencies to operate centers and provide meaningful services to those young people entrusted to them.

Our audit of the Oconaluftee Job Corps Center, a National Park Service (NPS) operated center, shows a pattern of abusive practices by NPS management and center-level staff that resulted in Job Corps not having accurate assessment information and students not being given the level of services expected by Job Corps.

WHY OIG DID THE AUDIT

The purpose of our audit was to determine the following:

1. Whether NPS properly recorded and reported student accomplishments and attendance.
2. Whether NPS followed applicable laws, regulations, policies, and requirements in reporting on the Center's financial activities.

READ THE FULL REPORT

To view the report, including the scope, methodology and agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2007/26-07-001-01-370.pdf>

MARCH 2007

OCONALUFTEE JOB CORPS CENTER PERFORMANCE AUDIT

WHAT OIG FOUND

1. Performance data on High School Diplomas, General Educational Development (GED) Certificates, and Vocational Training reported by NPS in the Center Information System were properly supported in all material respects.
2. Center personnel engaged in practices that improperly inflated the Center's On-board Strength by allowing students who incurred excessive absences without leave to remain in the program, and authorized leave that did not meet the documentation requirements of the Job Corps Policies and Requirements Handbook.
3. Job Corps did not collect a refund of \$190,367 from NPS that resulted from underutilization of its facility based on budgeted facility capacity (underrun).
4. NPS misreported \$2.8 million on its reports to Job Corps for program year 2004 and the first quarter of program year 2005, including \$124,608 in questioned Equal Employment Opportunity (EEO) settlement costs.

WHAT OIG RECOMMENDED

The OIG recommended the National Director of Job Corps collect the cost underrun of \$190,367 and recover \$124,608 in questioned EEO settlement costs from NPS; ensure Job Corps Regional Office Project Managers and NPS personnel improve their monitoring and understanding of the requirements governing Center student accomplishments, attendance, and financial activities; and require an annual reconciliation of program year funds provided to and expenditures reported by federally operated Centers.

In response to the draft report, the Office of Job Corps agreed with our recommendations.

SUBSEQUENT EVENTS

The Job Corps National Director temporarily closed the Oconaluftee Job Corps Center on March 22, 2007, citing student health and safety concerns as reasons for the closure.