



BRIEFLY...

ETA SPENT \$1.5 BILLION AND MET ITS STATED CAPACITY DEVELOPMENT GOALS, BUT IS CHALLENGED TO DETERMINE IF THE INVESTMENT IMPROVED EMPLOYMENT OUTCOMES

July 26, 2018

WHY OIG CONDUCTED THE AUDIT

This audit builds upon prior OIG and GAO audits that raised concerns about DOL's grant investments not achieving their intended performance goals. The Trade Adjustment Assistance Community College and Career Training (TAACCCT) Grants Program provided funds to build capacity to deliver training programs that are suited for workers who are eligible for training under the Trade Adjustment Assistance for Workers program.

WHAT OIG DID

We conducted this performance audit to answer the following question:

To what extent did TAACCCT grantees achieve their goals of developing and expanding education and training programs that prepared participants for employment in high-wage, high-skill occupations?

Our audit covered 185 TAACCCT grants, totaling approximately \$1.5 billion. We analyzed reported outcomes for the 185 grants, and reviewed the capacity developed and outcomes achieved for a judgmental sample of 10 grants.

READ THE FULL REPORT

<http://www.oig.dol.gov/public/reports/oa/2018/02-18-201-03-330.pdf>

WHAT OIG FOUND

Grantees generally achieved their goals related to developing, expanding, and improving training programs; however, less than half of the students that were unemployed when they entered training found a job. Moreover, for participants who found jobs, ETA lacked information to determine if the resulting employment was in high-wage, high-skill occupations.

ETA provided program development data that showed grantees developed 1,992 training programs, substantially meeting its goal of 2,074.

For students who were unemployed when they entered training, only 44 percent had entered employment. Furthermore, in rounds 2 and 3, grantees established and ETA accepted targets for program completion of 59 percent and 65 percent, respectively. Overall, grantees did not achieve those targets, as only 37 percent of students completed training in both rounds 2 and 3.

For those participants who obtained employment, grantees were not able to determine whether the jobs they obtained were in high-wage, high-skill occupations because of challenges the grantees faced in obtaining employment data. Moreover, ETA did not collect additional performance data after the grants ended. As a result, ETA lacked the ability to measure the long-term results of TAACCCT's capacity-building investment.

Finally, we questioned \$1 million of advertising costs incurred by one grantee that were not allocable to the TAACCCT program.

WHAT OIG RECOMMENDED

We made 3 recommendations to the Deputy Assistant Secretary for Employment and Training to improve future discretionary grant programs that use funds to develop new education and training programs. We also recommended ETA recover questioned costs of \$1 million and issue additional procurement guidance to grantees.

The Deputy Assistant Secretary for Employment and Training generally agreed with our recommendations.