

Management Response to Draft Report


U.S. Department of Labor

SEP 28 2015

Assistant Secretary for  
Employment and Training  
Washington, D.C. 20210



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

FROM: PORTIA WU   
Assistant Secretary  
for the Employment & Training Administration

SUBJECT: Response to the Office of the Inspector General's  
ETA Needs to Improve Awarding of Year-End  
National Emergency Grants Draft Audit Report  
No. 02-15-205-03-390

Thank you for the opportunity to comment on the draft report resulting from the Office of the Inspector General (OIG) audit of the Employment and Training Administration's (ETA's) Need to Improve Awarding of Year-End National Emergency Grants (NEGs), Report No. 02-15-205-03-390. Improving our grant administration is a priority for us and we are working diligently to make improvements in the areas of concern identified through this audit.

ETA's response to each of the recommendations in the draft report is as follows:

**OIG Recommendation #1:** Review all year-end grants awarded during PYs 2012 and 2013 to verify whether or not they met solicitation requirements.

**Response:** ETA agrees with this recommendation and has taken significant action to correct this concern. ETA has completed reviews regarding solicitation requirements for the PY 2012 year-end awards. As a result of these reviews, 30 modifications have been executed for the PY 2012 grants, bringing them in compliance with the solicitation.

With the exception of five grants, the PY 2013 year-end awards have also been reviewed regarding solicitation requirements. As a result of these reviews, 27 modifications have been executed bringing these grants into compliance with the solicitation. ETA plans to complete the remaining five reviews and modifications by October 19, 2015.

**OIG Recommendation #2:** Allow sufficient time to review grant applications and only award grants that fully meet the solicitation, or issue guidance to ensure grant modifications are made within a reasonable timeframe after award so grantees can incorporate the revised scope of work into their grants and properly serve participants.

**Response:** ETA also agrees with this recommendation and is working to make improvements in this area. Our PY 2014 Sector Partnership solicitation was open for 30 days, thus, meeting the Uniform Guidance requirement. In addition, on September 16, 2015, we completed the reviews of the NEG year-end PY 2014 awards regarding solicitation compliance. The Office of Grants Management e-mailed the findings of these reviews to our regional staff including guidance to obtain modification submissions for 22 grants within 60 days.