

Job Corps Response to Draft Report


U.S. Department of Labor

Office of Job Corps  
Washington, D.C. 20210



SEP 25 2009

MEMORANDUM FOR: ELLIOT P. LEWIS  
Assistant Inspector General  
for Audit

FROM: LYNN A. INTREPIDI   
Interim National Director

SUBJECT: Response to the OIG Draft Report on the Performance Audit  
of Adams and Associates Job Corps Centers, Report No.  
26-09-003-01-370

Thank you for the opportunity to review the Office of Inspector General (OIG) draft report on the Performance Audit of Adams and Associates Job Corps Centers, dated September 3, 2009. Listed below are the OIG's recommendations including OJC's response:

*OIG Recommendation 1 – "Obtain Job Corps approval before deviating from any PRH requirements concerning the classification of infractions as Level I, II, or III; convening of Fact Finding Boards (FFBs); and Career Technical Training (CTT) completions."*

OJC Response – Concur-In-Part. The National Office of Job Corps will review the current policy as stated in the PRH, Chapter 3.4, Career Development Period, to reflect the requirements necessary for investigation and disposition of incidents as identified in the recommendation above. If necessary, the policy will be rewritten for clarity.

*OIG Recommendation 2 – "Develop and implement Standard Operating Procedures (SOPs) for convening FFBs and BRPs and determining what constitutes a pattern of inappropriate behavior; and to ensure all significant incidents are reported to Job Corps as required by the PRH."*

OJC Response – Concur-In-Part. If a revised policy concerning FFBs and BRPs is necessary, the Interim National Director, Office of Job Corps, will communicate to the Job Corps Regional Directors that center SOPs will have to be updated to reflect the new policy. A separate memorandum will be released to reiterate the importance that all significant incidents should be reported to the National Office of Job Corps as stated in the policy.

*OIG Recommendation 3 – "Improve the effectiveness of supervisory oversight to staff responsible for complying with Job Corps student misconduct and performance reporting requirements by revising the SOPs to require corporate assessments and center reviews to include the problem areas we identified in this report."*

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OJC Response – Concur. The National Office of Job Corps supports the recommendation to improve the effectiveness of supervisory oversight to staff responsible for complying with Job Corps student misconduct and performance reporting. The National Office of Job Corps will require the Regional Offices to request from Adams and Associates, SOPs for the Atterbury, Gadsden, and Shriver Job Corps Centers which should reflect problems identified in the draft report to include corrective action plans for future corporate assessments and/or center reviews resulting in non-compliance of Job Corps policies and procedures.

*OIG Recommendation 4 – “Conduct assessments at each center to effectively identify non-compliance with Job Corps documentation and reporting requirements for student CTT completions, leave, contacting AWOL students or their parents, and Work-Based Learning (WBL).”*

OJC Response - Concur. The National Office of Job Corps will reiterate to the Regional Directors the importance of identifying areas of non-compliance with Job Corps documentation and reporting requirements for student CTT completions, leave, contacting AWOL students or their parents, and Work-Based Learning (WBL). A separate memorandum will be prepared and forwarded to the Regional Directors addressing these concerns.

*OIG Recommendation 5 – “Provide center operators with effective guidance on convening FFBs and BRPs. This guidance should be sufficiently specific to ensure FFBs are convened for all Level I and II infractions, and BRPs are convened when alternative disciplinary actions are not effective. The guidance should also be sufficiently specific to ensure consistent interpretation and enforcement.”*

OJC Response - Concur-In-Part. The National Office of Job Corps will review the current policy to determine if changes need to be made when panels convene for FFBs for all Level I and II infractions including when BRPs are convened for alternative disciplinary actions.

*OIG Recommendation 6 – “Review the incident at Atterbury involving alleged sexual assault and determine whether Atterbury took the appropriate action.”*

OJC Response - Concur. The Interim National Director of Job Corps will require the Chicago Regional Director to investigate the allegations at the Atterbury Job Corps Center to determine whether the center took appropriate action as a result of the alleged sexual assault.

*OIG Recommendation 7 – “Determine the extent of any liquidated damages resulting from incomplete TARs at each Job Corps Center operated by Adams and require Adams to pay the liquidated damages to the government. This includes liquidated damages we estimated to be at least \$68,250 at Gadsden and Atterbury and liquidated damages of \$14,250 at Shriver.”*

OJC Response - Concur-In-Part. The Office of Job Corps, Regional Offices will determine the extent of any incomplete TARs, CTT completions, and possible invalid vocational completions at the Job Corps centers operated by Adams and Associates for Gadsden, Atterbury and Shriver Job Corps Centers. Upon completion of the Regional Offices review, each Regional Office will work with the Contracting Officer to determine and resolve, if any, possible liquidated damages that should be recovered from Adams and Associates.

*OIG Recommendation 8 – “Determine if the accountability for students participating in WBL programs problems we identified at Shriver are systemic. Also, ensure that accountability for such students is an area of focus during both Adams and Job Corps oversight reviews to ensure that any problems are identified and corrective actions are taken.”*

OJC Response - Concur. The Interim National Director will instruct the Regional Office to determine if the accountability for students participating in WBL programs at Shriver is systemic based on accurate reporting of student participating in the program. The National Office of Job Corps continues to support the idea of ensuring that accountability for students is an area of emphasis during Adams and Associates and Job Corps oversight reviews. Also, we will ensure that any problems that are identified during these reviews, Adams and Associates will be instructed by the Regional Offices to develop and implement a corrective action plan.

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Adams Response to Draft Report



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September 22, 2009

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Subject: Adams Response to OIG Draft Report-26-09-003-01-370  
Performance Audit of Adams and Associates

Mr. Armada,

We appreciate the opportunity to respond to the OIG draft report on the Performance Audit of Adams and Associates. In general, we question the factual accuracy of a number of the statements within the report. We acknowledge the OIG's effort to conduct a comprehensive audit through extensive documentation review and interviews. However, we feel the report includes opinions and conclusions that reflect negatively on the Company and are not justified in an audit report. We believe some opinions are misleading and draw inaccurate conclusions concerning Adams and Associates' management.

**Student Management:**

The audit report states that "students were allowed to stay on center without consideration of appropriate disciplinary action" and that "problem students were allowed to stay on center, potentially placing other students and staff at risk." These statements imply that these centers are not safe because staff do not take action on negative student behavior. This language falsely implies that Adams and Associates is operating unsafe centers. Further, throughout the student management section of the audit, the OIG appears to have drawn conclusions, based on their limited information and experience managing "at risk" youth.

We agree that there were some situations in which Fact Finding Boards should have been convened and/or Significant Incident Reports should have been submitted. However, we disagree that this created an environment that was not safe for staff or students.

We also disagree with the comments concerning the Center Director's discretion with Behavioral Review Panels. The PRH does not define or quantify what constitutes a "pattern of inappropriate behavior." The PRH gives the authority to make this determination to the Center Director or designee in Exhibit 3-1 where the definition of this "infraction" is defined as follows:

“A pattern of inappropriate behavior, failure to follow center rules, or lack of full participation in required center activities as determined by the Center Director or designee.”

Clearly, the PRH grants the Center Director discretion to effectively manage a behavioral adjustment system and determine when to convene a BRP for a pattern of inappropriate behavior.

Placed in context and compared to student disciplinary discharge rates nationally, the Adams' centers audited reflect a statistically significant pattern of aggressive disciplinary terminations of students displaying significant negative behavior. The average rate of Disciplinary Discharges for Adams audited centers is 26.9% compared to 25.1% nationally per USDOL/Job Corps Program Year '07 data.

**CTT Completions:**

The majority of Training Achievement Record (TAR) concerns were documentation issues that were clerical errors and omissions on documents with an overall 99.95% accuracy rate. This is an unreasonable and illogical Perfection-Fail standard and does not invalidate the students' training and should not invalidate the TAR's. Some of the TAR's have hundreds of separate annotations required. The National Office of Job Corps has recognized this as being an onerous task and has since released a new policy significantly reducing documentation requirements for TAR's. This policy will allow centers to strengthen their compliance with program documentation requirements without negatively impacting the ability to provide quality CTT instruction to students.

Throughout the audit report, it is implied that Adams does not place enough emphasis to ensure TAR compliance. We would argue that a 99.95% accuracy rate indicates that we have systems in place to ensure compliance that exceeds any industry standard we are aware of.

Adams disputes 35 out of the 41 TAR's cited as concerns. The assessment of liquidated damages for the remaining 6 TAR's should be in the amount of \$4,500.

**Student Accountability:**

In response to the concern of contacting or attempting to contact AWOL students or their parents we disagree with the language within the report. This assumption is based solely upon the absence of documentation. This audit cannot conclude that we did not attempt to contact students and, in fact, Adams and Associates' student retention and AWOL retrieval rate would appear to validate our AWOL contact process.

In response to the concerns of documenting and approving leaves, the majority of leave issues (243 out of 260) were related to leaves not having all of the signatures on leave documents prior to the student going on leave. The leave pre-approval signature process does not invalidate the student status and/or leave.

The remaining seventeen leave days were related to supporting documentation. This issue would not have been a concern under the new leave policy. The National Office of Job Corps has recognized that the old leave policy required major revisions and released the new policy in April of 2008 establishing more reasonable and functional standards.

**WBL Program:**

In response to students enrolled in WBL who were not properly accounted for, we acknowledge that the documentation requirements were not always in full compliance. However, as with the TAR and Leave requirements, the National Office of Job Corps has released new requirements for the WBL program eliminating the unrealistic requirement of 360 hours of WBL. Centers can now focus on the quality of WBL opportunities and documentation as opposed to the unrealistic requirement for 360 documented hours in WBL activities.

In closing, the consistent theme throughout the report is that Adams lacked sufficient oversight and that Adams' management believed they had more discretion than the PRH allowed. These opinions are subjective and not factual.

Operating Job Corps centers that are safe and provide an environment where students can be successful is a top priority for our company. We operate with the highest of integrity and quality, resulting in the highest student success rates of any Job Corps contractor. The policies and procedures that we have developed have improved the accuracy of our reporting and compliance with unreasonable documentation requirements that Job Corps is revising to more functional standards. We will continue to provide technical assistance and training to ensure student and financial reporting are as accurate as possible. We will continue to work with the National Office of Job Corps to improve policies to allow our staff to focus on providing quality services and training to our students.

Regards,



Roy A. Adams  
President