



## BRIEFLY...

### **DOL COULD IMPROVE EXIT REQUIREMENTS AND PARTICIPANT OUTCOMES FOR THE YOUTHBUILD PROGRAM**

March 30, 2018

#### **WHY OIG CONDUCTED THE AUDIT**

The OIG's previous audits of Department of Labor (DOL) job training programs found participants who completed those programs often obtained employment in jobs unrelated to the training they received or in low-paying jobs that required little or no training.

YouthBuild targets at-risk youth that are current or former high school dropouts. It helps these youth by providing education, occupational skills training, and leadership development. In Fiscal Years 2011 – 2016, DOL awarded \$477 million to grantees that operated 446 YouthBuild grants across the country.

#### **WHAT OIG DID**

Given our concerns, we conducted an audit to answer the following question:

Did YouthBuild grantees provide participants with training and services that resulted in participants receiving a measurable benefit?

To answer this question, we interviewed ETA officials and analyzed YouthBuild data, program requirements, and practices for the period July 1, 2011, to June 30, 2017.

#### **WHAT OIG FOUND**

YouthBuild grantees reported 18,750 participants successfully exited their programs during Program Years 2011 to 2015 (July 1, 2011 to June 30, 2016). However, these reported "successful exits" included 1,155 participants who left YouthBuild without having earned a measurable benefit. These participants had not secured an industry credential, had not earned a high school diploma or equivalency degree, nor had they obtained employment or enrolled in another educational program. We estimated grantees spent about \$12.6 million in funds that could have been put to better use.

Furthermore, if ETA reclassified the 1,155 participants who left the program without a measurable benefit as unsuccessful exits, its reported successful exit rate would decrease from 82 percent to 77 percent. While ETA had established minimum requirements for "successful exits," it did not provide sufficient oversight to ensure grantees complied with those requirements.

During our audit, we also noted some grantees had allowed participants to remain in the YouthBuild program longer than the legal limit of 2 years. As a result, we have questioned costs totaling almost \$1.4 million related to the number of unallowable days of training these participants received.

#### **WHAT OIG RECOMMENDED**

To improve YouthBuild program performance, we recommended the Assistant Secretary for Employment and Training clarify the criteria for "successful exits," develop a written YouthBuild manual, and distribute the manual to all YouthBuild grantees. We also recommended ETA recover the questioned costs identified by this audit.

The Employment and Training Administration concurred with the OIG's conclusions and generally agreed with the recommendations.

#### **READ THE FULL REPORT**

<http://www.oig.dol.gov/public/reports/oa/2018/04-18-002-03-001.pdf>