

BRIEFLY...

March 02, 2017

JOB TRAINING GRANTS TO COMMUNITY COLLEGES: DESPITE PARTICIPANT FOLLOW-UP DIFFICULTIES, MOST WERE PLACED IN TRAINING-RELATED JOBS

WHY OIG CONDUCTED THE AUDIT

DOL's Employment and Training Administration (ETA) awarded \$143 million of the \$750 million received from the 2009 American Recovery and Reinvestment Act to 35 community colleges and other post-secondary schools in grants to train participants for jobs in Health Care and Other High Growth and Emerging Industries (HCHG). OIG received several hotline complaints charging grantees misused these grant funds and provided programs that did not result in industry-recognized credentials, job placements, or other activities required by the grant agreements.

WHAT OIG DID

We conducted a performance audit to determine the following:

Did the training provided by the community colleges and other schools under the HCHG grant program enable participants to gain employment in training-related fields?

Did grantees claim costs in accordance with the grant agreement and did the grantees charge costs that were reasonable, allowable, and allocable?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to: <https://www.oig.dol.gov/public/reports/oa/2017/18-17-001-03-390.pdf>

WHAT OIG FOUND

The training provided by a sample of 10 community colleges and other schools (grantees) under the HCHG grant program enabled most participants to gain employment in training-related fields. Sampled grantees trained participants in the healthcare and emerging industry fields as required by the grant solicitation, and 54 percent of sampled participants who completed training gained training-related employment. However, the number of participants entering employment after exiting the program may have been underreported due to difficulties grantees encountered in following up with participants.

We identified a best practice used by one grantee that could help other ETA grantees in their efforts to follow up with participants after they graduate. The University of Texas Medical Branch required participants to sign a program responsibility agreement upon entering the program. The agreement included a responsibility to contact a program counselor at least once every two weeks for the duration of the training. The grantee stated this regular communication contributed to greater success in maintaining contact after participants exited the program.

We also found the sampled grantees claimed costs in accordance with the grant agreement, and those costs were reasonable, allowable, and allocable. We identified isolated problems related to tracking and tagging equipment purchased with grant funds, classification of costs across budget categories, sole source purchase documentation, misclassification of administrative costs, and compliance with budget line item limits. All of these exceptions can be, in part, attributed to the lack of consistent oversight ETA provided to these new grantees.

WHAT OIG RECOMMENDED

We recommended the Assistant Secretary for Employment and Training expand the use of best practices, explore ways to obtain more complete participant placement and retention data, and place more emphasis on identifying and correcting financial and programmatic issues commonly experienced by new grantees.