





February 2011

Dear Taxpayers:

Millions of Americans are continuing to struggle to make ends meet and provide for their families in today's challenging economy. The U.S. unemployment rate has exceeded 9 percent for 21 months.<sup>1</sup> As of January, 13.9 million Americans were reported as unemployed.<sup>2</sup> This number is misleading because it omits millions who have given up on seeking employment.

Those seeking employment and others anxious about losing their own job rightfully expect Washington lawmakers to fix the economy and encourage job creation. Over the past several years, Congress has approved hundreds of billions of dollars to support a host of new government programs intended to stimulate the economy, but as the statistics demonstrate, this approach has failed to put enough Americans back to work.

In a series of previously issued oversight reports, Senator John McCain and I reviewed billions of dollars of projects and presented hundreds of examples of mismanagement and questionable spending. This report looks at some of the worst examples of waste and fraud in government job training programs.

Without question, millions of Americans may need to learn new skills to succeed. Those looking to the federal government for such training, however, may be disappointed in what they find.

A newly released Government Accountability Office (GAO) report exposes a broken web of federal job training and employment programs. Nine federal agencies spent approximately \$18 billion annually to administer 47 *separate* employment and job training programs. Many of the programs are duplicative, but GAO's most shocking revelation is that "little is known about the effectiveness of most programs."<sup>3</sup>

Beyond the duplication and lack of demonstrable results, a glimpse into some of the federally funded job training programs reveals numerous examples of waste, mismanagement and even corruption. Some seeking job training, for example, spent their days sitting on a bus. High school students were knowingly exposed to the cancer causing agent asbestos as part of a job training program. Others were given training for jobs that didn't exist, or were paid to sit through educational sessions about jobs they already had. Funds were misspent to pay a contractor for "ghost employees" and to purchase video games. Job training administrators spent federal funds on extravagant meals and bonuses for themselves. In one state, workforce agency employees took more than 100 gambling trips to casinos mostly during work hours. Elsewhere, a state employee steered federal job training funds to her son, a convicted criminal, who spent it on hotel stays, a \$300 bar tab, cigars and pet care.

Taxpayers paying the cost of these programs and displaced Americans seeking their assistance deserve better than excessive duplication, a lack of demonstrable results, and outrageous examples waste, fraud, abuse and graft.

Yet, Washington has done little to make the \$18 billion job training maze work better. A glaring example of this neglect is the fact that Congress has failed to enact legislation updating the Workforce Investment Act (WIA), the primary federal job training program, which expired in 2003. The lack of congressional action means the nation's job training system has not been updated to better serve workers and the taxpayers who continue to subsidize duplicative programs without measurable outcomes.

There is no question a highly skilled workforce is a key ingredient to getting the economy back on track and to being competitive in a global economy. But instead of creating more federal job training programs or increasing spending on the 47 that currently exist, Washington should consider a new approach to aiding those in need. Washington can encourage an economic environment that attracts and retains investment and productivity in the United States. This can be accomplished in part by reducing the national debt, opening foreign markets to U.S. goods and services, reducing unnecessary regulatory burdens on small businesses and employers, and ensuring stable and predictable government policies so employers can make short- and long-term investment and management decisions.

After all, employers know better than government bureaucrats what skills their employees need and how to best provide those skills.

I encourage taxpayers to carefully scrutinize the list of duplicative programs and examples of waste and mismanagement detailed by this report and then ask if these are common sense or efficient ways for the federal government to assist those out of work or seeking new opportunities.

Sincerely,

Tom A. Coburn, M.D.  
United States Senator, Oklahoma

# *Help Wanted:*

## *How Federal Job Training Programs are Failing Workers*

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## EXECUTIVE SUMMARY

For the 13.9 million Americans out of work and the millions more underemployed, no issue weighs more heavily than income security and learning new skills to better compete in a challenging job market.<sup>4</sup>

Lawmakers should focus on putting Americans to work through the execution of policies that support meaningful, long-term job growth.

Instead, the government has taken on a role for which it was never intended, pouring billions of taxpayer dollars into a broken web of job training and employment programs that are rife with waste, fraud and abuse and lacking demonstrable effectiveness.

## THE PROPER ROLE OF THE FEDERAL GOVERNMENT

The authority to operate job training programs is left to states under Article I, Section 8 of the U.S. Constitution. When the federal government oversteps the enumerated powers delegated to it under the Constitution, it is often at the expense of properly conducting its expected role.

With regard to job training programs, the government has taken on a role more appropriately filled by the private sector. Sufficient incentives exist in the private sector to train employees to fill their business needs.

While federal job training programs may be well-intentioned, the dozens of programs and billions of dollars spent annually have still left millions of Americans grasping for the skills they need to obtain employment and income security. And without demonstrable results, these programs are merely siphoning away resources that could be better spent elsewhere, or not spent at all.

The billions of dollars spent on programs failing to demonstrate results could, for example, be spent on tax relief that encourages the type of innovation that leads to a marketplace of employment opportunities and job training. After all, businesses that produce goods and provide services know better than anyone what skills their workers need and how to teach those skills.

The federal government could best help displaced workers by opening foreign markets to U.S. goods and services and creating an atmosphere that attracts and retains investment and productivity in the U.S. This can be accomplished in part by reducing unnecessary regulatory burdens on small businesses and employers, and ensuring stable and predictable government policies so employers can make short- and long-term investment and management decisions.



*According to the  
Government Accountability  
Office (GAO):*

Nine federal agencies spend \$18 billion annually administering 47 employment and job training programs.

Only five of these 47 programs had an impact study completed since 2004 to assess whether outcomes resulted from the program and not another cause.

Half these programs have not had a performance review since 2004.

GAO finds “little is known about the effectiveness of most programs.”

Almost all federal job training programs overlap with at least one other program in that they provide similar services to similar populations.



## EXCESSIVE DUPLICATION & OVERLAP IN FEDERAL JOB TRAINING

In FY 2009, nine federal agencies spent approximately \$18 billion to administer 47 separate employment and job training programs, according to the U.S. Government Accountability Office (GAO).<sup>5</sup>

GAO identified another 51 federal programs that could be categorized as federal job training programs, but that were ultimately excluded from its final list.<sup>6</sup> For example, GAO does not include in its total all federal assistance to the unemployed workers – such as the Social Security Administration’s Ticket-to-Work program.<sup>7</sup>

While at least 47 federal programs are maintained, the overwhelming majority of federal dollars go to just seven programs – these seven programs accounted for *three-fourths* of the \$18 billion spent on employment and training services in FY 2009 (or \$13.5 billion).<sup>8</sup>

The GAO found all but three of the 47 programs *overlap with at least one other program* in that they provide similar services to similar populations – yet maintain separate administrative structures.<sup>9</sup>

For example, three federal programs – Temporary Assistance for Needy Families (TANF), Employment Services/Wagner-Peyser Funded Activities, and Workforce Investment Act (WIA) Adult Programs – were found to provide some of the same employment and training services to low-income individuals despite differences between the programs. However, these programs nevertheless maintained separate administrative infrastructure – meaning taxpayer money is lost on unnecessary overhead costs.<sup>10</sup>

Officials from 27 of the 47 programs did, however, report that their agencies have coordinated efforts with other federal agencies that provide similar services to similar populations.<sup>11</sup>

## LITTLE DATA EXISTS TO DEMONSTRATE EFFECTIVENESS OF FEDERAL JOB TRAINING PROGRAMS

Only five<sup>12</sup> of the 47 job training and employment programs GAO surveyed had an impact study<sup>13</sup> completed since 2004 to evaluate whether outcomes (i.e., such as program participants actually securing a job) resulted from the program and not another cause. About half the programs had no performance review since 2004.

As a result, GAO finds “little is known about the effectiveness of most programs.”<sup>14</sup>

One of the few programs that had an impact study conducted since 2004 was the Workforce Investment Act (WIA) Adult and Dislocated Workers program. In December 2008, the results of the non-experimental net impact evaluation found the benefits of this program for laid-off workers participating in the WIA to be small or nonexistent.

The study showed *little difference* in the earnings and the chances of being rehired between laid-off people who had been retrained and those who had not.

The five impact studies that were conducted “generally found the effects of participation were not consistent across programs, with only some demonstrating positive impacts that tended to be small, inconclusive or restricted to short-term impacts.”<sup>15</sup>

Consider the outcome of one of the few programs that had an impact study conducted. In December 2008, the results of the non-experimental net impact evaluation of the Workforce Investment Act Adult and Dislocated Workers program found the benefits for laid off workers participating in the WIA to be small or nonexistent. The study showed little difference in the earnings and the chances of being rehired between laid-off people who had been retrained and those who had not.<sup>16</sup>

Two programs surveyed by the GAO tracked *only one outcome measure* – Conservation Activities by Youth Service Organization only tracks “customer satisfaction” and Women in Apprenticeship and Nontraditional Occupations only tracks “Other Positive Outcomes” as of fiscal year 2009.<sup>17</sup>

In total, 9 of the 47 programs did not measure the number of program participants that were hired after their training.<sup>18</sup>

Three programs *did not track any outcome measures in FY 2009* – Indian Vocational Training – United Tribes Technical College; Supplemental Nutrition Assistance Program Employment and Training Program; and the Transition Assistance Program.<sup>19</sup>

## **LACK OF CONGRESSIONAL ACTION**

Despite unemployment staying over 9.0 percent since April 2009, Congress has taken no action to fix its duplicative, ineffective and wasteful maze of job training programs. Instead, it has piled on more programming and funding. Since 2003, the federal government has added 3 programs and \$6 billion to the federal job training and employment programs roster.<sup>20</sup>

In addition, the federal government has been unable to reauthorize and update the provisions of its main federal job training program – the Workforce Investment Act (WIA), which expired in 2003.<sup>21</sup>

Congress’ failure to act means job training programs have not been updated to better serve those struggling through a brutal economic climate. It also means federal taxpayers continue to pay for duplicative programs, many without measurable outcomes, whose cost add to the national debt.

# 25 Cases of Waste, Fraud, Abuse and Mismanagement in Federal Job Training Programs

Waste, fraud, abuse and mismanagement are too common in federal job training programs. The following 25 examples provide a mere snap shot of recent waste and mismanagement in federally funded programs. As this report demonstrates, tighter controls are needed to ensure taxpayers' money is being appropriately spent, and that programs are fulfilling their intended purposes.



# 1. Bowling for Dollars: Fraud in Department of Labor Grant Programs

Most reasonable people would probably agree that Martin Bowling isn't the kind of person who deserves help from taxpayer-funded job training programs.

Yet Bowling – an admitted thief with a long rap sheet – was the primary beneficiary of a \$100,000 federal worker training grant, and he and his firm were put up for another federal grant worth \$1 million by the State of West Virginia.

*West Virginia unemployment is currently 9.6 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

In 2008, at 28 years of age, there was already ample evidence to suggest Bowling was high risk. He had been arrested over a dozen times, for charges including driving under the influence and driving with a suspended license.<sup>22</sup>

In 2004, he was fired from a job with the West Virginia state government for accessing pornography on his computer.<sup>23</sup> His personal web site reportedly claimed he had once been a professional wrestler, and he reportedly claimed his wrestling name was “Marty Gras.”<sup>24</sup>

Most recently, in 2007, Bowling had been arrested by police at a local movie theater where he was picking up tickets to see the movie “Transformers” – tickets he had purchased using a credit card number stolen from his workplace.<sup>25</sup>

Bowling later admitted to using stolen card numbers to purchase thousands of dollars of goods over the Internet, including:

- \$700 in knockoff Cuban cigars;<sup>26</sup>
- A kitchen blender;
- Victoria’s Secret clothing;
- A Microsoft Xbox; and
- A robot litter box for his four cats – Mr. Bones, Thumbalina, and Mac and Cheese.

He reportedly even told police he tried and failed to fraudulently purchase online pornography.<sup>27</sup>

None of that appears to recommend Bowling for a federal job training grant.

Nevertheless, the firm for which Bowling worked as Chief Technical Officer was awarded a \$100,000 federal Workforce Investment Act grant via the state of West Virginia’s employment bureau, Workforce West Virginia.<sup>28</sup> And much of the benefit of that grant went to Bowling himself, the *Charleston Gazette* eventually discovered.

The grant itself was unusual: Comar, Bowling’s company, was the only for-profit firm to receive such a grant that year.<sup>29</sup> Also, the grant was reportedly intended to pay for training Comar’s own employees, not job seekers, on digital media.<sup>30</sup>

According to documents reviewed by the *Gazette*, the grant paid for raises of several employees<sup>31</sup> and computers<sup>32</sup> – as well as travel expenses for Bowling and others, including stays at luxury hotels, a \$300 bar tab, and pet care for his cats – Mr. Bones, Thumbalina, and Mac and Cheese.<sup>33</sup> The money also went to payments of several thousand dollars each to Bowling’s girlfriend<sup>34</sup> and his mother’s roommate.<sup>35</sup>

As the *Gazette* revealed, the grant request for Bowling’s company was co-authored, shepherded and championed by a very concerned Workforce West Virginia official.<sup>36</sup> The same official who oversaw set-aside grants, including the one awarded to Comar.<sup>37</sup>

That official was Martin’s mother, Mary Jane Bowling,<sup>38</sup> or “mompee” as she called herself in emails to her son obtained by the *Gazette*.<sup>39</sup>

*(Sample: “I’m headed upstairs about getting you MORE work. . . the mompee is headed to get details. This just means more \$\$\$\$\$, my special angel boy.”<sup>40</sup>)*

Perhaps that makes it less surprising that in 2008, two months after Martin Bowling was indicted for credit card fraud, a state official personally hand-delivered the first grant payment to Bowling’s firm, for more than \$35,000.<sup>41</sup> *(That official, of course, was his mother, Mary Jane.<sup>42</sup>)*

But Mary Jane Bowling had not yet committed what was perhaps her greatest act of maternal hubris. That came in early 2009, two months after her son Martin finally pled guilty in court to credit card fraud.

While Martin was awaiting sentencing, Mary Jane Bowling submitted a grant request to the U.S. Department of Labor for \$1 million, to benefit her admittedly felon of a son, Martin, and his firm, Comar.<sup>43</sup>

According to the *Gazette*, the grant application was to train 250 elderly



**Highlights:**

Martin Bowling – an admitted thief with a long rap sheet – was the primary beneficiary of a \$100,000 federal worker training grant.

The grant covered: raises for several employees, computers, travel expenses including stays at luxury hotels, a \$300 bar tab, and pet care for Bowling’s cats – Mr. Bones, Thumbalina, and Mac and Cheese.

As the *Charleston Gazette* revealed, the grant request was co-authored, shepherded and championed by a very concerned Workforce West Virginia official. The same official who oversaw the set-aside grants. That official was Martin’s mother, Mary Jane Bowling.

While Martin was awaiting sentencing, Mary Jane Bowling submitted another \$1 million grant request to the U.S. Department of Labor to benefit her admittedly felon of a son, Martin, and his firm, Comar.

According to the *Gazette*, the second grant application was to train 200 elderly West Virginians to develop technology skills. The application reportedly included letters promising to employ elderly graduates of the program from four local businesses, including the Cunningham Laser Vaginal Rejuvenation Institute which specialized in “G-spot enhancement” and “designer laser vaginoplasty.”



West Virginians to develop technology skills needed to secure jobs.<sup>44</sup>

The application reportedly included letters promising to employ elderly graduates of the program from four local businesses, including the Cunningham Laser Vaginal Rejuvenation Institute, which specialized in “G-spot enhancement” and “designer laser vaginoplasty.”<sup>45</sup>

*(When asked why the Institute was included in the application, Comar’s then-CEO, Al Hendershot, professed bafflement. “I’m surprise we listed it,” Hendershot told the paper. “I’m not sure what that’s about. Maybe, they’re going to do a spa.”<sup>46</sup>)*

Eventually, both Bowlings pled guilty to misappropriation of federal funds, along with Hendershot, and Mary Jane Bowling’s roommate, Christine Gardner, who had received improper payments from the grant.<sup>47</sup>

In this case, the federal grants generated lots of work – for investigators and prosecutors.

Left high and dry were the West Virginians struggling with high unemployment and shrinking options.

## 2. The Tampa Bay Binge

Instead of serving others, the Tampa Bay WorkForce Alliance, an agency tasked with finding people work, was serving itself...a lot.

Lunch at Hooters. Cupcakes – with \$20 delivery charges. Valet parking at the Cheesecake Factory. Flowers. Local steakhouses. Beverage koozies. Neon pens.

While unemployment rates soared in the sunshine state, the Alliance was spending an inordinate amount of time and taxpayer money on extravagant meals and entertainment for its own employees. All on the taxpayers dime.

In February 2010, the Florida State Inspector General (IG) found the Tampa Bay WorkForce Alliance misspent funds that state investigators claim benefited individual staff members at the agency and not job training programs.<sup>48</sup> The IG disallowed \$24,000 in federal funds the agency spent for staff meals over a 13 month period.<sup>49</sup>

In April 2010, the IG released an update to its earlier report, raising the total of disallowed expense to \$58,505.<sup>50</sup>

In June, the state agency then turned its eye toward an additional \$224,177 in questionable and \$39,831 in “disallowed” expenses.<sup>51</sup>

Here are some of the highlights of the Alliance expenditures:<sup>52</sup>

- \$89 executive team meeting at Hooters<sup>53</sup> and \$80.83 meeting at Buffalo Wild Wings;<sup>54</sup>
- \$50 from Wright’s Gourmet House, with a noted expenditure for a delivery fee of \$19.95 for cupcakes. Cupcakes were a reoccurring expense, including \$161.25 for 215 variety cupcakes;<sup>55</sup>
- 1,000 neon pens, hundreds of water bottles, 1,725 mouse pads, 88 shirts, and 25 picture frames;<sup>56</sup>
- Reoccurring lunches at the Cheesecake Factory, topped with \$9 slices of cheesecake. In one such instance, \$238.83 was spent on a lunch at the Cheesecake Factory that cost taxpayers \$35/person, a \$31.50 tip, plus \$20 valet parking;<sup>57</sup>



### The Tampa Bay Binge:

The Tampa Bay WorkForce Alliance receives both federal and state funds to help people find jobs.

A 2010 investigation by the State of Florida revealed the agency was spending taxpayer money to instead serve itself.

Hundreds of thousands of dollars were misspent on a laundry list of items, including:

- ❖ Lunches at Hooters and Buffalo Wild Wings
- ❖ Valet parking for lunch at the Cheesecake Factory
- ❖ \$20 dollar delivery fees for cupcakes
- ❖ \$443.99 on flowers
- ❖ 1,000 neon pens, hundreds of water bottles, 1,725 mouse pads, 88 shirts, and 25 picture frame.



*Florida unemployment is currently 12 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

- \$451.40 for Edible Arrangements and a \$443.99 FTD Florist expenditure;
- \$8,138 for a 2008 end of the year party at the Sheraton Riverwalk Hotel, complete with DJ services;<sup>58</sup> and
- \$1,000 corporate table at an American Red Cross event that included VIP tickets to meet a famous country music star.<sup>59</sup>

Renee Benton Gilmore, the board's former chief executive, resigned in February 2010 after the findings came to light. She and other executives, most of whom have lost their jobs, argued that the length of the meetings justified the lavish food deliveries.<sup>60</sup>

In 2009, the agency received \$32 million from the State of Florida and the federal government for its job training programs.<sup>61</sup> The state is seeking repayment, with non-federal funds, for a portion of the misspent funding.<sup>62</sup>



### 3. Asbestos-Removal as Job Training?

Imagine a community’s horror upon learning executives of a company tasked with providing job training “knowingly exposing high school students to the cancer-causing agent asbestos under the guise of involving the students in work experience and job training programs.”<sup>63</sup>

Established in 1998 as a program of the Merced County California Housing Authority, Firm Build is designed to give residents marketable skills while allowing the housing authority to modernize its facilities.<sup>64</sup> To support this effort, in 2001, a \$500,000 federal grant was awarded to the Housing Authority.<sup>65</sup>

A series of corruption and financial woes enveloped Firm Build in the years that followed, but perhaps no allegation was as shocking as the knowing endangerment of the at risk children entrusted to the company’s care.

In December 2010, former executives Rudy Buendia, Patrick Bowman and Joseph Cueller were indicted on charges of submitting false statements and Clean Air Act violations. The trio is also facing several charges of child endangerment.

According to accounts, “The students allegedly removed asbestos floor tiles and insulation from pipes inside the old building. Even worse, according to investigators, the students demolished tiles with hammers and other tools, creating an airborne cloud of asbestos fibers they may have inhaled. Students reported the dust was so thick inside the building, they sometimes had to leave for fresh air, investigators said. The students, who are now adults, were only supplied with cotton masks, hard hats and goggles – equipment which fell far short of the protective suits needed to properly remove asbestos.”<sup>66</sup>

Asbestos is a carcinogen linked to lung cancer and Mesothelioma. The latter can take up to 30 to 50 years to appear.<sup>67</sup>

The local District Attorney’s Office reported finding more than five victims, but as many as 80 teens may have been impacted.<sup>68</sup> If convicted, the executives face up to 15 years in prison. The teens exposed to asbestos however will spend a lifetime worrying about potential impacts from the exposure.



#### Highlights:

It was discovered in 2010 that Firm Build, a now-defunct California-based company “knowingly exposing high school students to the cancer-causing agent asbestos under the guise of involving the students in work experience and job training programs.”

In 2001, Firm Build was granted a \$500,000 federal grant to specifically support Firm Build’s efforts to train at-risk youth.

Asbestos is a carcinogen linked to lung cancer and Mesothelioma.

The local District Attorney’s Office say they’ve found more than five victims, but up to 80 teens may have been impacted.

If convicted, indicted Firm Build executives face up to 15 years in prison.



*California unemployment is currently 12.5 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

## 4. Jobs Mirage: Training Dollars for a Jobless Field

New Jersey received \$119 million in American Recovery and Reinvestment Act (ARRA) money from the U.S. Department of Energy for a weatherization program. The program has a laudable goal: to create jobs and train workers while simultaneously helping low-income residents make their homes more energy efficient.

Four million was specifically set aside for job training, however, this program was halted after it became clear there was no viable job market in the field for which workers were being trained.<sup>69</sup>

In addition, a recent state audit found the overall weatherization program to be plagued by mismanagement and possibly fraud.

The state audit found cost controls were not implemented correctly; inspections were not completed; and many contractors to be out-of-compliance with wage rules.<sup>70</sup>

*New Jersey unemployment is currently 9.1 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

### **\$4 MILLION JOB TRAINING PROGRAM RESULTS IN 7 JOBS**

Though the weatherization program had been operating more than a year, as of July 2010, less than ten percent of the \$119 million received for the program had been spent – a portion of which on expenditures was deemed inappropriate.<sup>71</sup>

For example, one agency charged the program \$1.50 for light bulbs, while another charged \$27.<sup>72</sup>



Another company purchased two GPS Navigation systems for nearly \$1,500 each when a portable GPS for \$200 would have been sufficient.<sup>73</sup>

In another instance, the audit shows how one weatherization agency was reimbursed more than \$17,000 over three months during the summer of 2009 for vehicles *already purchased*.<sup>74</sup>

As a result, some weatherization agencies were referred to the



New Jersey received \$119 million in stimulus dollars to train and place workers in jobs that make low-income homes more energy efficient.

However, a state audit found program cost controls to be ineffectively implemented; required inspections not completed; and many contractors out-of-compliance with wage requirements.

As of July 2010, only 5% of funding was spent.

\$2.7 of the \$8.7 million in expenditures submitted to the state appeared fraudulent.

Only \$1 million of the \$4 million set aside for job training has been used to train and certify job seekers.

Only seven of 184 workers receiving job training have found work, prompting New Jersey to halt the job training program.



New Jersey attorney general's office for investigation.<sup>75</sup>

Of the \$119 million awarded to the state under the stimulus program, \$4 million was set aside for weatherization job training and only one million had been spent.<sup>76</sup>

Seven of the 184 workers who received 12-week training courses have found work in the field, prompting the state Labor Department to halt the program completely.

Ana Montero, assistant director for the state Labor Department's Office of Grant Operations, told the *Associated Press* the program could resume if demand for workers actually increased.<sup>77</sup>

### **FRUSTRATED ASPIRING WORKERS**

The program has understandably left aspiring state workers frustrated.

Lazaro Peralta, 40, of Marlton, New Jersey finished his training through this program in June and had not found a weatherization job.<sup>78</sup>

Peralta recounted his experience, saying, "Thank you, Mr. Obama, for putting me through class, but nothing has happened. It has been a basic run-around since June. I just want to work."<sup>79</sup>

Peralta added that none of the nine men who graduated in his class have been offered jobs.<sup>80</sup>

Lazaro Peralta of Marlton, New Jersey finished his job training through the state's program in June 2010 and by December had not found a weatherization job.

Peralta recounted his experience to the *Associated Press*, saying, "Thank you, Mr. Obama, for putting me through class, but nothing has happened. It has been a basic run-around since June. I just want to work."

Peralta added that none of the nine men who graduated in his class have been offered jobs.

## 5. Federal Performance Measures Inadequate, yet Federal Laws Inhibit Efforts to Improve Accountability

Federal performance measures are inadequate to assess the quality of workforce programs, yet federal laws are inhibiting efforts in Minnesota to improve the efficiency and accountability of its workforce system, Minnesota’s Office of Legislative Auditor finds.<sup>81</sup>

### FEDERAL LAW LIMITS QUALIFY AND ACCOUNTABILITY OF JOB TRAINING SERVICES

Those in need of job training and employment assistance may not be getting the quality of help they deserve because of a complex web of federal rules.

State auditors noted that “federal laws limit the state’s ability to reform its workforce programs and address the problems of divided authority or segregated funding.”<sup>82</sup> In fact, state auditors found that “Workforce programs are not well integrated, *despite the intent of the [federal] Workforce Investment Act [WIA] to develop a one-stop delivery system*” (emphasis added).<sup>83</sup>

This fragmented funding can “lead to diffuse accountability” and also was found to “contribute to gaps in service.”<sup>84</sup>

According to auditors, “With no single entity in charge, no one is accountable for ensuring all needs are met. Further, it is difficult for clients, businesses, and policy makers to understand all the services that are available.”<sup>85</sup> In addition, auditors found “federal law grants little leeway to local workforce service areas to spend resources on meeting other needs.”<sup>86</sup>

For example, conflicts were found with the state’s implementation of job training and employment programs funded under the American Recovery and Reinvestment Act – the federal stimulus program.

Stimulus funds allowed the Minnesota’s state workforce entity to send additional staff to several of its workforce centers. Yet local workforce directors said the classes and workshops they were instructed to provide were duplicative or did not fit with classes already in existence.<sup>87</sup> What’s more, “Not all staff brought skills that filled needs or complemented existing staff skills.”<sup>88</sup>

### FEDERAL PERFORMANCE MEASURES INADEQUATE

Federal efforts to measure the quality of workforce programs were ineffective, according to Minnesota state auditors.

Minnesota state auditors found that “Federal laws limit the state’s ability to reform its workforce programs and address the problems of divided authority or segregated funding.”

In fact, state auditors found that “Workforce programs are not well integrated, despite the intent of the [federal] Workforce Investment Act to develop a one-stop delivery system.”

These types of metrics are intended to help show whether workforce programs are working or not, but the “measures are flawed in several respects.”<sup>89</sup> Auditors found:

1. ***State areas were changing participant timelines required under federal law:*** Some service areas were inappropriately adjusting exit dates, a performance measure required under WIA, at the end of a quarter – a practice which makes a jobs program more successful than in reality.<sup>90</sup>
2. ***Federal performance measures do not differ for program participants:*** Performance measures do not differ between individuals with differing skill sets, which can lead to selective enrollment in certain workforce programs. For example, the same amount of credit is given for placing an ex-con with limited education as a skilled tradesperson with a college degree. While the latter is presumably easier to place, equal credit is given for placement.<sup>91</sup>
3. ***Federal performance indicators only show short-term impact:*** Programs stop reporting on the performance of their participants nine months after they leave the program.<sup>92</sup>

#### **LOOSE ACCOUNTABILITY RESULTS IN PUBLIC JOB TRAINING MONEY BEING WASTED**

It should be no surprise the lack of accountability and focus on providing more efficient service to those seeking job training has resulted in mismanagement and waste.

The executive director of a St. Paul, Minnesota job-training group, entrusted with the task of educating and training to the disadvantaged in the state, spent public money on a host of inappropriate expenses – such as \$168 for feathers.<sup>93</sup>

*Minnesota unemployment is currently 7.0 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

The Minnesota Opportunities Industrialization Centers State Council (MNOIC) is a state employment and training system.<sup>94</sup> While MNOIC’s funding comes from a variety of sources, roughly 13 percent of its funding comes from the federal government taxpayers (or \$1,105,692).<sup>95</sup>

A recent audit of the Council’s expenditures, however, raises questions as to how public money has been handled by the Council.

Approximately \$19,620 of MNOIC’s state travel costs during fiscal years 2008-2010 could not be demonstrated as appropriate expenditures, according to the Minnesota Legislative Auditor.<sup>96</sup>

Bill Means, the head of the MNOIC, was found to have inappropriately spent funding on a variety of items:

- \$387 for gifts, including \$168 in feathers and earrings purchased at an airport;<sup>97</sup>
- \$320 for greens and entry fees for an October 2008 golf tournament of the Native Vote Alliance.<sup>98</sup> Means said the event was to benefit nonpartisan get-out-the-vote efforts in

the American Indian community;

- \$1,225 for travel to a forum at the United Nations in New York;<sup>99</sup>
- \$175 to buy luggage;<sup>100</sup> and
- \$2,329 for Means' parking and \$36 for car washes for his personal vehicle.<sup>101</sup>

The funding came out of a workforce development fund at the state Department of Employment and Economic Development (DEED), which also gives Means free office space. "The whole program is intended for training and things that help people with their job search," said Brad White, who led the audit.<sup>102</sup>

## 6. Where are the Green Jobs?

The American Recovery and Reinvestment Act (ARRA) allocated \$90 billion for green job technology, including a number of “green collar” job training programs. In late 2010, the President said “there is perhaps no industry with more potential to create jobs now – and growth in the coming years – than clean energy.”<sup>103</sup> Indeed, Vice President Joe Biden stated people who make \$20 per hour before a green job training program can make \$50 per hour after. And, on average, clean-energy jobs pay 10 to 20 percent more than similar work outside the field.<sup>104</sup>

One caveat: there must be jobs for these newly trained workers.

A policy analyst at the New America Foundation believes the Administration’s investment in green jobs “was a little bit too ambitious given the size and depth of the recession and the small size of the renewable energy industry.”<sup>105</sup>

Many recent green energy training program graduates are finding that, despite the infusion of stimulus money, the green jobs may just not be there.



For example, in Ocala, Florida, Carols Arandia spent the past year studying to earn seven green job certificates.

Arandia, who has been out of work for two years, believes the training he received was good, but it failed to lead to a job. In fact, Arandia reasoned “[w]hat is the point of giving somebody the tools to do something but have nowhere to use them?”<sup>106</sup>

Another recent graduate of a training program that taught students how to abate lead paint also found no jobs following graduation. She felt that companies “are blowing it off; they don’t think it’s important.”<sup>107</sup>

This is likely due to the fact that the market for green energy is just not growing.

While one would think the Florida, which nicknamed itself “the sunshine state,” would be perfect for the development of solar panels, this is not the case. The Executive Director of the Florida Solar Research and Education Foundation made clear “there is no growth in [the solar power] industry right now. In fact, some are going out of business.”<sup>108</sup>

These experiences hold true in other parts of the United States.

In Minneapolis, Minnesota, Summit Academy spent the year training 130 people for weatherization jobs, funded by stimulus dollars. Yet, only around 24 graduates found jobs.

In St. Paul, 19 individuals graduated from stimulus-funded weatherization programs at Merrick Community College, only to remain unemployed.<sup>109</sup>

The same is not true, however, for individuals that graduate from Merrick’s general construction course. One instructor found that in the “normal [general construction] program a majority of my students are actually hired before they even graduate.”<sup>110</sup>

In Minnesota, competition for these jobs is fierce. One employer stated that she received 79 applications for a single weatherization job.<sup>111</sup>

As demonstrated throughout the country, the amount of money spent on training and the quality of job training will prove wasteful unless there is a viable job market available for participants to enter.



## 7. Sitting on a Bus

Some graduates of a federally funded job training program described the program as offering “little training,” recalling that “in some cases [the program] paid workers to sit on a bus or look for other work.”<sup>112</sup>

The San Francisco Municipal Transportation Authority operates “Muni’s” Entry Level Training Program – a program paid for in 2010 by federal stimulus dollars. The program is designed to train potential employees for six to twelve months, after which point workers who fulfill training requirements become eligible to apply for permanent jobs with the city.

However, San Francisco grappled with budget cuts and was forced to lay off some of the city’s municipal workers in 2010.<sup>113</sup>

The climate of budgetary constraints and layoffs created a “hostile” work environment among those participating in the federally funded job training program and some of the city’s workers who did not want temporary workers doing their jobs.<sup>114</sup>

As reported by *Mission Local*:

*“...the Muni employees became increasingly hostile, trainees could no longer work on the vehicles and were asked by supervisors to move off Muni property and pick up garbage along the perimeter of the bus barn...*

*Allowed inside the yard only to get cleaning equipment, they began picking up garbage on the sidewalk along the Woods perimeter at 8 a.m. and finished after a few hours.*

*Unable to do any work inside the yard, many [sic] spent the remaining time in their cars catching up with reading — or left to search for employment elsewhere. Others said that Muni supervisors told them to sit on an empty bus — at times for nearly eight hours.”<sup>115</sup>*

It is unclear if any of the program’s graduates in 2010 were ultimately hired by the city.<sup>116</sup> What is clear is that these resources could have been better spent, or not spent at all.



### Highlights:

Job training participants in San Francisco were forced to pick up garbage and sit on a bus after union workers allegedly undermined their training.

Some graduates described the program as offering “little training,” recalling that “in some cases [the program] paid workers to sit on a bus or look for other work.”

Paid for with economic stimulus dollars, San Francisco’s Muni’s Entry Level Training program sought to train potential employees for six to twelve months, after which point workers fulfilling training requirements are eligible to apply for permanent jobs.

In the midst of budgetary constraints and layoffs, union workers reportedly created a “hostile” work environment, forcing job training participants off premises to collect garbage and sit on a bus.



*California unemployment is currently 12.5 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

## 8. Training Already Employed Lobsterman, Shrimpers, and Blueberry Farmers

Taxpayers may have a case of indigestion when they learn, nearly two years after the stimulus was enacted, their money is paying lobsterman, shrimpers and blueberry farmers \$12,000 each to attend job training sessions on jobs they are already trained to do.

The stimulus re-authorized the Trade Adjustment Assistance for Farmers program administered by the U.S. Department of Agriculture, a program that provides subsidies to producers of raw agricultural commodities and fishermen so they can adjust to import competition. Under the stimulus, TAA benefits were enhanced to focus more on employment re-training.<sup>117</sup>

Nearly two years after the stimulus bill was signed into law, lobstermen in Maine, New Hampshire, Connecticut and Rhode Island found out they are eligible to receive up to \$12,000 in federal dollars and free job training “to help make their operations more profitable.”<sup>118</sup>

“I think it’s going to be a great program,” Patrice McCarron, head of the Maine Lobsterman’s Association. “Worst case scenario: You learn a lot and get a good business plan under your belt.”<sup>119</sup>

If the lobsterman attend at least 12 hours of business and marketing, they can earn up to \$4,000 in taxpayer funds. If they write a business plan, they can earn up to \$8,000 more.<sup>120</sup>

When asked why lobsterman James Simmons of Friendship, Maine was at the informational session, he said “The money. For a few classes, that’s a quick \$12,000.”<sup>121</sup>

To become eligible for federal funds, lobstermen in these states must to document they harvested and sold lobster in 2009 and at least one other year from 2006 to 2008.<sup>122</sup>

Under program rules, an entity could actually be making money and still receive federal assistance. The program stipulates gross non-fishing income for 2009 cannot exceed \$500,000 and their average 2009 adjusted gross fishing income cannot exceed \$750,000 – meaning taxpayers are potentially subsidizing job training for people who have jobs, and are not a part of failing businesses.<sup>123</sup>

Blueberry farmers in Maine are also eligible to receive funding and training under the program, as are shrimpers in Alabama, Alaska, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina and Texas.<sup>124</sup>



### Highlights:

Nearly two years after the stimulus bill was signed into law, the government is providing money and job training sessions on jobs individuals are already trained to do, and who are already employed in those fields.

Under the program, lobsterman, shrimpers and blueberry farmers are receiving up to \$12,000 in federally supported job training.

Under program rules, individuals are eligible, in part, if their gross income is below a certain level -- meaning taxpayers are not only subsidizing job training for people who already have jobs, but who are also part of businesses bringing in positive income.



When asked by a local reporter why a lobsterman was at the informational session:

*“The money. For a few classes, that’s a quick \$12,000.”*

## 9. Funds for the Already Employed

The Central Oregon Intergovernmental Council (COIC) named six recipients of federal grant money, including Deschutes Brewery of Bend.<sup>125</sup>

The companies were notified in October 2009 that each would soon receive part of \$100,000 in federal job training money – to assist the already employed.<sup>126</sup>

The money was reportedly designated to current employees to help develop skills that could lead to higher wages and savings for the brewery.<sup>127</sup>

The brewery received \$2,200 in federal money for financial analysis training “That could teach the brewery’s employees how to track which beer is consumed the most in Colorado, for example, said Deschutes Human Resources Manager Pat Gerhart.”<sup>128</sup>

According to COIC’s program administrator, Andrew Spreadborough, the agency awarded the federal workforce development funds, “This [program] different from most other work force development programs because it targets people who are already employed.”<sup>129</sup>



### Highlights:

The Central Oregon Intergovernmental Council (COIC) named six recipients of federal grant money, including Deschutes Brewery of Bend.

State officials noted the program was unique in its support of the *already employed*.

The brewery received \$2,200 in federal taxpayer money for financial analysis training “That could teach the brewery’s employees how to track which beer is consumed the most in Colorado, for example...”



*Oregon unemployment is currently 10.6 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

## 10. Lost Job Corps Opportunities: Multi-Year Lease Wastes \$31 Million

The federal Job Corps program wasted \$31 million in stimulus dollars when securing an \$82 million multi-year lease with one Los Angeles entity, according to the Department of Labor Inspector General (IG).<sup>130</sup>

Job Corps is a federal program designed to provide disadvantaged youth with the skills needed to obtain and hold a job, enter the Armed Forces, or enroll in advanced training or higher education.

*California unemployment is currently 12.5 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

The stimulus bill provided \$250 million to Job Corps for construction, operations and administrative costs. Job Corps' largest single stimulus expenditure went to YWCA of Greater Los Angeles.<sup>131</sup>

Among the IG's findings:

- Job Corps could not show the multi-year lease with YWCA was the least expensive option for purposes of acquiring a new facility.
- Government constructing its own facility may have cost \$31 million less than the multi-year lease.<sup>132</sup>
- Job Corps did not perform an analysis as required by federal rules to show the multi-year lease was less expensive than government purchase and ownership.
- No other options, except for the multi-year \$82 million lease were considered.<sup>133</sup>



# 11. Unsafe Conditions, Expired Food, Filth and Cockroaches at Florida Job Corps

What the U.S. Department of Labor’s Inspector General (IG) found when it entered the Gainesville, Florida Job Corps Center, operated by DEL-JEN Incorporated, was shocking.<sup>134</sup>

The IG found DEL-JEN did not ensure compliance with requirements for reporting performance in each of the four areas the IG reviewed – Career Technical Training (CTT) completions, General Educational Development (GED)/High School Diploma (HSD) attainment, student Onboard Strength (OBS), and student accountability.

The IG investigators conducted walkthroughs of nine of Gainesville’s 13 buildings in June 2009 and observed multiple safety- and health-related deficiencies, including:

- Severe incidents, such as physical assault, weapons possession, and narcotics possession, were not reported;<sup>135</sup>
- Expired food in the cafeteria freezer (including cans of ten-year-old refried beans and tuna, and packages of two-year-old ricotta cheese and roast beef);<sup>136</sup>
- A large pile of fly-riddled garbage left outside the female dormitory, and garbage at the back of the center’s bio-hazardous waste storage facility;<sup>137</sup>
- Dead cockroaches throughout the female staff restroom;<sup>138</sup>
- Dirty bathrooms near the cafeteria with garbage cans that haven’t been emptied;<sup>139</sup> and
- Dangerous wiring connected to the basketball scoreboard accessible to students.<sup>140</sup>

*Florida unemployment is currently 12 percent*

*(Bureau of Labor Statistics, Dec. 2010)*



The IG also validated two fraud hotline tips for a separate DEL-GEN administered Job Corps Center in Albuquerque:

- An Albuquerque Job Corps manager used Job Corps funds meant for students to “purchase at least two prescription medications, including one controlled substance” for personal use;<sup>141</sup> and
- An Albuquerque Job Corps staff member inappropriately received dental services, paid for with Job Corps funds. When caught, the staff member refunded the center for the costs of the services provided.<sup>142</sup>

## 12. Billion Dollar Youth Job Training Program “Half Disaster,” Tens of Thousands Unable to Obtain Jobs

In 2009, a \$1.2 billion summer jobs program failed to find jobs for 18 percent of the youths who enrolled in it.<sup>143</sup> The Workforce Investment Act (WIA) Youth Program was funded with money from the American Recovery and Reinvestment Act (ARRA), aka the “stimulus,” and was intended to provide low-income individuals aged 14 to 21 years old with job training.<sup>144</sup>

But close to 18 percent of the nearly 355,000 Americans who participated in the state-administered program never got or completed their summer jobs, according to a review commissioned by the Department of Labor (DOL).<sup>145</sup> Some states audits suggest that the numbers of youth participating in the program may have been overstated.<sup>146</sup>

While the Government Accountability Office (GAO) concluded the program was “generally successful” in finding jobs for youth, experts were sharper in their assessment.

“The summer program was basically half-disaster,” said Andrew Sum, director of the Center for Labor Market Studies at Northeastern University in Boston, to the *Associated Press*. “It was too little, too late and too poorly constructed to have any lasting effect on our youngest workers.”

“The summer program was basically half-disaster,” said Andrew Sum, director of the Center for Labor Market Studies at Northeastern University in Boston, to the *Associated Press*. “It was too little, too late and too poorly constructed to have any lasting effect on our youngest workers.”<sup>147</sup>

And despite the \$1.2 billion in targeted assistance, youth unemployment continued to soar.

In fact, by 2010 the share of young people who were employed in July was 48.9 percent – the lowest July rate on record for the Bureau of Labor Statistics data series that began in 1948.<sup>148</sup>

From April to July 2010 – long after stimulus funds were authorized – the number of employed youth 16 to 24 years old rose by 1.8 million to 18.6 million.<sup>149</sup>

# 13. Job Training Funds to Repay Student Loans of Graduate Students Entering Jobs Rich Field

Authorized under the Workforce Investment Act, the Rehabilitation Training program provides job training and other services to help disabled persons enter the workforce. However, some uses of funds under the program show parochial projects are being put ahead of the best interests of workers.

In 2010, the federal government awarded the University of Iowa a \$730,000 Rehabilitation Training grant so that graduate students working to become rehabilitation counselors “don’t leave the university with debt.”<sup>150</sup>

Loan repayment programs are a questionable means of fulfilling the goal of the Rehabilitation Training program, which is to facilitate meaningful and effective participation by individuals with disabilities in the workforce.



The federal government already annually makes available over \$150 billion in generally available Pell Grants and federal student loans to assist student finance an education. What’s more, the government already offers a loan forgiveness program that is generally available for individuals entering public service fields that these university students could be eligible to receive.<sup>151</sup>

Nevertheless, \$730,000 in Rehabilitation Training grant money went to the University of Iowa for a select group of students.

John Wadsworth, a University of Iowa professor of rehabilitation and mental health counseling, noted: “The demand for rehabilitation counselors is quite strong in Iowa. It’s projected that there will be approximately a 24-percent increase in the number of jobs available, and that’s reflected nationwide.”<sup>152</sup>

Job growth in the field nationwide is projected to be 19-percent and growing. Wadsworth also notes that the University’s grant will use federal taxpayer money to strengthen an “already-strong U-of-I program, which was recently ranked fourth among peer institutions by *U.S. News & World Report*.”<sup>153</sup>

While it makes sense to encourage students to enter a field of study where opportunities are abundant, it is not a priority of the federal government to spend its limited resources during a time of high unemployment to pay off the debt of students entering a field where jobs are plentiful.<sup>154</sup>



### Highlights:

During a period of high unemployment, federal job training money is paying off the student loan debt for a few lucky Iowa students.

In 2010, the federal government funneled \$730,000 in taxpayer dollars to the University of Iowa to help well-educated graduate students leave school without debt.

These lucky students are training for advanced degrees in a high demand field where jobs are plentiful.

These funds were in addition to over \$205 million in federal taxpayer dollars given to University of Iowa in support of other student financial aid programs.



*Iowa unemployment is currently 6.3 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

# 14. Job Corps Contractors Paid for Ghost Employees While Millions of Youth Unemployed

While youth unemployment soared, a Department of Labor official was found to be taking bribes from a Job Corps contractor, *even approving contracts that billed for ghost employees.*



Job Corps is one of the primary federal job training and employment programs for youth.

In 2010, the share of young people who were employed in July was 48.9 percent – the lowest July rate on record for the Bureau of Labor Statistics data series that began in 1948.<sup>155</sup>

To support youth employment, the government provided Job Corps with \$1.68 billion in fiscal year 2009 and

\$1.7 billion in FY 2010. Job Corps also received \$250 million in stimulus funding in addition to regular annual appropriations.

## FORMER DOL EMPLOYEE ENGAGES IN BRIBERY

In June 2009, the Inspector General (IG) of the Department of Labor (DOL) began a fraud investigation involving a Job Corps program contractor.<sup>156</sup>

According to the Department of Justice (DOJ), DOL awarded contracts to a Job Corps contractor’s company in 2007 and 2008 for a variety of technical and administrative duties. The contractor submitted invoices to DOL.

At the time, Ms. Shonda Brevard served as DOL’s Job Corps’ Contracting Officer’s Technical Representative and was in charge of approving certain invoices.<sup>157</sup>

As part of the Inspector General’s investigation, a search warrant was executed at the contractor’s home. The contractor said that Brevard assisted in getting him contracts in exchange for payments. The contractor paid Brevard because if he did not do so, she would not process his invoices.<sup>158</sup>

When asked by law enforcement, Brevard admitted to receiving payments from the contractor paid her, and that she approved contracts – of which she knew were false.<sup>159</sup>



### The Job Corps Buy Off:

The share of young people employed in July 2010 was 48.9 percent – the lowest July rate on record for the Bureau of Labor Statistics data series that began in 1948.

The nation’s bureaucrats and federal job training contractors *should have* been focusing all its energy and resources on helping unemployed youth.

Instead, significant fraud and corruption was occurring.

In December 2010, a Labor Department (DOL) employee was sentenced for approving invoices for a Job Corps contractor, *some of which she knew to be false*, in exchange for monetary bribes and even a vehicle.

What’s more, as youth unemployment soared, DOL’s employee was approving contracts that billed for *ghost employees.*



For example, for one contract, Brevard was aware the contractor left positions vacant – but then billed for work performed by those workers on contracts paid for by taxpayers.<sup>160</sup>

In return for this federal largess, the contractor paid Brevard money – at times \$4,800 every two weeks. He also helped her pay for a vehicle.<sup>161</sup>

Ultimately, Brevard pled guilty to bribery and was sentenced to three years of probation and 200 hours of community service.<sup>162</sup>

Taxpayers expect government contracts to hold up against the highest standards. After all, it's their money that funds such contracts.

Yet as youth unemployment surged in recent years, a former Labor Department employee was approving falsified invoices from a Job Corps contractor in exchange for monetary bribes – sometimes as much as \$4,800 every two weeks – and also for a vehicle.

## 15. WIA Programs: Pay Tuition for Officials' Children, Xbox and Laptops, Golf Shirts and More

In May 2010, Portage County Ohio was ordered to repay the state more than \$700,000 for questionable spending and mismanagement in a federal jobs training program – funds used to pay the college tuition of certain county officials and to purchase other items such as laptops and video games. The county it is now reportedly refusing to repay the funds.<sup>163</sup>

Under the Workforce Investment Act (WIA), federal workforce development programs are authorized to provide a combination of education and training services to prepare individuals for work and to help them improve their prospects in the labor market.

*Ohio unemployment is currently 9.6 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

According to state findings, the County spent Workforce Investment Act funds for numerous unauthorized uses:

- More than \$42,000 on frivolous items such as XBox 360, laptops, promotion bags, golf shirts, messenger bags, briefcases, Giant Eagle food cards, and golf tees – among other things purchased as promotional items that are not allowable expenses under federal law.<sup>164</sup>
- \$14,000 to advertise a training center at Kent State University, for which tickets for athletic events were given and were not accounted for.<sup>165</sup> Under WIA, the one-Stop system provides a means of delivering and coordinating workforce development activities.
- Some of the remaining funding went to dozens of people who were ineligible for the money. A state review of 62 cases and found 49 improperly received funding.<sup>166</sup>



State audits also found federal job training was used to pay the college tuition of certain county officials' children.<sup>167</sup>

Following the release of the state's findings, however, the County Portage County said it will not repay the funds and are prepared to go to court if the Ohio Department of Job and Family Services insist on repayment.<sup>168</sup>

## 16. Bureaucracy Curtails Employment Options for DC Youth, Causes Job Lay-Offs

Bureaucratic red tape and program mismanagement in the awarding of local and federal funds resulted in lay-offs and fewer employment training opportunities for out-of-school-youth in Washington, D.C.

The Washington, D.C. Office of Contracting and Procurement recently issued stop work orders to 10 job-training centers in the District of Columbia that were awarded contracts to provide year-round job training to D.C. youths not enrolled in school.<sup>169</sup>

The contracts awarded a total of \$4 million in local and federal funds to provide training to 670 kids, or approximately \$5,970 per child for the cost of the training.<sup>170</sup> Work under the contracts began on January 1, 2011, but just days later, D.C. officials told the awardees to stop work.<sup>171</sup>

When questioned, a spokesman for the D.C. procurement office said the stop work order was the result of an appeal of the award by a losing bidder. The city, however, lost all the paperwork created during the award of the contracts, which it would need to defend its award decisions. As a result, the 10 groups awarded job-training contracts were forced to re-submit their bids for the contracts and endure the process all over again.<sup>172</sup>

Lamenting on the negative impact of bureaucracy and mismanagement on job training opportunities for youth, one awardee stated: "This is federal money that...is just sitting there, and if they don't get it out the door, 50 or 100 kids aren't getting training. We competed fairly and squarely...It's really outrageous."

The result, ironically, is jobs lost.

The 10 groups that were awarded contracts were forced to lay-off the employees it had designated to train the kids. One group that was awarded \$625,000 in contracts to train 100 kids was forced to lay-off 10 employees due to the re-procurement process.<sup>173</sup>

Commenting on being forced to re-submit, one awardee stated "It's such a mess. I am so disgusted."<sup>174</sup> One awarded noted that programs delays are "devastating," adding that "That's basically a whole school year lost."<sup>175</sup>

Another lamented, "This is federal money that...is just sitting there, and if they don't get it out the door, 50 or 100 kids aren't getting training. We competed fairly and squarely...It's really outrageous."<sup>176</sup>

Even though the city is now stating that re-issuing the contracts is a "top priority," contract awardees received a letter from the city making it clear the contracts would not be re-awarded until at least June 2011. At that point, however, losing bidders would again have the right to protest the award of the contracts.

## 17. Iowa Job Training Agency Executives Scheme Bonuses, Frequent Casinos During Work

Over the last five years, a long and winding tale of corruption at an Iowa-based workforce training agency has unfolded.<sup>177</sup> The agency's primary task was to provide job training and workforce development, but executives instead conspired to enrich themselves with \$1.8 million in bonuses – paid for with federal funds – while also engaging in sexual relationships and frequenting casinos during the work day.<sup>178</sup>

In February 2010, the Eighth Circuit Court of Appeals affirmed the 84-month prison sentence of Ramona Cunningham, the former CEO of the Central Iowa Employment and Training Consortium (CIETC).<sup>179</sup>

Cunningham was sentenced for serving as the ringleader of a fraud and corruption plot that resulted in her receiving salary and bonuses totaling \$795,000 over two and a half years. Bonuses were also inappropriately given to other executives, including the local board's chief operating officer who hauled in \$770,000 over the same time period.

The Court of Appeals recently found the 84-month sentence received by Cunningham was not “substantively unreasonable.” Instead, the court found the imposition of the sentence was “amply supported by the record.”<sup>180</sup>

During the trial, other ways that the leaders of CIETC wasted federal taxpayer money became known. For example, former CIETC board chairman, Archie Brooks, testified that he, Cunningham and other employees took 100 to 125 gambling trips – *mostly during work hours* – to casinos around Iowa.<sup>181</sup>



Brooks also told federal jurors he had a 15-month sexual relationship with Cunningham, during which he approved at least \$500,000 in bonuses for select CIETC employees.<sup>182</sup>

The CIETC served as a non-profit agency administering programs for Iowa Workforce Development in an eight county region of central Iowa.

The Central Iowa Employment and Training Consortium (CIETC) served as a non-profit agency that administers programs for Iowa Workforce Development.

CIETC executives were found to have conspired to provide themselves \$1.8 million in bonuses – paid for with federal funds – while also engaging in sexual relationships and frequenting casinos during the work day.

*Iowa unemployment is currently 6.3 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

## 18. A Kitchen Makeover and Cool New Digs as Job Training

Millions of dollars in federal funds for job training have been spent on renovation of job training sites. While fancy facilities and upgraded amenities may make job training centers more hospitable, spending limited resources on such projects does little to improve the skills of those who are seeking meaningful employment.

With millions of Americans out of work, these dollars should be directed to serving individuals most in need.

The Gerald R. Ford Jobs Corps Center, for example, received more than \$13.2 million in stimulus dollars to modernize its main building in Grand Rapids, Michigan.<sup>183</sup>

The Center renovations include upgrading the dorm for male students, the auditorium, gymnasium, cafeteria and central heating and cooling.<sup>184</sup>

“This facility has gone from 1970s standards to 2010 standards,” said John Brondsema, project superintendent with Nevilles Electric Services. “It’s updated, more modern and environmentally a much safer place. It’s just like a brand new dorm for a college.”<sup>185</sup>

In North Carolina, in another example, federal taxpayers paid for a kitchen upgrade in the name of job training.

While LifeSpan was closing other popular programs it administered due to a lack of funding, LifeSpan Solutions LLC Troutman satellite campus was awarded \$100,000 in stimulus funding to “renovate a 30-year-old kitchen at its Troutman satellite campus and start a culinary arts training program.”<sup>186</sup>

Seventy-one residents are expected to receive training through the program, the *Charlotte Observer* reports.<sup>187</sup>

*Michigan unemployment is currently 11.7 percent*

*(Bureau of Labor Statistics, Dec. 2010)*



*North Carolina unemployment is currently 9.8 percent*

*(Bureau of Labor Statistics, Dec. 2010)*



## 19. Rolling the Dice on Federal Job Training for Bartending and Gambling

With sixty-four percent of Americans now reporting some level of alcohol consumption, drinking in the U.S. has reached the highest level since 1985.<sup>188</sup>

Could this increase be linked to job loss and the economic recession?

The federal government thinks so according to “A Guide to Getting through Tough Economic Times,” produced by the federal government to provide practical advice on how to deal with the effects of today’s financial difficulties, which lists increased drinking as a warning sign of financial problems.<sup>189</sup>

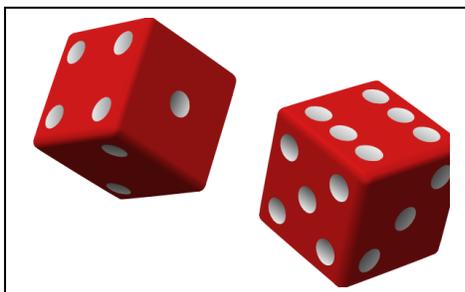
So should the federal government be spending taxpayer dollars to provide bartending classes to Americans struggling with financial problems and job loss?



At least eight states have recently spent federal Workforce Investment Act (WIA) funds to provide individuals training in “the bartending occupation,” according to the U.S. Department of Labor. These states include Florida, Illinois, Louisiana, Missouri, Mississippi, Montana, Ohio, and Tennessee.<sup>190</sup>

Many taxpayers may question the wisdom of spending federal resources intended to provide new skills to Americans seeking employment or new careers to provide bartending training for a number of reasons.

Taxpayers may also be curious why federal job training funds have been spent to provide training for casino workers and other gaming related occupations. Over 150 individuals in seven states and Puerto Rico have received training to be dealers or other positions related to gaming during the most recent year for which data is available.<sup>191</sup>



Unlike the uptick in drinking, gambling revenues and jobs have both declined during the recent economic downturn. In 2009, casinos in 13 states employed about 328,000 workers, a drop from 357,000 in 2008. Frank Fahrenkopf, CEO of the American Gaming Association, says the recession is to blame. “People had less money to spend,” he says, noting, “until people go back to work, businesses that depend on discretionary income are going to continue to struggle.”<sup>192</sup>

So with fewer positions available, how are those receiving federal job training for occupations in the gaming industry faring finding jobs?

The Employment and Training Administration (ETA) “searched its records and found no program evaluations for bartending or gaming,” according to James Oates, the Assistant Secretary of the Department of Labor.<sup>193</sup> Essentially, without measuring any actual results, federal job training programs are rolling the dice with taxpayer funds that these training programs for gaming and bartending are actually working.

Additionally, the Department of Labor training for bartending and gaming appears to duplicate assistance already made available by the Department of Education for those seeking careers in these fields.

The Crescent School of Gaming and Bartending, for example, “provides access to federal financial assistance by way of Pell Grants and student loans.” With four locations, the school boasts it is “well equipped with the task of producing the industries next fleet of great bartenders and dealers. Each location is facilitated with a fully functional bar area that enables the student hands on training during the flexible class hours; the pit allows each student the opportunity to perform the task of dealer, floor person and player in a mock version of a fast paced casino environment thus preparing them for their future position as a dealer!”<sup>194</sup> Those attending the Crescent School are taught “basic bartending skills, over 200 mixed drinks, customer service/cash handling skills, bar technology, two hand pouring” poker, craps, blackjack, and other games with job placement assistance after graduation.<sup>195</sup>

Like all other service – and entertainment-related jobs, bartending and jobs in gaming require distinct skills and knowledge. It is sobering to taxpayers and job seekers alike, however, that Washington is providing duplicative training programs for these types of jobs without any evidence to demonstrate they put Americans back to work.



*The Crescent School of Gaming and Bartending  
“provides access to federal financial assistance by way of Pell Grants and student loans.”<sup>196</sup>*

## 20. Federal Job Training Failing Unemployed Veterans...

To combat veterans' unemployment, the U.S. Department of Labor administers the Veterans' Employment and Training Service's (VETS) Transition Assistance Program (TAP). The program was established in 1990 to provide employment assistance – such as resume preparation and interviewing techniques – to separating and retiring military personnel and their spouses during their period of transition from military service.

However, recent reviews of the program raise serious questions whether it is achieving its intended purpose.

In January 2011, the Government Accountability Office (GAO) found TAP to be one of three federal job training programs that did not track any outcome measures in fiscal year 2009. For example, the program does not keep track of how many of the participants it trains eventually secure jobs from this assistance.<sup>197</sup>

The GAO's finding comes on the heels of a September 30, 2010 audit report of the U.S. Department of Labor's Inspector General (IG) which found that the VETS program:<sup>198</sup>

- The TAP program was unable to ensure that participants received employment assistance needed to obtain meaningful employment.
- Could not evidence with participant attendance records or other documents the 124,700 participants it reported as attending TAP workshops.
- Did not use any measurable goals and outcomes to evaluate program success.<sup>199</sup>

The IG also found the program lacked effective financial controls over the contract for TAP workshops conducted from 2007 through 2009.

According to the audit, and as required by federal contracting rules, contract services were not properly authorized by the authorized contracting officer.<sup>200</sup> The IG found the VETS program did not ensure the best value to the government using TAP funds.

This mismanagement led to \$2.3 million in unsupported and other questioned contract costs and \$713,000 that may have been put to better use.<sup>201</sup> Officials agreed VETS controls need to be strengthened and improvement are needed.<sup>202</sup>



### Highlights:

The unemployment rate of separating and retiring military personnel rose from 9.8 percent in 2009 to 11.8 percent in 2010.

The rate of unemployment among returning soldiers aged 18-24 is approximately 22 percent.

The Inspector General (IG) found a federal program designed to provide employment assistance to veterans to be failing.

The IG found that the Veterans' Employment and Training Service's (VETS) Transition Assistance Program (TAP) did not have effective management controls to ensure its participants received employment assistance needed to obtain meaningful employment.

The audit found a lack of adequate contract controls resulted in \$2.3 million in unsupported and other questioned contract costs and \$713,000 that may have been put to better use.

A separate report of the Government Accountability Office also found TAP to be one of three federal job training programs that *did not track any outcome measures*.



## 21. Efforts to Employ Homeless Vets Fall Short

A federal program designed to support the employment and training of *homeless* veterans was found by the Inspector General (IG) to be failing, placing only one-third of the veterans it served into employment.

From July 1, 2008 through June 30, 2009 – taxpayers provided \$22 million to the program to fund grants in 34 states to assist homeless veterans find and retain employment.<sup>203</sup>

According to the IG, Veterans’ Employment and Training Service (VETS), the federal entity that oversees the HVRP, “lacked adequate controls to ensure the program effectively met the employment needs of homeless veterans.”<sup>204</sup>

Of the 13,777 program enrollments, only 4,302 (31 percent) obtained and retained employment for three quarters.

The IG also reports significant breakdowns in VETS’ oversight and monitoring of grantees operations and performance.<sup>205</sup>

For example, in the four grants reviewed, the agency failed to detect and respond to financial and performance problems.

The resulting impacts of this performance and mismanagement is that the goal of placing 9,093 veterans into employment by 2,461 veterans, or 27 percent.

The IG also reports that had the VETS program provided effective oversight of underperforming grants, close to \$6 million of taxpayer funds would have been used more effectively.<sup>206</sup>



### Highlights:

Like the federal VETS TAP program highlighted on page 38, another federal job training targeted at assisting *homeless* veterans was found deficient by the Department of Labor’s Inspector General (IG).

According to the IG, Veterans’ Employment and Training Service (VETS), the federal entity that oversees the Homeless Veterans Reintegration Program, “lacked adequate controls to ensure the program effectively met the employment needs of homeless veterans.”

The IG found that of the 13,777 program enrollments, only 4,302 (31 percent) obtained and retained employment for three quarters.

The IG also reports that had VETS provided effective oversight of underperforming grants, “\$5.9 million of program funds may have been put to better use.”



## 22. Job Training Program Mismanagement in PA Threatens Funding to Low-Income

Mismanagement of a job training program in Harrisburg, Pennsylvania was so severe that nearly \$250,000 may never serve the low-income youth for which it was intended, and may ultimately cause the already cash-strapped city additional financial hardships.

In Harrisburg, Pennsylvania, the program was launched in 2007 after its school district received a \$1 million.<sup>207</sup> Program mismanagement, however, threatens nearly a quarter of this funding.

In 2010, the Philadelphia Regional Office of the United States Department of Labor found instances of unauthorized and undocumented expenses.

Included among the questioned expenses was a nearly \$200,000 spent on a rehabilitation job at a privately owned building that might violate city grant rules.<sup>208</sup>

The audit also found more than \$4,261 in undocumented expenses for.<sup>209</sup>

- Student trips to New Orleans and Washington, D.C.;<sup>210</sup>
- Improper documentation of weekly stipends paid to participating work crew members;
- Spotty program registration records that make it impossible to tell whether all program participants were eligible to participate in the program; and
- Acquiring a van without required prior approval for major expenditures from the Labor Department's grant officer.<sup>211</sup>

It is also alleged that program managers failed to fully check into whether some participating students were eligible to participate in the program, and that there was a lack of records to prove all student workers were being paid correctly.<sup>212</sup>

The Department of Labor is considering asking the school district to reimburse the government for \$200,000.<sup>213</sup>



### Highlights:

YouthBuild, a federal program, helps low-income young people obtain training and certifications in construction trades while working toward their GED or high school diploma while learning job skills.

An audit of the DOL's Philadelphia Regional Office found unauthorized and undocumented expenses at Harrisburg, PA's YouthBuild.

Included among the unauthorized expense was a nearly \$200,000 spent on a rehabilitation job that failed to meet program requirements, and more than \$4,261 in undocumented expenses.



*Pennsylvania unemployment is currently 8.5 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

Harrisburg School District Business Administrator Jeff Bader commented on the burden such repayment would place on the city:

“If there’s expenses that are in excess of what’s available in the grant funds that need to be returned, then yes, the only option is to go into the general fund to do that. The district is already more than \$200 million in the red and considering the elimination of kindergarten and sports just to balance this year’s budget.”<sup>214</sup>

In addition, as a result of the investigation, the school district suspended two employees.<sup>215</sup>

Neither individual is reported to be employed in the school district any longer.<sup>216</sup>

Commenting on the burden repayment of allegedly misused funds would place on the city, Harrisburg School District Business Administrator Jeff Bader told *The Patriot News*:

“If there’s expenses that are in excess of what’s available in the grant funds that need to be returned, then yes, the only option is to go into the general fund to do that. The district is already more than \$200 million in the red and considering the elimination of kindergarten and sports just to balance this year’s budget.”



## 23. Federal Job Training for the Affluent?

Federal assistance should be targeted at the truly disadvantaged, and for a limited amount of time as individuals work to become self sufficient.

In federal fiscal year 2009, nine federal agencies spent approximately \$18 billion to administer 47 separate employment and job training programs.<sup>217</sup>

Only 12 of these programs reported requiring beneficiaries to be economically disadvantaged.<sup>218</sup>

While the federal Job Corps program *does* have income limits in place,<sup>219</sup> some of its centers were not found to be in compliance with such rules.

In the case of the Gadsden, Alabama Job Corps Center, nearly 25 percent of its students did not meet the program's low-income eligibility criteria.<sup>220</sup>

Students were promised tuition, books and other payments at Gadsden State Community College.<sup>221</sup>

Rebecca Swindall said she was repeatedly told her son would receive tuition and that income levels did not matter. "This is not my son's fault," Swindall said. "Why should he have to suffer because they didn't have their ducks in a row?"<sup>222</sup>



Only 12 of 47 federal job training and employment programs reported to the Government Accountability Office requiring beneficiaries to be economically disadvantaged.



*Alabama unemployment is currently 9.1 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

*Students enrolled in the Gadsden, Alabama Job Corps Center are likely to lose thousands of dollars in scholarship funds because program officials enrolled them in the program despite their exceeding income limits.*

*Nearly 25 percent of the Center's students are considered ineligible for the program after an audit determined 73 of the Center's approximately 300 students did not meet the program's low-income eligibility criteria.*

## 24. \$4 for Us, \$1 for Workers

A Montana trade union tasked with managing a half million dollar federal job re-training grant, was found to be spending four times as much on their own salaries than they were on actual training displaced workers.

This revelation was made known in 2008 when the Montana AFL-CIO was also found to have misspent \$1.164 million in federal Workforce Investment Act (WIA) funding.<sup>223</sup>

In 2007, the union won a half million contract with the state to staff a job training program. However, because of past accounting irregularities, the Labor Department kept \$612,000. The state AFL-CIO would have to submit expenses to the state for reimbursement.

The Montana State Labor Department subsequently found that the grant managers at the Montana AFL-CIO were spending the majority of its program funds on itself.

For “every \$1 spent to help displaced workers in Montana, the AFL-CIO spent \$4.01 on its own staff salaries to carry out the federal re-training program – called Project Challenge: Work Again program.”<sup>224</sup>

In response to the audit findings, the Montana State Department of Labor terminated the contract because of “non-performance.”<sup>225</sup>

Previously, in April 2006, the state Labor Department ordered the union to pay back \$47,515 in federal job training funds spent but not properly documented laid-off workers. That money was paid back.

Then in October 2008, the Department accused the program of “gross fiscal irresponsibility” after the former program coordinator of the Project was found to have used \$35,111 of federal job retraining money to help pay for his stepdaughter’s college tuition in Arizona.<sup>226</sup>



### Highlights:

In 2008, the Montana AFL-CIO was found to have misspent \$1.164 million in federal Workforce Investment Act funding.

As reported by *The Missoulian* (MT), the Montana State Labor Department found that for “every \$1 spent to help displaced workers in Montana, the AFL-CIO spent \$4.01 on its own staff salaries to carry out the federal re-training program – called Project Challenge: Work Again program.”

As a result, the Montana State Department of Labor terminated the contract because of “non-performance.”



## 25. Atlanta Job Training Programs Plagued by Poor Management and Millions of Dollars in Improper Spending

In Atlanta, poor program management of two job training programs resulted in auditors questioning millions in costs.

A significant lack of management control for two federal job training programs run by the City of Atlanta – Welfare-to-Work (WtW) and Workforce Investment Act (WIA) – has been identified by the Inspector General (IG).

WIA provides participants with services such as job search, placement, counseling, job readiness, and training. Between 2001 through 2003, the city of Atlanta spent nearly \$10 million on youth and adult grant funds.<sup>227</sup>

A November 2008 IG audit questioned a total of \$11.3 million of these dollars.<sup>228</sup>

According to the IG, Atlanta lacked the necessary financial management controls needed to ensure federal grant funds are spent in compliance with federal laws and regulations, and so that individuals enrolled in these programs meet eligibility requirements.

The IG’s findings included:

- Despite government officials raising concerns during its oversight visits, Atlanta did not document implementing any of the necessary corrective actions;<sup>229</sup>
- \$5.9 million in questionable costs for contracts awarded without any evidence of full and open competitive bidding processes;<sup>230</sup>
- Two-thirds of contracts or invoices had no paperwork to support \$2.5 million in expenditures;<sup>231</sup>
- City contractors were paid \$657,465 from 432 invoices for “unallowable or unsupported costs,” including payments without invoices, duplicated payments and invoices without any evidence of payment approval;<sup>232</sup> and
- \$300,000 in unsupported costs posted to a “Board of Directors” account charged to a WIA program. Without evidence if these were allowable expenses, the investigators



### Highlights:

In late 2008, the U.S. Department of Labor’s Inspector General (IG) found a significant lack of management control for two federal job training programs run by the City of Atlanta: Welfare-to-Work (WtW) and Workforce Investment Act (WIA).

WtW participants receive job readiness training, job placement services, and job retention assistance. Atlanta spent \$10.1 million in WtW federal grant funds between 1998 and 2004.

Unfortunately for federal taxpayers, the IG questioned a total of \$11.3 million of these dollars.



*Georgia’s unemployment is currently 10.2 percent*

*(Bureau of Labor Statistics, Dec. 2010)*

were unable to determine whether they were allowable expenses.<sup>233</sup>

The *Atlanta Journal-Constitution* reported, “This is not the first time the city agency has come under the microscope. In 1998, state and federal labor officials investigated allegations about the agency — then known as the Private Industry Council — ranging from instances of waste and mismanagement to charges of cronyism and political favoritism in the awarding of job-training contracts.”<sup>234</sup>

WtW participants receive job readiness training, job placement services, and job retention assistance. Between 1998 and 2003, the city of Atlanta spent \$10.1 million in WtW federal grant funds.<sup>235</sup>

## Conclusion & Recommendations:

For decades, the federal government has maintained an expensive, broken web of duplicative job training programs that utterly lack demonstrable effectiveness and accountability. Taxpayers are financing 47 separate job training programs costing more than \$18 billion annually, and are given little evidence to demonstrate their money was well spent.

It is apparent the federal government has done a poor job managing that which it was never intended to manage.

As aptly considered by scholar James Bovard, the government has taken on a role more appropriately filled by the private sector. Bovard writes, “The fallacy underlying all job training programs is that the private sector lacks the incentive to train people for jobs. This is like assuming that farmers don’t have an incentive to buy seed, or that auto manufacturers lack incentive to seek out parts suppliers. Businessmen naturally prefer that all the factors of production – including labor – be readily available. But where there is a shortage of skills and demands for services, there will be an incentive to train.”<sup>236</sup>

While federal job training programs may be well-intentioned, the dozens of programs and billions of dollars spent annually have still left millions of Americans grasping for the skills they need to obtain employment and income security.

To better serve both struggling workers and federal taxpayers, Congress should consider the following recommendations:

1. Consolidate Federal Programs:

*Recommendation:* When reforming the federal job training system, especially the Workforce Investment Act, Congress should consolidate and better target job training programs across the federal budget.

*Supporting Finding:* In FY 2009, nine federal agencies spent approximately \$18 billion to administer 47 separate employment and job training programs in fiscal year (FY) 2009.<sup>237</sup> Seven of these 47 programs accounted for three-fourths of the \$18 billion spent on employment and training services (or \$13.5 billion).<sup>238</sup> All but three of these programs overlap with at least one other program in that they provide similar services to similar populations.

2. Eliminate Federal Programs Without Metrics:

*Recommendation:* Programs lacking metrics and a means of accountability should be eliminated.

*Supporting Finding:* According to the GAO, two federal job training program tracked only one outcome measure.<sup>239</sup> GAO also found three programs did not track *any* outcome measures in FY 2009.<sup>240</sup>

3. Improve Federal Program Metrics of Remaining Programs:

*Recommendation:* Programs the government does choose to fund should be rigorously and regularly evaluated through impact studies, performance reviews and other means.

*Supporting Finding:* Only five of the 47 federal job training and employment have had an impact study completed since 2004 to assess whether outcomes of the job training resulted from the program and not some other cause.<sup>241</sup> As a result, the GAO notes that “little is known about the effectiveness of most programs.”<sup>242</sup> What’s more, about half of all the programs have not had a performance review since 2004.<sup>243</sup>

4. Better Focus Federal Efforts by Narrowing Programs’ Objectives:

*Recommendation:* Programs using only a small fraction of their funding for job training and employment activities should have their program objectives narrowed and instead allow programs whose primary responsibility is job training to carry out such activities. Program objectives and eligibility for programs should be carefully reviewed to ensure maximum flexibility and the most efficient targeting of resources.

*Supporting Finding:* Fourteen federal job training and employment programs reported to the GAO using less than 90 percent of their total appropriation on employment and training activities in FY 2009. In addition, some individuals within a common population group may be eligible for one job training program not another, similar program because the eligibility criteria differ.

5. Target Eligibility of Federal Programs to Needy:

*Recommendation:* Job training and employment programs should be targeted to those truly in need, therefore eligibility should be determined in part through the use of income thresholds.

*Supporting Finding:* According to GAO, only 12 of the 47 federal job training and employment programs it identified reported requiring beneficiaries to be economically disadvantaged.<sup>244</sup>

# Endnotes:

- <sup>1</sup> Bureau of Labor Statistics, "Labor Force Characteristics" web page, <http://www.bls.gov/cps/lfcharacteristics.htm#unemp>, accessed February 7, 2011.
- <sup>2</sup> Bureau of Labor Statistics, "The Employment Situation – January 2011," <http://www.bls.gov/news.release/empstat.nr0.htm>, accessed February 7, 2011.
- <sup>3</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, See Executive Summary.
- <sup>4</sup> Bureau of Labor Statistics, "The Employment Situation – January 2011," <http://www.bls.gov/news.release/empstat.nr0.htm>, accessed February 7, 2011.
- <sup>5</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, page 5. GAO also reports that this total may not be complete, since "Agency officials responsible for ten programs were unable to report an estimate of the amount of funding used on employment and training services."
- <sup>6</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, See Appendix I.
- <sup>7</sup> For a list of the forty-seven programs identified by GAO as job training and employment programs, see appendix A of "Help Wanted" report. The GAO identified another 51 federal programs that had the potential to be categorized as a federal job training program, but ultimately excluded from its final list. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, See Appendix I.
- <sup>8</sup> The seven programs are: Rehabilitation Services; Vocational Rehabilitation Grants to States; WIA Dislocated Workers; WIA Youth Activities; TANF; Job Corps; WIA Adult Program; and Employment Services/Wagner-Peyser Funded Activities. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 8.
- <sup>9</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 13.
- <sup>10</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 18.
- <sup>11</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 17.
- <sup>12</sup> The five federal job training and employment programs that have had an impact study performed since 2004 include the Temporary Assistance for Needy Families (TANF); WIA Adult Program; WIA Dislocated Workers; National Guard Youth Challenge Program; and Reintegration of Ex-Offenders.
- <sup>13</sup> According to the GAO, many researchers consider impact studies to be the best method for determining the extent to which a program is causing participating outcomes. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.
- <sup>14</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.
- <sup>15</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.
- <sup>16</sup> Carolyn J. Heinrich, Peter R. Mueser, and Kenneth R. Troske, "Workforce Investment Act Non-Experimental Net Impact Evaluation: Final Report," IMPAQ International, December 2008.
- <sup>17</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 10, See Appendix V.
- <sup>18</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.
- <sup>19</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 10, See Appendix V.
- <sup>20</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 5.
- <sup>21</sup> While Congress has not comprehensively reauthorized the WIA since 2003, it should be noted the Department of Labor has implemented recommendations of the GAO. Since 2000, GAO has issued 32 reports on WIA that made 78 recommendations. Of the 78 recommendations, 69 were implemented, six were not implemented, and three have not yet been implemented or are in progress.
- <sup>22</sup> Eyre, Eric, "Seeking a Lighter Sentence; Cross Lanes Man Asks for Court's Mercy in Fraud Case," *Charleston (W. Va.) Gazette*, March 25, 2009.
- <sup>23</sup> Eyre, Eric, "Porn Forced Resignation from Job with DHHR; Bowling Quit as Programmer After Material Found on Computer, Agency Says," *Charleston (W. Va.) Gazette*, March 30, 2009.
- <sup>24</sup> Eyre, Eric, "Computer Whiz Gets 3 Years in Prison; Cross Lanes Exec Convicted of Fraud," *Charleston (W. Va.) Gazette*, March 10, 2009.
- <sup>25</sup> Eyre, Eric, "Computer Whiz Gets 3 Years in Prison; Cross Lanes Exec Convicted of Fraud," *Charleston (W. Va.) Gazette*, March 10, 2009.
- <sup>26</sup> Staff interview with Eric Eyre, *Gazette* editor, Jan. 6, 2010.
- <sup>27</sup> Eyre, Eric, "Computer Whiz Gets 3 Years in Prison; Cross Lanes Exec Convicted of Fraud," *Charleston (W. Va.) Gazette*, March 10, 2009.
- <sup>28</sup> "Sentences Handed Down to Former WORKFORCE West Virginia Grants Manager and Others for Defrauding Federal Program Initiative to Combat Theft of Government Funds," U.S. Attorney's Office for the Southern District of West Virginia, June 15, 2010, <http://pittsburgh.fbi.gov/dojpressrel/pressrel10/pt061510.htm>, accessed February 7, 2011.
- <sup>29</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; State Official Gave Son's Firm Preference on \$100,000 Grant," *Charleston (W. Va.) Gazette*, April 7, 2009.
- <sup>30</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Agency Suspends Grant Amid State Probe," *Charleston (W. Va.) Gazette*, April 16, 2009.

- <sup>31</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Grant paid Bowling's Girlfriend \$5,000; Computer executive's Mother OK'd Revision," *Charleston (W. Va.) Gazette*, March 26, 2009.
- <sup>32</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Agency suspends grant amid state probe," *Charleston (W. Va.) Gazette*, April 16, 2009.
- <sup>33</sup> Eyre, Eric, "Cross Lanes Firm Must Return Portion of Grant Money; Questionable Expenses Included Booze, Entertainment and Pet Care," *Charleston (W. Va.) Gazette*, July 17, 2009.
- <sup>34</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Grant paid Bowling's Girlfriend \$5,000; Computer Executive's Mother OK'd Revision," *Charleston (W. Va.) Gazette*, March 26, 2009.
- <sup>35</sup> Eyre, Eric, "Cross Lanes Firm Must Return Portion of Grant Money; Questionable Expenses Included Booze, Entertainment and Pet Care," *Charleston (W. Va.) Gazette*, July 17, 2009.
- <sup>36</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Official distributed grant to son's firm; Comar exec was under indictment at the time," *Charleston (W. Va.) Gazette*, March 19, 2009.
- <sup>37</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Official distributed grant to son's firm; Comar exec was under indictment at the time," *Charleston (W. Va.) Gazette*, March 19, 2009.
- <sup>38</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Official distributed grant to son's firm; Comar exec was under indictment at the time," *Charleston (W. Va.) Gazette*, March 19, 2009.
- <sup>39</sup> Eyre, Eric, "MARTIN BOWLING; Mother directed fed funds to son Workforce W. Va. Official sent grant money in Dec. '06," *Charleston (W. Va.) Gazette*, May 9, 2009.
- <sup>40</sup> Eyre, Eric, "MARTIN BOWLING; Mother directed fed funds to son Workforce W. Va. Official sent grant money in Dec. '06," *Charleston (W. Va.) Gazette*, May 9, 2009.
- <sup>41</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Official distributed grant to son's firm; Comar exec was under indictment at the time," *Charleston (W. Va.) Gazette*, March 19, 2009.
- <sup>42</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; Official distributed grant to son's firm; Comar exec was under indictment at the time," *Charleston (W. Va.) Gazette*, March 19, 2009.
- <sup>43</sup> Eyre, Eric, "WORKFORCE WEST VIRGINIA; \$1 million grant request included positions for Bowling, son; Papers filed two months after son's conviction," *Charleston (W. Va.) Gazette*, May 6, 2009.
- <sup>44</sup> Eyre, Eric, "WORKFORCE WEST VIRGINIA; \$1 million grant request included positions for Bowling, son; Papers filed two months after son's conviction," *Charleston (W. Va.) Gazette*, May 6, 2009.
- <sup>45</sup> Eyre, Eric, "WORKFORCE WEST VIRGINIA; \$1 million grant request included positions for Bowling, son; Papers filed two months after son's conviction," *Charleston (W. Va.) Gazette*, May 6, 2009.
- <sup>46</sup> Eyre, Eric, "THE GAZETTE WATCHDOG; State Sought Grant for Bowling; Agency Pursued Federal Funding Despite Guilty Plea," *Charleston (W. Va.) Gazette*, April 2, 2009.
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<sup>234</sup> Jeremy Redmon, "Atlanta Could Lose \$11.3 Million in Jobs Funding," *The Atlanta Journal-Constitution*, February 25, 2009, <http://www.ajc.com/services/content/printedition/2009/02/22/audit02223dot.html>, accessed February 7, 2011.

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<sup>236</sup> James Bovard, "The Failure of Federal Job Training," Cato Institute Policy Analysis No. 77, August 28, 1986, [http://www.cato.org/pub\\_display.php?pub\\_id=943](http://www.cato.org/pub_display.php?pub_id=943), accessed February 7, 2011.

<sup>237</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 5. GAO also reports that this total may not be complete, since "Agency officials responsible for ten programs were unable to report an estimate of the amount of funding used on employment and training services."

<sup>238</sup> The seven federal job training programs that accounted for three-fourths of the \$18 billion spent on employment and training services in FY 2009 are: Rehabilitation Services; Vocational Rehabilitation Grants to States; WIA Dislocated Workers; WIA Youth Activities; TANF; Job Corps; WIA Adult Program; and Employment Services/Wagner-Peyser Funded Activities. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 8.

<sup>239</sup> Conservation Activities by Youth Service Organization only tracks "customer satisfaction" and Women in Apprenticeship and Nontraditional Occupations only tracks "other positive outcomes" at the federal level as of FY 2009. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, See Appendix V.

<sup>240</sup> The three programs identified by the GAO as not tracking outcome measures are: Indian Vocational Training – United Tribes Technical College; Supplemental Nutrition Assistance Program Employment and Training Program; and Transition Assistance Program;. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, See Appendix V.

<sup>241</sup> According to the GAO, many researchers consider impact studies to be the best method for determining the extent to which a program is causing participating outcomes. Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.

<sup>242</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.

<sup>243</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. 11.

<sup>244</sup> Government Accountability Office (GAO-11-92), "Multiple Employment and Training Programs: Providing Information on Co-Locating and Consolidating Administrative Structures Could Promote Efficiencies," January 2011, pg. X.

# Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group

Program (department)	Objective	Eligibility
<i>Dislocated or trade-impacted workers</i>		
Trade Adjustment Assistance (TAA) (Labor) <sup>a</sup>	<p>To provide adjustment assistance to qualified workers adversely affected by foreign trade which will assist them to obtain suitable employment.</p> <p>Under the Recovery Act, group eligibility was significantly expanded, and benefits were enhanced to focus more on retraining opportunities.</p>	<p>A TAA beneficiary must: (1) be found by the Labor Department to have been adversely affected by increased imports or a shift in production to all countries, (2) be certified by the Secretary of Labor as eligible to apply for adjustment assistance, and (3) meet the following individual requirements: (a) his or her unemployment or underemployment must have begun on or after the impact date specified in the Secretary's certification as the beginning of the import-impacted unemployment or underemployment; (b) his or her unemployment must begin before the expiration of the 2-year period beginning on the date on which the Secretary issued the certification for his or her group or before the termination date, if any, specified in the certification. In addition, to be eligible for weekly trade readjustment allowance (TRA) payments he or she must: (1) have been employed with wages at a minimum of \$30 per week by the import-affected firm for at least 26 of the previous 52 weeks including the week of total layoff (up to 7 weeks of employer-authorized leave may be counted as qualifying weeks of employment or up to 26 weeks of disability compensation); and (2) be enrolled in or have completed a TAA-approved job training program, unless the determination is made that training is either not feasible or not appropriate, in which case a waiver of the training requirement may be issued. To receive TRA, the claimant must be enrolled in an approved training program within 26 weeks of the Secretary's issuance of the certification or within 26 weeks of the worker's most recent qualifying separation, whichever is later.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
WIA Dislocated Workers (Labor)	<p>The purpose of the WIA Dislocated Workers program is to reemploy dislocated workers, improve the quality of the workforce, and enhance the productivity and competitiveness of the nation's economy by providing workforce investment activities that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by the participants. This program is designed to increase employment, as measured by entry into unsubsidized employment, retention in unsubsidized employment after entry into employment, and extent of recovery of prior earnings.</p>	<p>Under the Recovery Act, group eligibility requirements now allow for certification of service workers as well as those who produce an article. In addition, government employees can now be certified when tasks are shifted abroad. Finally, workers who produce component parts of a product are also eligible.</p> <p>Individuals eligible for assistance through the applicants receiving the funds include workers who have lost their jobs, including those dislocated as a result of plant closings or mass layoffs, and are unlikely to return to their previous industry or occupation; formerly self-employed individuals; and displaced homemakers who have been dependent on income of another family member, but are no longer supported by that income. Priority of Service is given to veterans and other covered persons. The NEGs have identical eligibility to the above and also includes certain military personnel and defense employees. Services through NEGs are targeted on individuals affected by mass layoffs, natural disasters, federal government actions, and other circumstances specified by the Secretary.</p>
WIA National Emergency Grants (Labor)	<p>The purpose of the National Emergency Grants program is to temporarily expand service capacity at the state and local levels by providing time-limited funding assistance in response to significant dislocation events. Significant events are those that create a sudden need for assistance that cannot reasonably be expected to be accommodated within the ongoing operations of the formula-funded Dislocated Worker program, including the discretionary resources reserved at the state level.</p>	<p>Individuals who are eligible for assistance vary by type of National Emergency Grant project, however they must meet the criteria provided in the Workforce Investment Act: National Emergency Grants - Application Procedures, 69 Federal Register 23052 at 23057 (Apr. 27, 2004).</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
<i>Migrant and Seasonal Farmworkers</i>		
Migrant and Seasonal Farmworkers Program <sup>d</sup> (Education)	To provide discretionary grant funds to state vocational rehabilitation agencies and public nonprofit organizations for special projects and demonstrations which hold promise of expanding and otherwise improving services to individuals with disabilities over and above those provided by the Basic Support Program administered by states.	Individuals with disabilities and individuals with significant disabilities as defined in Sections 7(9)(A)(B) and 7(20)(A), respectively, of the Rehabilitation Act of 1973, as amended.
National Farmworker Jobs Program (Labor)	To provide job training and other employability development services and related assistance for those individuals, including their dependents, who are primarily employed in agricultural labor that is characterized by chronic unemployment and underemployment.	The ultimate beneficiaries are low income individuals and their dependents who have, during any consecutive 12-month period in the 24 months preceding their application for enrollment, been primarily employed in agricultural labor that is characterized by chronic unemployment or underemployment due to the seasonal or migratory nature of the work. Individuals must also be legally available for work and males must not have violated the Selective Service Act registration requirement.
<i>Multiple groups (no specific target group)</i>		
Career and Technical Education—Basic Grants to States (Education)	To develop more fully the academic, career, and technical skills of secondary and postsecondary students who elect to enroll in career and technical education programs.	A wide range of students pursuing academic and career and technical education will benefit.
Community-Based Job Training Grants (Labor)	Workers must have the skills needed to secure good jobs and pursue careers in high-growth, high-demand industries. Community colleges are important training providers for workers needing to develop, retool, refine, and broaden their skills in high-growth, high-demand occupations because of their close connection to local labor markets. Community-Based Job Training Grants strengthen the role of community colleges in promoting the U.S. workforce's full potential.	Generally, the scope of potential trainees under Community-Based Job Training Grants is very broad. Specific requirements are published in each Solicitation for Grant Application. WIA Section 171(d) authorizes demonstration programs to serve dislocated workers, incumbent workers, and new entrants to the workforce. This authorization supports a broad range of training for a variety of populations, including: incumbent workers who need new skills for jobs in demand up the career ladder or because the skill needs for their

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
	<p>Community-Based Job Training Grants are awarded through a competitive process to support workforce training for workers to prepare them for careers in high-growth industries through the national system of community and technical colleges.</p>	<p>current job have changed; untapped labor pools such as immigrant workers, individuals with disabilities, veterans, older workers, youth, etc; or entry-level workers who need basic skills and/or specific occupational skill training.</p>
<p>Community Services Block Grant (Health and Human Services)<sup>b</sup></p>	<p>To provide assistance to states and local communities, working through a network of community action agencies and other neighborhood-based organizations, for the reduction of poverty, the revitalization of low-income communities, and the empowerment of low-income families and individuals in rural and urban areas to become fully self-sufficient (particularly families who are attempting to transition off a state program carried out under part A of title IV of the Social Security Act), and (1) to provide services and activities having a measurable and potential major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem; (2) to provide activities designed to assist low-income participants, including the elderly poor, to: (a) secure and retain meaningful employment; (b) attain an adequate education; (c) make better use of available income; (d) obtain and maintain adequate housing and a suitable living environment; (e) obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including health services, nutritious food, housing, and employment-related assistance; (f) remove obstacles and solve problems which block the achievement of self-sufficiency; (g) achieve greater participation in the affairs of the community; and</p>	<p>States make grants to qualified locally based nonprofit community antipoverty agencies and other eligible entities which provide services to low-income individuals and families. The official poverty line, as established by the Secretary of Health and Human Services, is used as a criterion of eligibility in the Community Services Block Grant program. When a state determines that it serves the objectives of the block grant, it may revise the income limit, not to exceed 125 percent of the official poverty line. Under the Recovery Act, states were able to revise the income limit to not exceed 200 % of the official poverty line for fiscal years 2009 and 2010.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
Employment Service/Wagner-Peyser Funded Activities (Labor)	(h) make more effective use of other related programs; (3) to provide on an emergency basis for the services to low-income individuals.	All employers seeking workers, persons seeking employment, and associated groups. Priority of service is given to veterans and other covered persons. Veterans receive priority referral to jobs, as well as specialized employment services and assistance. The Wagner-Peyser program also administers the work test for state unemployment compensation systems and provides job search and placement services for unemployment insurance claimants.
H-1B Job Training Grants (Labor)	The H-1B Job Training Grants Program funds projects that provide training and related activities to workers to assist them in gaining the skills and competencies needed to obtain or upgrade employment in high-growth industries or economic sectors.	Generally, the scope of potential trainees under these programs can be very broad. Please review the Solicitation for Grant Application for specific requirements. Training may be targeted to a wide variety of populations, including unemployed individuals and incumbent workers.
Registered Apprenticeship and Other Training (Labor)	To stimulate and assist industry in the development, expansion, and improvement of registered apprenticeship and other training programs designed to provide the skilled workers required by U.S. employers, ensure equal employment opportunities in registered apprenticeship, and ensure the quality of all new and existing registered apprenticeship programs.	Individuals applying for acceptance into an apprenticeship training program must be at least 16 years old and must satisfy the apprenticeship program sponsor that they have sufficient ability, aptitude, and education to master the rudiments of the trade/occupation and to satisfactorily complete the related theoretical instruction required in the program.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
SNAP Employment and Training Program (Agriculture)	To assist members of households participating in SNAP in gaining skills, training, work, or experience that will increase their ability to obtain regular employment.	Households may have no more than \$2,000 in countable resources, such as a bank account (\$3,000 if at least one person in the household is age 60 or older, or is disabled). Certain resources are not counted, such as a home and lot. Special rules are used to determine the resource value of vehicles owned by household members. The gross monthly income of most households must be 130 % or less of the federal poverty guidelines (\$2,389 per month for a family of four in most places, effective Oct. 1, 2009 through Sept. 30, 2010). Gross income includes all cash payments to the household, with a few exceptions specified in the law or the program regulations. Net monthly income must be 100 % or less of federal poverty guidelines (\$1,838 per month for a household of four in most places, effective Oct. 1, 2009 through Sept. 30, 2010). Net income is figured by adding all of a household's gross income, and then taking a number of approved deductions for child care, some shelter costs, and other expenses. Households with an elderly or disabled member are subject only to the net income test. Most able-bodied adult applicants must meet certain work requirements. All household members must provide a Social Security number or apply for one. SNAP participants who are not exempt from work requirements must participate in an Employment and Training (E&T) Program if referred. SNAP participants may also volunteer for the E&T Program, but the state agency decides who it will serve.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
Tech-Prep Education (Education)	<p>This program provides assistance to state eligible agencies to award grants to consortia of local agencies and postsecondary education institutions for the development and operation of programs consisting of at least 2 years of secondary education and at least 2 years of postsecondary education or an apprenticeship program that follows secondary education. These programs provide Tech-Prep education to students, leading to a technical skills proficiency, an industry-recognized credential, a certificate, or a degree in a specific career field.</p>	<p>Students desiring to participate in a combined secondary/postsecondary program leading to a technical skill proficiency, postsecondary degree, or 2-year certificate with technical preparation in at least one field of engineering, applied science, mechanical, industrial, or practical art or trade, or agriculture, health, or business will benefit.</p>
Temporary Assistance for Needy Families (HHS)	<p>To provide grants to states, territories, the District of Columbia, and federally recognized Indian Tribes operating their own Tribal TANF programs to assist needy families with children so that children can be cared for in their own homes; to reduce dependency by promoting job preparation, work, and marriage; to reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families.</p>	<p>Needy families with children, as determined eligible by the state, territory, or tribe in accordance with the state or tribal plan submitted to HHS.</p>
WIA Adult Program (Labor)	<p>The purpose of this program is to improve the quality of the workforce, reduce welfare dependency, and enhance the productivity and competitiveness of the nation's economy by providing workforce investment activities that increase the employment, retention, and earnings of participants, and increase occupational skill attainment by the participants. This program is designed to increase employment, as measured by entry into unsubsidized employment, retention in unsubsidized employment after entry into employment, and earnings.</p>	<p>All adults 18 years and older are eligible for core services. Priority for intensive and training services must be given to recipients of public assistance and other low-income individuals where funds are limited. States and local areas are responsible for establishing procedures for applying the priority requirements. Priority of service is given to veterans and other covered persons.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
Native Americans (includes Native Hawaiians)		
American Indian Vocational Rehabilitation Services <sup>d</sup> (Education)	To provide vocational rehabilitation services to American Indians with disabilities who reside on federal or state reservations in order to prepare them for suitable employment.	American Indians with disabilities residing on or near a federal or state reservation (including Native Alaskans) who meet the definition of an individual with a disability in Section 7 (8)(A) of the Rehabilitation Act.
Career and Technical Education—Indian Set-aside (Education)	To make grants to or enter into contracts with Indian tribes, tribal organizations, and Alaska Native entities to plan, conduct, and administer programs or portions of programs authorized by and consistent with the Carl D. Perkins Career and Technical Education Act of 2006.	Members of federally-recognized Indian tribes, tribal organizations, Alaska Native entities, and certain schools funded by the Department of the Interior's Bureau of Indian Education.
Indian Employment Assistance (Interior)	To provide vocational training and employment opportunities to eligible American Indians and reduce federal dependence.	Members of federally recognized Indian Tribes who are unemployed, underemployed, or in need of training to obtain reasonable and satisfactory employment. Complete information on beneficiary eligibility is found in 25 CFR, Parts 26 and 27.
Indian Vocational Training—United Tribes Technical College (Interior)	To provide vocational training to individual American Indians through the United Tribes Technical College, located in Bismarck, North Dakota.	Individual American Indians who are members of a federally recognized Indian Tribe and reside on or near an Indian reservation under the jurisdiction of the Bureau of Indian Affairs. Complete information on beneficiary eligibility is found in 25 CFR, Parts 26 and 27.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
Native American Employment and Training (Labor) <sup>a</sup>	<p>To support employment and training activities for Indian, Alaska Native, and Native Hawaiian individuals in order: to develop more fully the academic, occupational, and literacy skills of such individuals; to make such individuals more competitive in the workforce; and to promote the economic and social development of Indian, Alaska Native, and Native Hawaiian communities in accordance with the goals and values of such communities. All programs assisted under this section shall be administered in a manner consistent with the principles of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450 et seq.) and the government-to-government relationship between the federal government and Indian tribal governments. Supplemental youth funding is also awarded to help low-income Native American youth and Native Hawaiian youth, between the ages of 14 and 21, acquire the educational skills, training, and the support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.</p>	<p>American Indians (members of federally recognized and state Indian tribes, bands, and groups); other individuals of Native American descent, such as, but not limited to, the Klamaths in Oregon, Micmac and Maliseet in Maine, the Lumbees in North Carolina and South Carolina; Indians variously described as terminated or landless, Eskimos and Aleuts in Alaska, and Hawaiian Natives. ("Hawaiian Native" means an individual any of whose ancestors were natives prior to 1778 of the area which now comprises the State of Hawaii.) Applicants must also be economically disadvantaged, unemployed, or underemployed. A Native American grantee may in some cases enroll participants who are not economically disadvantaged, unemployed, or underemployed in upgrading and retraining programs. See 20 CFR 668.300(b)(4) and (5). Native American youth between the ages of 14 and 21 who live on or near a reservation or in the States of Oklahoma, Alaska, and Hawaii and are low-income, are eligible to receive supplemental youth services. Under the Recovery Act, the program's supplemental youth eligibility age requirements were extended to 24.</p>
Native Hawaiian Career and Technical Education (Education)	<p>To make grants to organizations primarily serving and representing Native Hawaiians for programs or portions of programs authorized by, and consistent with, the Carl D. Perkins Career and Technical Education Act.</p>	<p>Native Hawaiians served by eligible entities will benefit. Eligible entities are community-based organizations primarily serving and representing Native Hawaiians. For purposes of this program, a community-based organization means a public or private nonprofit organization that provides career and technical education, or related services to individuals in the Native Hawaiian community. Any eligible community-based organization may apply individually or with one or more eligible community-based organizations or as a member of a consortium.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
Tribal Work Grants (HHS) <sup>o</sup>	To allow eligible Indian Tribes and Alaska Native organizations to operate a program to make work activities available.	Service areas and populations as designated by the eligible Indian Tribe or Alaska Native organization.
Tribally Controlled Postsecondary Career and Technical Institutions (Education)	To make grants to tribally controlled postsecondary vocational and technical institutions to provide career and technical education services and basic support for the education and training of Indian students.	American Indians served by eligible entities will benefit. Eligible entities are Tribally Controlled Postsecondary Career and Technical Institutions that receive no funds from either the Tribally Controlled College or University Assistance Act of 1978 (25 U.S.C. 1801 et seq.) or the Navajo Community College Act (25 U.S.C. 640a et seq.).
<i>People with physical or mental disabilities</i>		
Projects with Industry (Education)	To create and expand job and career opportunities for individuals with disabilities in the competitive labor market by partnering with private industry to provide job training and placement and career advancement services.	An individual is eligible for services under this program if the individual to be served is an individual with a disability or an individual with a significant disability, as defined in Sections 7 (20)(A) and 7 (21)(A), respectively, of the Rehabilitation Act of 1973, as amended. In making this determination, the state vocational rehabilitation unit shall rely on the determination made by the recipient of the grant under which the services are provided, to the extent that the determination is appropriate, available, and consistent with the requirements of the Act.
Rehabilitation Services—Vocational Rehabilitation Grants to States (Education)	To assist states in operating comprehensive, coordinated, effective, efficient, and accountable programs of vocational rehabilitation; to assess, plan, develop, and provide vocational rehabilitation services for individuals with disabilities, consistent with their strengths, resources, priorities, concerns, abilities, and capabilities so they may prepare for and engage in competitive employment.	Eligibility for vocational rehabilitation services is based on the presence of a physical and/or mental impairment, which for such an individual constitutes or results in a substantial impediment to employment, and the need for vocational rehabilitation services that may be expected to benefit the individual in terms of an employment outcome.

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<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
State Supported Employment Services Program (Education)	To provide grants for time-limited services leading to supported employment for individuals with the most severe disabilities to enable such individuals to achieve the employment outcome of supported employment.	Individuals with the most severe disabilities whose ability or potential to engage in a training program leading to supported employment has been determined by evaluating rehabilitation potential. In addition, individuals must need extended services in order to perform competitive work and have the ability to work in a supported employment setting.
<i>Prisoners or ex-offenders</i>		
Grants to States for Workplace and Community Transition Training for Incarcerated Individuals (Education)	To assist and encourage incarcerated individuals who have obtained a secondary school diploma or its recognized equivalent to acquire educational and job skills through: coursework to prepare such individuals to pursue a postsecondary education certificate, an associate's degree, or bachelor's degree while in prison or employment counseling and other related services which start during incarceration and end not later than 2 years after release from incarceration.	An incarcerated individual who has obtained a secondary school diploma or its recognized equivalent shall be eligible for participation if such individual (1) is eligible to be released within 7 years (including an incarcerated individual who is eligible for parole within such time); (2) is 35 years of age or younger; and (3) has not been convicted of—(A) a 'criminal offense', or sexually violent offense', as such terms are defined in the Jacob Wetterling Crimes Against Children and Sexually Violent Offender Registration Act (42 U.S.C. 14071 et seq.); or (B) murder, as described in section 1111 of title 18, United States Code.
Reintegration of Ex-Offenders (Labor)	This program includes both Prisoner Reentry Initiative (PRI) grants to serve adult returning offenders and Youthful Offender grants aimed at youth involved or at risk of involvement in crime and violence. The objectives of the PRI grants include increasing the employment rate, employment retention rate, and earnings of released prisoners, and decreasing their recidivism. The objectives of the Youthful Offender grants include preventing in-school youth from dropping out of school, increasing the employment rate of out-of-school youth, increasing the reading and math skills of youth, reducing the involvement of youth in crime and violence, and reducing the recidivism rate of youth.	PRI grants serve individuals, 18 years old and older, who have been convicted as an adult and have been imprisoned for violating a state or federal law, and who have never been committed a sex-related offense. Depending on the solicitation, enrollment may be limited based on whether the presenting offense was violent or whether the individual has previously committed a violent crime. Individuals eligible for Youthful Offender grants vary depending on the solicitation.

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<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
Second Chance Act Prisoner Reentry Initiative (Justice)	To facilitate inmates' successful reintegration into society. This initiative is a comprehensive effort that addresses both juvenile and adult populations of serious, high-risk offenders. Phase 1 programs are designed to prepare offenders to reenter society and the services provided include job training. Phase 2 programs work with offenders prior to and immediately following their release from correctional institutions and the services provided include job-skills development. Phase 3 programs connect individuals who have left the supervision of the justice system with a network of social service agencies and community-based organizations to provide ongoing services and mentoring relationships.	The target population for the initiative must be a specific subset of the population of individuals aged 18 and older convicted as an adult and imprisoned in a state, local, or tribal prison or jail.
<i>Refugees</i>		
Refugee and Entrant Assistance—Social Services Program (HHS)	The Refugee Social Services Program is part of the Division of Refugee Assistance and allocates formula funds to states to serve refugees who have been in the U.S. less than 60 months (5 years). This program supports employability services and other services that address participants' barriers to employment such as social adjustment services, interpretation and translation services, day care for children, citizenship and naturalization services, etc. Employability services are designed to enable refugees to obtain jobs within 1 year of becoming enrolled in services.	Refugees who have been in the U.S. less than 60 months (5 years). Service priorities are (a) all newly arriving refugees during their first year in the U.S. who apply for services; (b) refugees who are receiving cash assistance; (c) unemployed refugees who are not receiving cash assistance; and (d) employed refugees in need of services to retain employment or to attain economic independence.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
Refugee and Entrant Assistance—Targeted Assistance Discretionary Program (HHS)	The Targeted Assistance Discretionary Program is part of the Division of Refugee Assistance and provides grants to states and state-alternative programs to address the employment needs of refugees that cannot be met with the Formula Social Services or Formula Targeted Assistance Grant programs. Activities under this program are for the purpose of supplementing and/or complementing existing employment services to help refugees achieve economic self-sufficiency.	Services funded through the targeted assistance program are required to focus primarily on those refugees who, either because of their protracted use of public assistance or difficulty in securing employment, continue to need services beyond the initial years of resettlement. This funding requirement also promotes the provision of services to refugees who are "hard to reach" and, thus, finding greater difficulty integrating. Refugees residing in the U.S. longer than 5 years, refugee women who are not literate in their native language, as well as the elderly are some of the special populations served by this discretionary grant program.
Refugee and Entrant Assistance—Targeted Assistance Grants (HHS)	To provide funding for employment-related and other social services for refugees, asylees, certain Amerasians, victims of a severe form of trafficking, entrants, and Iraqi and Afghan special immigrants in areas of high refugee concentration and high welfare utilization.	Persons admitted to the U.S. within the last 5 years as refugees under Section 207 of the Immigration and Nationality Act; granted asylum under Section 208 of the Act; Cuban and Haitian entrants, as defined in Section 501 of the Refugee Education Assistance Act; and certain Amerasians from Vietnam and their accompanying family members, as defined by Section 584(c) of the Foreign Relations, Export Financing, and Related Programs Appropriation Act of 1988. Victims of a severe form of trafficking who have received a certified or letter of eligibility from ORR.
Refugee and Entrant Assistance—Voluntary Agency Matching Grant Program (HHS)	To assist refugees in becoming self-supporting and independent members of American society, by providing grant funds to private nonprofit organizations to support case management, transitional assistance, and social services for new arrivals.	Refugees must be enrolled within 31 days of arrival. Entrants/asylees must be enrolled within 31 days of granting of parole or asylum.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
<i>Veterans</i>		
Disabled Veterans' Outreach Program (Labor)	To provide intensive services to meet the employment needs of disabled and other eligible veterans with maximum emphasis in meeting the employment needs of those who are economically or educationally disadvantaged, including homeless veterans and veterans with barriers to employment.	Eligible veterans and eligible persons with emphasis on Special Disabled veterans, disabled veterans, economically or educationally disadvantaged veterans, and veterans with other barriers to employment.
Homeless Veterans Reintegration Project (Labor)	To provide services to assist in reintegrating homeless veterans into meaningful employment within the labor force and to stimulate the development of effective service delivery systems that will address the complex problems facing homeless veterans.	Individuals who are homeless veterans. The term "homeless" or "homeless individual" includes: (1) An individual who lacks a fixed, regular, and adequate nighttime residence; and (2) an individual who has a primary nighttime residence that is: (a) a supervised publicly or privately operated shelter designed to provide temporary living accommodations including welfare hotels, congregate shelters, and transitional housing for the mentally ill; (b) an institution that provides a temporary institutionalized; or (c) a public or private place not designed for, or ordinarily used as, a regular sleeping accommodations for human beings (Reference: 42 U.S.C. 1302). A "veteran" is an individual who served in the active military, naval, or air service, and who was discharged or released there from under conditions other than dishonorable. (Reference: 33 U.S.C. 101 (2)).
Local Veterans' Employment Representative Program (Labor)	Conduct outreach and provide seminars to employers which advocates hiring of veterans; facilitate Transition Assistance Program (TAP) employment workshops to transitioning service members; establish and conduct job search workshops; facilitate employment, training, and placement services furnished to veterans in a state under the applicable state employment service or one-stop career center delivery systems whose sole purpose is to assist veterans in gaining and retaining employment.	Eligible veterans and eligible persons.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
Transition Assistance Program (Labor)	To provide employment instruction, information, and assistance to separating and retiring military personnel and their spouses through domestic and overseas installations and/or facilities by offering job search and other related services.	Service members within 2 years of retirement or 1 year of separation and their spouses.
Veterans' Workforce Investment Program (Labor)	To provide services to assist in reintegrating eligible veterans into meaningful employment within the labor force and to stimulate the development of effective service delivery systems that will address the complex problems facing eligible veterans.	Service-connected disabled veterans, veterans who have significant barriers to employment, veterans who served on active duty in the armed forces during a war or in a campaign or expedition for which a campaign badge has been authorized, and veterans who are recently separated from military service (48 months).
Vocational Rehabilitation for Disabled Veterans (VA)	To provide all services and assistance necessary to enable service-disabled veterans and service persons hospitalized or receiving outpatient medical care services or treatment for a service-connected disability pending discharge to gain and maintain suitable employment. When employment is not reasonably feasible, the program can provide the needed services and assistance to help the individual achieve maximum independence in daily living.	Veterans of World War II and later service with a service-connected disability or disabilities rated at least 20 % compensable and certain service-disabled servicepersons pending discharge or release from service if VA determines the servicepersons will likely receive at least a 20 % rating and they need vocational rehabilitation because of an employment handicap. Veterans with compensable ratings of 10 % may also be eligible if they are found to have a serious employment handicap. To receive an evaluation for vocational rehabilitation services, a veteran must have received, or eventually receive, an honorable or other than dishonorable discharge, have a VA service-connected disability rating of 10 % or more, and apply for vocational rehabilitation services.

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
<i>Youth</i>		
Conservation Activities by Youth Service Organizations (Interior)	<p>To utilize qualified youth or conservation corps to carry out appropriate conservation projects which the Secretary is authorized to carry out under other authority of law on public lands. Work cooperatively with the National Park Service (NPS) on cultural- and natural resource-related conservation projects such as trail development and maintenance; historic, cultural, forest and timber management; minor construction work; archaeological conservation; and native plant habitat restoration and rehabilitation. Promote and stimulate public purposes such as education, job training, development of responsible citizenship, productive community involvement, and further the understanding and appreciation of natural and cultural resources through the involvement of youth and young adults in care and enhancement of public resources. Continue the longstanding efforts of the NPS to provide opportunities for public service, youth employment, minority youth development and training, and participation of young adults in accomplishing conservation-related work.</p>	<p>Private nonprofit institutions and organizations, state and local government agencies, and quasi-public nonprofit institutions and organizations that support youth career training and development in the areas of resource management, conservation, and cultural resources; individuals/families; graduate students; youth or corps located in a specific area that have a substantial portion of members who are economically physically, or educationally disadvantaged (Public Land Corps Act of 1993); general public, specifically, young people, minority groups, social and economically disadvantaged individuals will benefit from the education and skill development in the area of conservation as well as instilling conservation ethics.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
Job Corps (Labor)	<p>Job Corps is the nation's largest federally funded training program that provides at-risk youth, ages 16-24, with academic instruction, toward the achievement of a High School Diploma or GED, and career training in high-growth, high-demand industries. Upon exit from the program, participants receive transition assistance to employment, higher education, or the military. The program is primarily residential, serving more than 60,000 students at 123 centers nationwide.</p>	<p>To be eligible to become an enrollee, an individual shall be: (1) not less than age 16 and not more than age 21 on the date of enrollment, except that (A) not more than 20 % of the individuals enrolled in the Job Corps may be not less than age 22 and not more than age 24 on the date of enrollment; and (B) either such maximum age limitation may be waived by the Secretary, in accordance with regulations of the Secretary, in the case of an individual with a disability; (2) a low-income individual; and (3) an individual who is one or more of the following: (A) basic skills deficient; (B) a school dropout; (C) homeless, a runaway, or a foster child; (D) a parent; (E) an individual who requires additional education, vocational training, or intensive counseling and related assistance, in order to participate successfully in regular schoolwork or to secure and hold employment.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
National Guard Youth Challenge Program (Defense)	<p>The Secretary of Defense may use the National Guard to conduct a civilian youth opportunities program, to be known as the "National Guard Youth Challenge Program, which shall consist of at least a 22-week residential program and a 12-month postresidential mentoring period. The program shall seek to improve life skills and employment potential of participants by providing military-based training and supervised work experience, together with the core components of assisting participants to receive a high school diploma or its equivalent, leadership development, promoting fellowship and community service, developing life coping skills and job skills, and improving physical fitness and health and hygiene.</p>	<p>A school dropout from secondary school shall be eligible to participate in the program. The Secretary of Defense shall prescribe the standards and procedures for selecting participants from among school dropouts. Selection of participants for the program established by the Secretary of Defense shall be from applicants who meet the following eligibility standards: (a) 16-18 years of age at time of entry into the program; (b) a school dropout from secondary school; (c) a citizen or legal resident of the United States; (d) unemployed or underemployed; (e) not currently on parole or probation for other than juvenile status offenses, not awaiting sentencing, and not under indictment, accused, or convicted of a felony; (f) free from use of illegal drugs or substances; (g) physically and mentally capable to participate in the program in which enrolled with reasonable accommodation for physical and other disabilities; and (h) application procedures shall, to the fullest extent possible, attempt to reach and include economically and educationally disadvantaged groups.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
WIA Youth Activities (Labor) <sup>a</sup>	<p>To help low-income youth, between the ages of 14 and 21, acquire the educational and occupational skills, training, and support needed to achieve academic and employment success and successfully transition to careers and productive adulthood.</p> <p>Under the Recovery Act, any youth activities under WIA were allowable activities. While the Act did not limit the use of Recovery Act funds to summer employment, the congressional intent was to offer expanded summer employment opportunities for youth. ETA strongly encouraged states and local areas to use as much of the Recovery Act funds as possible to operate expanded summer youth employment opportunities during the summer of 2009, and to provide as many youth as possible with summer employment opportunities and work experiences throughout the year, ensuring that these summer employment opportunities and work experiences were high quality. ETA also expressed an interest in and encouraged states and local areas to develop work experiences and other activities that exposed youth to opportunities in "green" educational and career pathways.</p>	<p>An eligible youth is an individual who: (1) is 14 to 21 years of age; and (2) is an individual who received an income or is a member of a family that received a total family income that, in relation to family size, does not exceed the higher of (a) the poverty line; or (b) 70 % of the lower living standard income; and (3) meets one or more of the following criteria: is an individual who is deficient in basic literacy skills; a school dropout; homeless; a runaway; a foster child; pregnant or a parent; an offender; or requires additional assistance to complete their education or secure and hold employment. There is an exception to permit youth who are not low-income individuals to receive youth services. Up to 5 % of youth participants served by youth programs in a local area may be individuals who do not meet the income criterion for eligible youth, provided that they are within one or more of the following categories: school dropout; basic skills deficient; are one or more grade levels below the grade level appropriate to the individual's age; pregnant or parenting; possess one or more disabilities, including learning disabilities; homeless or runaway; offender; or face serious barriers to employment as identified by the local board.</p> <p>Under the Recovery Act, age eligibility for youth services funded by the Recovery Act increased from 21 to 24.</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
YouthBuild (Labor) <sup>b</sup>	<p>Grant funds will be used to provide disadvantaged youth with: the education and employment skills necessary to achieve economic self sufficiency in occupations in high demand and postsecondary education and training opportunities; opportunities for meaningful work and service to their communities; and opportunities to develop employment and leadership skills and a commitment to community development among youth in low-income communities. As part of their programming, YouthBuild grantees will tap the energies and talents of disadvantaged youth to increase the supply of permanent affordable housing for homeless individuals and low-income families and to assist youth develop the leadership, learning, and high-demand occupational skills needed to succeed in today's global economy.</p>	<p>An eligible youth is an individual who is: (1) between the ages of 16 and 24 on the date of enrollment; and (2) a member of a disadvantaged youth population such as a member of a low-income family, a youth in foster care (including youth aging out of foster care), a youth offender, a youth who is an individual with a disability, a child of an incarcerated parent, or a migrant youth; and (3) an individual who has dropped out of high school and re-enrolled in an alternative school, if that re-enrollment is part of a sequential service strategy. Up to (but not more than) 25 % of the participants in the program may be youth who do not meet the education and disadvantaged criteria above but who are: (1) basic skills deficient, despite attainment of a secondary school diploma, General Education Development (GED) credential, or other state-recognized equivalent (including recognized alternative standards for individuals with disabilities); or (2) have been referred by a local secondary school for participation in a YouthBuild program leading to the attainment of a secondary school diploma.</p> <p>Under the Recovery Act and the 2009 Omnibus Appropriations Act, the WIA YouthBuild school dropout provision for program years 2008 and 2009 was broadened as follows: "[T]he YouthBuild Program may serve an individual who has dropped out of high school and re-enrolled in an alternative school, if that re-enrollment is part of the sequential service strategy." The term "alternative school" broadly refers to schools or programs that are set up by states, school districts, or other community-based entities to serve young people who are not succeeding in a traditional public school environment. The term "sequential service program" means an alternative school that is connected with a YouthBuild program and</p>

**Appendix XI: Reported Objectives and Eligibility for Employment and Training Programs, by Target Group**

Program (department)	Objective	Eligibility
<i>Other Group</i>		
Brownfield Job Training Cooperative Agreements (Environmental Protection)	The objective of the Brownfield Job Training Program is to recruit, train, and place unemployed and underemployed, predominantly low-income and minority, residents of Brownfield-impacted communities with the skills needed to obtain full-time, sustainable employment in Brownfield assessment and cleanup activities and the environmental field. The Brownfield Job Training Program promotes the facilitation of assessment, remediation, or preparation of Brownfield sites.	provides a year or more of educational services prior to entry into the formal YouthBuild program supported by Labor's Employment and Training Administration. This definition is intended to encompass a charter school that is connected to a YouthBuild program.  Job training grants will provide environmental job training and help individuals of Brownfield neighborhoods take advantage of job opportunities created as a result of the assessment and clean up of Brownfield properties. In addition, this program benefits industry by increasing the supply of skilled labor for firms that engage in environmental assessment and clean up.
Senior Community Service Employment Program (SCSEP) (Labor)	To foster individual economic self-sufficiency; provide training in meaningful part-time opportunities in community service activities for unemployed low-income persons who are 55 years of age or older, particularly persons who have poor employment prospects; and to increase the number of older persons who may enjoy the benefits of unsubsidized employment in both the public and private sectors.	Adults 55 years or older with a family income at or below 125 % of the HHS poverty level. Prospective participants must provide documentation relative to age and personal financial status, which is required to determine whether the individual is program eligible. With certain exceptions, the Census Bureau's Current Population Survey definition of income governs the determination of SCSEP applicant income eligibility. Section 518 (a)(3)(A)OAA-2006 specifies that any income that is unemployment compensation, a benefit received under title XVI of the Social Security Act; a payment made to or on behalf of veterans or former members of the armed forces under the laws administered by the Secretary of Veterans Affairs, or 25 % of a benefit received under title II of the Social Security Act is excluded from SCSEP income eligibility determinations.

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<b>Program (department)</b>	<b>Objective</b>	<b>Eligibility</b>
WANTO (Labor)	To promote the recruitment, training, employment, and retention of women in apprenticeship and nontraditional occupations; help women obtain soft skills and industry-specific training; and help employers and labor unions recruit, place, and retain women in registered apprenticeship programs that lead to nontraditional occupations.	Women who are seeking to enroll in a preapprenticeship program, an apprenticeship training program, or a nontraditional occupation must be at least 16 years old and must satisfy the apprenticeship program sponsor that they have sufficient ability, aptitude, and education to master the rudiments of the trade/occupation and to satisfactorily complete the related theoretical instruction required in the program.

Source: GAO analysis of CFDA and survey data.

Note: We did conduct a legal analysis to verify these results.

<sup>a</sup>This program's objective and eligibility criteria were modified by the Recovery Act.

<sup>b</sup>This program's eligibility criteria were modified by the Recovery Act.

<sup>c</sup>Also known as the Native Employment Works program.

<sup>d</sup>These programs only serve people with disabilities.