BRIEFLY…

The Employment and Training Administration Needs to Improve Oversight of Its Scaling Apprenticeship Grants

Why We Did the Audit

In July 2019, as part of DOL's overall apprenticeship effort to support workers in preparing for good-paying jobs, the Employment and Training Administration (ETA) awarded over $183 million through Scaling Apprenticeship grants to 23 recipients, largely community colleges. To expand apprenticeships nationwide, the grant program's goals included new industry sectors reliant on H-1B visas. Financed by an employer fee, it was overseen by ETA's Office of Workforce Investment.

Previous audit work found insufficient planning, execution, and reporting of similar grants, giving rise to concerns about ETA's minimal oversight. Given our previous findings and overall concerns regarding systemic weaknesses in ETA's grant oversight, we conducted an audit to answer the following question:

> Did ETA effectively administer the Scaling Apprenticeship through the Sector Based Strategies (Scaling Apprenticeship) grant program to ensure grant recipients achieved program goals?

Read the Full Report

For more information, go to: https://www.oig.dol.gov/public/reports/oa/2026/02-26-001-03-375.pdf.

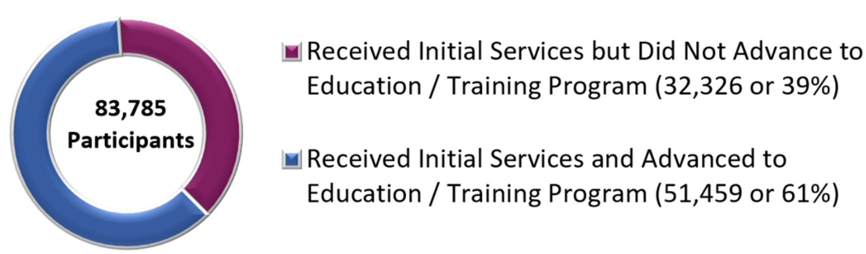
What We Found

We found ETA did not effectively administer the Scaling Apprenticeship grant program to ensure grant recipients achieved program goals. Specifically, ETA did not ensure grant recipients: (1) collected and maintained required documents to support participant eligibility and performance outcomes or (2) met established Scaling Apprenticeship grant program outcomes.

ETA's grant program administration did not align with federal internal control standards nor with federal recordkeeping requirements. Of 195 case files we tested, 130 lacked eligibility documentation, resulting in more than $255,000 in estimated questioned costs and over $64 million in funds for better use. Many participant files also lacked support for performance outcomes. Of seven program outcomes, grant recipients reported achieving the goal in one outcome (106 percent of total apprentices served). However, eligibility documentation issues bring that reported accomplishment into question. Also, ETA did not require grant recipients to track one outcome, and recipients did not meet the target for the remaining five outcomes.

These issues occurred because ETA administered the grant program without: (1) ensuring grant recipients had written procedures on maintaining documentation to support eligibility and outcomes, (2) requiring validated data, or (3) tracking findings through its monitoring system. Also, ETA could have better utilized risk assessments and data analytics to help identify risks to program outcomes and determine why recipients fell short of goals. For example, 39 percent of participants received initial services but did not advance to an education / training program. ETA did not track, nor require recipients to track, reasons for attrition and, therefore, had no data on the high attrition rate (see Figure).

Figure: Outcome, Education / Training Program



Source: OIG data visualization of information from ETA and DOL

As a result, the grant program may have served ineligible participants and reported inaccurate program outcomes and did not meet established outcomes. ETA, therefore, cannot provide reasonable assurance that the more than $164 million in grant funds expended were used for intended purposes.

What We Recommended

We made six recommendations to ETA to better administer grant programs, especially via data analytics. ETA generally agreed with the recommendations.