

DEL-JEN Response to Draft Report



DEL-JEN, INC.
Response To: Draft Audit Report -
Performance Audit of DEL-JEN, Incorporated
Job Corps Centers
Report Number 26-09-004-01-370

Objective 1 – Did DEL-JEN ensure compliance with Job Corps requirements for managing center safety programs?

Finding 1 – For all three areas reviewed, DEL-JEN did not always ensure compliance with Job Corps requirements for managing center safety and health programs.

Del-Jen, Inc. (DJI) concurs that we can improve our oversight to ensure better compliance with all Job Corps and corporate requirements for managing Center safety and health programs. Safety and health are two key components of a successful Job Corps Center’s operations. As such, DJI realizes that we must provide our staff with the necessary training, guidance and oversight to ensure strict compliance. While safety and health programs were in place, we did not always provide consistent local on-site monitoring and follow-up to ensure that appropriate follow up was taking place. Also, we recognize a need to provide better corporate oversight and assistance to our local management. Unsafe and unsanitary conditions must be quickly identified and corrected to ensure that our students and staff are protected.

Objective 2 – Did DEL-JEN ensure compliance with Job Corps requirements for reporting performance?

Finding 2 – For all four areas reviewed, DEL-JEN did not always ensure compliance with Job Corps requirements for reporting performance.

Del-Jen agrees that we can strengthen our oversight of Job Corps performance reporting. Proper maintenance of student records is critical. While all of our records were available for review they were not always available in the student’s official file maintained in the Students Record area. An SOP has been developed to ensure proper records maintenance.

Del-Jen still believes that we have provided the OIG adequate documentation (TARs) to validate Career Technical completion as mandated by the PRH. Of the 19 TARs in question we believe that all but 5 of them meet DOLs established guidelines for vocational completion. We still believe that our original documentation clearly shows the validity of the trade completion. DJI staff is available to discuss our rationale with Job Corps officials, if necessary. DJI concurs that four of the Tars are invalid, and 1 TAR was missing from the students file.

We also believe that our OBS was not overstated at the Gainesville JCC. We provided our rationale in our original submittal to the OIG and we will provide additional rationale/justification if necessary.

DJI respectfully requests an opportunity to further discuss our rationale with Job Corps officials.

Objective 3 – Did DEL-JEN ensure compliance with Job Corps requirements for managing and reporting financial activity?

Finding 3 – For all three areas reviewed, DEL-JEN generally ensured compliance with Job Corps requirements for managing and reporting financial activity. However, controls over segregation of duties in the procurement of supplies and materials and payroll system access can be improved.

Del-Jen concurs with the OIG’s findings and we have segregated the duties of the buyer and revised the system access to our payroll system.

Objective 4 – Did the hotline complaints alleging improper management practices pertaining to staff hiring and firing decisions, student recreation funds, student government funds, student background checks and felon admissions, student medication used by staff, and center dental services provided to staff have merit?

Finding 4 – Two of seven hotline complaint allegations had some merit.

While we acknowledge that two of the seven hotline complaint allegations had some merit we would like to reiterate that corrective action had already been initiated by the Center to ensure that the situations which occurred can not be repeated.

Auditee Response:

Del-Jen believes that the OIG auditors conducted very thorough audits and their recommendations to the National Office are reasonable. Del-Jen management will work with the National and Regional Office to determine the extent of any liquidated damages.

Appendix E

Job Corps Response to Draft Report


U.S. Department of Labor

Office of Job Corps
Washington, D.C. 20210



SEP 30 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 DEL-JEN, Incorporated Job Corps Centers,
Report No. 26-09-004-01-370

Thank you for the opportunity to review the Office of Inspector General (OIG) draft report on the Performance Audit of DEL-JEN, Incorporated Job Corps centers, Report No. 26-09-004-01-370.

The National Office of Job Corps concurs with the reported findings and recommendations. The Atlanta and Dallas Regional Job Corps Offices will coordinate with the DEL-JEN Corporate Office to improve corporate-level controls and monitoring over the Gainesville and Albuquerque Job Corps Centers. This will include identifying and correcting any non-compliance issues with Job Corps safety and health program and developing and implementing a corrective action plan to address performance requirements.

The aforementioned Job Corps Regional Offices will be instructed to advise DEL-JEN to develop and implement procedures and oversight for validating student accomplishments. DEL-JEN will also be required to implement a corrective action plan in accordance with Job Corps Policy and Requirement Handbook based on non-compliance issues during data integrity audits. The Atlanta Regional Office in coordination with the Regional Contracting Officer will determine the extent of any liquidated damages resulting in overstated CTT and/or OBS completions at the Gainesville Job Corps Center.