

FY 2013

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Job Corps

OFFICE OF JOB CORPS

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OFFICE OF JOB CORPS

APPROPRIATION LANGUAGE

To carry out subtitle C of title I of the WIA, including Federal administrative expenses, the purchase and hire of passenger motor vehicles, the construction, alteration, and repairs of buildings and other facilities, and the purchase of real property for training centers as authorized by the WIA, [~~\$1,706,171,000~~] *\$1,650,004,000*, plus reimbursements, as follows:

(1) [~~\$1,572,049,000~~] *\$1,545,872,000* for Job Corps Operations, which shall be available for the period July 1, [~~2012~~] *2013* through June 30, [~~2013~~] *2014*;

(2) [~~\$104,990,000~~] *\$75,000,000* for construction, rehabilitation and acquisition of Job Corps Centers, which shall be available for the period July 1, [~~2012~~] *2013* through June 30, [~~2015~~] *2016*: Provided, That the Secretary may transfer up to 15 percent of such funds to meet the operational needs of such centers or to achieve administrative efficiencies: Provided further, That any funds transferred pursuant to the preceding proviso shall not be available for obligation after June 30, [~~2013~~] *2014*; and

(3) *\$29,132,000* for necessary expenses of the Office of Job Corps, which shall be available for obligation for the period October 1, [~~2011~~] *2012* through September 30, [~~2012~~] *2013*: Provided further, That no funds from any other appropriation shall be used to provide meal services at or for Job Corps centers. (Department of Labor Appropriations, Act 2012)

OFFICE OF JOB CORPS

EXPLANATION OF LANGUAGE CHANGE

Not applicable

AMOUNTS AVAILABLE FOR OBLIGATION

(Dollars in Thousands)

	FY 2011 ¹ Enacted		FY 2012 ² Enacted		FY 2013 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	158	\$1,017,205	166	\$1,706,171	166	\$1,650,004
Reduction Pursuant to P.L. 112-10 for FY 2011	0	-\$2,034	0	\$0	0	\$0
Reduction Pursuant to P.L. 112-74 for FY 2012	0	\$0	0	-\$3,224	0	\$0
<i>Subtotal Appropriation</i>	<i>158</i>	<i>\$1,015,171</i>	<i>166</i>	<i>\$1,702,947</i>	<i>166</i>	<i>\$1,650,004</i>
Offsetting Collections From:						
Reimbursements	0	\$1,160	0	\$1,160	0	\$1,160
<i>Subtotal Offsetting Collections From:</i>	<i>0</i>	<i>\$1,160</i>	<i>0</i>	<i>\$1,160</i>	<i>0</i>	<i>\$1,160</i>
Advance Appropriation	0	\$691,000	0	0	0	0
Reduction Pursuant to P.L. 112-74 for FY 2012		-\$1,306		0	0	0
<i>Subtotal Advance Appropriation</i>	<i>0</i>	<i>\$689,694</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	158	\$1,706,025	166	\$1,704,107	166	\$1,651,164
Offsetting Collections	0	\$0	0	\$0	0	\$0
Deduction	0	\$0	0	\$0	0	\$0
Reimbursements	0	-\$1,160	0	-\$1,160	0	-\$1,160
Fees	0	\$0	0	\$0	0	\$0
<i>Subtotal Gross Budget Authority</i>	<i>158</i>	<i>\$1,704,865</i>	<i>166</i>	<i>\$1,702,947</i>	<i>166</i>	<i>\$1,650,004</i>
C. Budget Authority Before Committee	158	\$1,704,865	166	\$1,702,947	166	\$1,650,004
Offsetting Collections From:						
Reimbursements	0	\$1,160	0	\$1,160	0	\$1,160
Non-Expenditure Transfers from DM	0	\$0	0	\$0	0	\$0
D. Total Budgetary Resources	158	\$1,706,025	166	\$1,704,107	166	\$1,651,164
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	-3	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	155	\$1,706,025	166	\$1,704,107	166	\$1,651,164

¹Amounts represent funding provided in the Department of Labor Appropriations Act, 2011 (P.L. 112-10 Division B) regardless of the period of availability.

²Amounts represent funding provided in the Department of Labor Appropriations Act, 2012 (P.L. 112-74, Division F) regardless of the period of availability.

OFFICE OF JOB CORPS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2012 Enacted	FY 2013 Request	Net Change
Budget Authority			
General Funds	\$1,702,947	\$1,650,004	-\$52,943
Trust Funds	\$0	\$0	\$0
Total	\$1,702,947	\$1,650,004	-\$52,943
Full Time Equivalents			
General Funds	166	166	0
Trust Funds	0	0	0
Total	166	166	0

Explanation of Change	FY 2012 Base		Trust Funds		FY 2013 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	166	\$96,389	0	\$0	0	\$363	0	\$363
Personnel benefits	0	\$32,840	0	\$0	0	\$123	0	\$123
One day more of pay	0	\$0	0	\$0	0	\$84	0	\$84
Federal Employees Compensation Act (FECA)	0	\$4,011	0	\$0	0	\$1,130	0	\$1,130
Benefits for former personnel	0	\$176	0	\$0	0	\$1	0	\$1
Travel and transportation of persons	0	\$4,917	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$1,169	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$2,114	0	\$0	0	\$148	0	\$148
All Other Rental	0	\$8,270	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$7,737	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$140	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$233	0	\$0	0	\$0	0	\$0
Other services	0	\$0	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$8,906	0	\$0	0	\$0	0	\$0
Other government accounts (DHS Charges)	0	\$76	0	\$0	0	\$0	0	\$0
Other purchases of goods and services from Government accounts	0	\$4,036	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$30,024	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$2,218	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$34,539	0	\$0	0	\$0	0	\$0

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Explanation of Change	FY 2012 Base		Trust Funds		FY 2013 Change General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Equipment	0	\$6,260	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0
Land and Structures	0	\$51,292	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	166	+\$295,347	0	\$0	0	+\$1,849	0	+\$1,849
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	166	+\$295,347	0	\$0	0	+\$1,849	0	+\$1,849
Decreases:								
A. Built-Ins:								
To Provide For:								
Other services	0	\$1,407,600	0	\$0	0	-\$1,130	0	-\$1,130
Built-Ins Subtotal	0	+\$1,407,600	0	\$0	0	-\$1,130	0	-\$1,130
B. Programs:								
Reduction in Job Corps Construction Center closures and converting residential slots	0	\$104,792	0	\$0	0	-\$29,792	0	-\$29,792
Job Corps Administration	166	\$29,077	0	\$0	0	-\$238	0	-\$238
Programs Subtotal			0	\$0	0	-\$53,662	0	-\$53,662
Total Decrease	0	+\$1,407,600	0	\$0	0	-\$54,792	0	-\$54,792
Total Change	166	+\$1,702,947	0	\$0	0	-\$52,943	0	-\$52,943

OFFICE OF JOB CORPS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY (Dollars in Thousands)								
	FY 2011 Enacted		FY 2012 Enacted		FY 2013 Request		Diff. FY13 Req. / FY12 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operations	0	1,570,932	0	1,569,078	0	1,545,872	0	-23,206
General Funds	0	1,570,932	0	1,569,078	0	1,545,872	0	-23,206
Construction	0	104,801	0	104,792	0	75,000	0	-29,792
General Funds	0	104,801	0	104,792	0	75,000	0	-29,792
Administration	155	29,132	166	29,077	166	29,132	0	55
General Funds	155	29,132	166	29,077	166	29,132	0	55
Total	155	1,704,865	166	1,702,947	166	1,650,004	0	-52,943
General Funds	155	1,704,865	166	1,702,947	166	1,650,004	0	-52,943

NOTE: FY 2011 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY13 Req./ FY12 Enacted
	Full-Time Equivalent				
	Full-time Permanent	158	166	166	0
	Total	158	166	166	0
	Average ES Salary	\$173,400	\$173,400	\$176,900	\$3,500
	Average GM/GS Grade	13	13	13	0
	Average GM/GS Salary	\$93,800	\$93,800	\$95,700	\$1,900
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	87,005	87,344	87,742	398
11.3	Other than full-time permanent	2,832	2,861	2,843	-18
11.5	Other personnel compensation	6,603	6,184	6,208	24
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	96,440	96,389	96,793	404
12.1	Civilian personnel benefits	35,446	36,851	38,118	1,267
13.0	Benefits for former personnel	176	176	177	1
21.0	Travel and transportation of persons	5,017	4,917	4,917	0
22.0	Transportation of things	1,169	1,169	1,169	0
23.1	Rental payments to GSA	2,081	2,114	2,262	148
23.2	Rental payments to others	8,270	8,270	8,270	0
23.3	Communications, utilities, and miscellaneous charges	7,744	7,737	7,737	0
24.0	Printing and reproduction	187	140	140	0
25.1	Advisory and assistance services	577	233	128	-105
25.2	Other services from non-Federal sources	1,412,357	1,407,600	1,382,838	-24,762
25.3	Other goods and services from Federal sources 1/	12,353	13,018	13,018	0
25.4	Operation and maintenance of facilities	30,006	30,024	30,010	-14
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	2,330	2,218	2,178	-40
26.0	Supplies and materials	34,627	34,539	34,496	-43
31.0	Equipment	6,284	6,260	6,253	-7
32.0	Land and Structures	49,801	51,292	21,500	-29,792
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	1,704,865	1,702,947	1,650,004	-52,943
1/Other goods and services from Federal sources					
	Working Capital Fund	8,176	8,906	8,906	0
	Services by Other Government Departments	4,006	4,006	4,006	0
	DHS Services	141	76	76	0
	GSA Services	30	30	30	0

OFFICE OF JOB CORPS

PERFORMANCE STRUCTURE

Strategic and Outcome Goals Supporting Secretary Solis’ Vision of <i>Good Jobs for Everyone</i>	Supporting Appropriations
Strategic Goal 1 – Prepare Workers for Good Jobs and Ensure Fair Compensation	
1.1 Increase workers’ incomes and narrow wage and income inequality.	• Job Corps
1.2 Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.	• Job Corps
1.3 Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.	• Job Corps
1.4 Help middle-class families remain in the middle class.	
1.5 Secure wages and overtime.	
1.6 Foster acceptable work conditions and respect for workers’ rights in the global economy to provide workers with a fair share of productivity and protect vulnerable people.	
Strategic Goal 2 – Ensure Workplaces Are Safe and Healthy	
2.1 Secure safe and healthy workplaces, particularly in high-risk industries.	
Strategic Goal 3 – Assure Fair and High Quality Work-Life Environments	
3.1 Break down barriers to fair and diverse work places so that every worker’s contribution is respected.	
3.2 Provide workplace flexibility for family and personal care-giving.	
3.3 Ensure worker voice in the workplace.	
Strategic Goal 4 – Secure Health Benefits and, for Those Not Working, Provide Income Security	
4.1 Facilitate return to work for workers experiencing workplace injuries or illnesses who are able to work.	
4.2 Ensure income support when work is impossible or unavailable.	
4.3 Improve health benefits and retirement security for all workers.	
Strategic Goal 5 – Assure the Production of Timely and Accurate Data on Social and Economic Conditions of Workers and their Families	
5.1 Provide sound and impartial information on labor market activity, working conditions, and price changes in the economy for decision making, including support for the formulation of economic and social policy affecting virtually all Americans.	

OFFICE OF JOB CORPS

SIGNIFICANT ITEMS FROM THE FY 2012 CONFERENCE REPORT (H. Rept. 112-331), the JOINT STATEMENT OF MANAGERS, and the SENATE REPORT ACCOMPANYING S. 1599 (112-84)

JSM
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The conferees provide full funding for OJC in fiscal year 2012, eliminating the need for advance appropriations, and direct the Secretary of Labor to submit future budget requests for OJC without advance appropriations beginning with the fiscal year 2013 budget submission.

ETA Response: ETA will submit future budget requests for OJC without advance appropriations beginning with the fiscal year 2013 budget submission.

JSM
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The conference agreement modifies provisions to prohibit the use of Job Corps funds to compensate an individual at a rate in excess of Executive Level II.

ETA Response: ETA will modify its procedures to ensure that no Job Corps funds are used to pay the salary or bonuses of individuals as either direct or indirect costs at a rate in excess of Executive Level II.

S. Report
112-84
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Since fiscal year 2008, the Committee has highlighted the fact that a number of large metropolitan areas remain underserved by Job Corps and has called on the Department to establish a process for opening new centers. In fiscal year 2011, as a first step in initiating a competition for a new Job Corps center, the Department completed a study to determine needs around the country. The Committee urges the Department to continue to prepare for a future competition to expand Job Corps services in large, underserved metropolitan areas.

ETA Response: The Department continues to review how to provide career training through the Job Corps program in the most effective and efficient way, including addressing the needs of underserved populations across the nation.

OFFICE OF JOB CORPS

AUTHORIZING STATUTES

Public Law / Act	Legislation	Statute No. / US Code	Volume No.	Page No.	Expiration Date
P. L. 105-220	Workforce Investment Act	29 U.S.C. 2881			9/30/2003 ¹

¹ Extended through Appropriations Acts.

OFFICE OF JOB CORPS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2003...1/	\$1,532,160	\$0	\$1,518,550	\$1,509,094	0
2002 Advance for 2003....	691,000	0	691,000	686,923	
2004...2/	1,565,833	1,441,216	1,531,216	1,565,745	187
2003 Advance for 2004....	691,000	691,000	691,000	686,923	
2005...3/4/5/	1,557,287	1,541,216	1,577,287	1,575,774	196
2004 Advance for 2005....	691,000	691,000	691,000	685,472	
2006...5/6/	1,497,019	1,542,019	1,582,000	1,586,868	194
2005 Advance for 2006....	666,000	691,000	691,000	684,090	
2007...7/	1,501,602	1,523,000	1,629,788	1,606,855	188
2006 Advance for 2007....	691,000	591,000	691,000	691,000	
2008...8/	1,522,372	1,649,476	1,659,872	1,598,434	179
2007 Advance for 2008....	691,000	791,000	691,000	678,928	
2009...9/10/	1,564,699	0	1,693,348	1,683,938	179
2008 Advance for 2009....	691,000	100,000	791,000	791,000	
2010	1,701,389	1,705,320	0	1,708,205	168
2009 Advance for 2010....	791,000	691,000	591,000	791,000	
2011...11/	1,707,682	0	0	1,704,865	158
2010 Advance for 2011....	791,000	691,000	0	0	
2012...12/	1,699,747	0	1,706,171	1,702,947	166
2011 Advance for 2012....	666,000	691,000	691,000	0	
2013	1,650,004	0	0		166

1/ Reflects a portion of \$448,000 reduction pursuant to P.L. 107-116, enacted 1/10/02. Additionally, includes a reduction of \$20,000 pursuant to P.L. 107-206, enacted 8/2/2002.

2/ Reflects a 0.65% across-the-board reduction pursuant to P.L. 108-7.

3/ Reflects a 0.59% across-the-board rescission pursuant to P.L. 108-199.

4/ Reflects a 0.80% across-the-board rescission pursuant to P.L. 108-447

5/ Reflects a portion of \$18,000,000 rescission to Labor/HHS/Educ pursuant to P.L. 108-447.

6/ Reflects a 1.0% government-wide rescission pursuant to P.L. 109-148.

7/ Reflects a \$25,000,000 decrease in Job Corps Construction, Rehabilitation, and Acquisition

8/ Reflects the continuing resolution at the FY 2006 level pursuant to P.L. 109-383

9/ Reflects 1.747% rescission pursuant to P.L. 110-161.

10/ Excludes \$250,000,000 for Recovery Act pursuant to P.L. 111-5.

11/ Reflects a 0.2 across-the-board rescission pursuant to P.L. 112-10.

12/ Reflects a 0.189% across-the-board rescission pursuant to P.L. 112-74.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY 13 Req. / FY 12 Enacted
Budget Authority	1,570,932	1,569,078	1,545,872	-23,206
FTE	0	0	0	0

Introduction

The Operations activity provides the funding necessary to operate Job Corps centers, primarily residential, in 49 states, the District of Columbia and the Commonwealth of Puerto Rico. The academic and career training programs offered at each center help at-risk youth who need and can benefit from intensive education and training services to become more employable, responsible, and productive citizens. The authorizing statute is the Workforce Investment Act of 1998 (P.L. 105-220, Title 1, Subtitle C, section 141).

Job Corps serves economically at-risk youth, aged 16-24, who must also be one or more of the following: basic skills deficient, a school dropout, homeless, a runaway, a foster child, a parent, or 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. Job Corps serves approximately 60,000 individuals per year. In Program Year (PY) 2010, nearly 65 percent of Job Corps enrollees were high school dropouts, nearly 47 percent were unemployed at the time of enrollment, and 40.2 percent were from families receiving public assistance.

Job Corps provides services through a comprehensive program that includes career-oriented training based on industry standards, contextual learning that combines academic and career training. In addition, students participate in a variety of integrated and real-world learning experiences such as training with employers and engaging in service learning projects in the local community. With an emphasis on entering a career pathway while in the program, students acquire basic job search and interpersonal skills to increase their employability. To assist in sustainable job placement, exiters are also provided an array of transitional support services that include assistance with securing housing, transportation, and child care, as well as access to ongoing mentoring support.

The funding for Operations helps to strengthen the following Departmental outcome goals:

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- Outcome Goal 1.1 – Increase workers’ incomes and narrow wage and income inequality;
- Outcome Goal 1.2 – Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high growth and emerging industry sectors like “green” jobs; and
- Outcome Goal 1.3 – Help workers who are in low-wage jobs or out of the labor market find a path into middle-class jobs.

Delivering relevant academic and career technical training that leads to meaningful employment or higher education is Job Corps’ overarching strategy to reach these outcome goals. According to the Department of Labor’s Bureau of Labor Statistics, in July 2011, members of the civilian workforce without a high school diploma suffered the highest unemployment rate in the nation, 15.0%, with all other educational attainment categories averaging below 10% unemployment². Increases in literacy and numeracy proficiency, and the attainment of academic and industry-recognized, portable credentials, including career technical training completions, therefore, will make Job Corps graduates more competitive in the 21st Century workforce.

In an effort to ensure that Job Corps program graduates enter the workforce or postsecondary education with a defined set of skills and competencies, the program has moved toward a Standards-Based Education and Training system – where learning goals or standards identify what students need to know and should be able to do in order to be employed and ready to advance in an occupation. These standards are tied to the achievement of academic and industry-recognized credentials, which in turn, provide broader opportunities for higher wages and career advancement. In summary, standards-based instruction ensures that Job Corps program graduates enter the workforce or postsecondary education with a defined set of skills and are able to compete globally on all levels.

Job Corps’ highest priority is to provide quality training in high growth/high demand industries to help Job Corps graduates become more competitive by equipping them with the credentials and skills needed to compete in the global labor market. Specifically, Job Corps will provide academic and career technical training, complemented by support services to assist these new labor market entrants as they enter the workforce, military, or postsecondary education.

² The U.S. Department of Labor’s Bureau of Labor Statistics. “Employment status of the civilian population 25 years and over by educational attainment.”. Economic News Release, August 2011.
<http://www.bls.gov/news.release/empsit.t04.htm>

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An additional strategy for the program is to strengthen its link to employers and industries. To this end, Job Corps continuously evaluates career offerings to ensure its centers provide training in high growth and emerging industries. Job Corps currently offers training in 11 identified high growth/high demand industry sectors:

- Advanced Manufacturing
- Automotive and Machine Repair
- Construction
- Finance and Business
- Health Care
- Homeland Security
- Hospitality
- Information Technology
- Renewable Resources and Energy
- Retail Sales and Services
- Transportation

The 2013 Budget launches a reform effort for Job Corps to improve its outcomes and strengthen accountability. Specifically, the Department will close in Program Year 2013 a small number of chronically low-performing Job Corps centers, selected using specific criteria that will be shared with the public in advance. While most centers meet program standards, some centers are chronically low-performing based on their educational and employment outcomes, and have remained in the bottom cohort of center performance rankings for many years. Given the resource intensiveness of the Job Corps model, it is not cost-effective to continue to invest in centers that have historically not served students well.

Job Corps will also plan in Program Year 2013 to shift its focus toward the strategies that were proven most cost-effective in rigorous evaluations of the Job Corps model. For example, the program will focus resources on 20-24-year olds, the population for whom this model was cost effective in the latest rigorous evaluation of the Job Corps program. The Department also plans to undertake other efforts to improve the program, including changes to strengthen the performance measurement system and report center-level performance in a more transparent way.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2008	\$1,459,408	0
2009	\$1,540,276	0
2010	\$1,574,015	0
2011	\$1,570,932	0
2012	\$1,569,078	0

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Funding Mechanism

In accordance with the FY 2012 appropriation for Job Corps, the funding request does not include advance appropriations. The FY 2013 request includes funding for Job Corps operations in Program Year 2013, which begins on July 1, 2013.

In FY 2013, Job Corps will support the training of students at an anticipated 122 Job Corps centers operating through contracts for recruitment and placement of students, skills training, program analysis and technical assistance, and administrative support contracts (i.e., IT support). These contracts, many of which are with small businesses, are awarded on a competitive basis. In addition, large and small corporations and non-profit organizations manage and operate the majority of the Job Corps centers under competitively bid contractual agreements. The Office of Job Corps uses performance-based service contracting as its primary procurement strategy. The remaining centers, Civilian Conservation Centers (CCCs), are Federally-operated through the transfer of funds to the Department of Agriculture (USDA) under an Interagency Agreement.

FY 2013

The FY 2013 request for Operations is \$1,545,872,000, a decrease of \$23,206,000 from the FY 2012 enacted level. It includes the following:

- Savings from the planned closure of a small number of chronically low-performing centers, selected using criteria the Administration will publish in advance. Full savings from center closures will not be achieved in the first year because about 20 percent of first-year savings from eliminating a center's operating budget is estimated to be absorbed by center close-out costs.
- Savings from the conversion of some residential slots to non-residential in order to expand services to students for whom nonresidential status is appropriate and effective.
- \$4,744,000 for operation costs of the Manchester, New Hampshire Job Corps Center scheduled to open in PY 2013. In recent years, Job Corps has followed Congressional mandates to expand the number of centers. The program is now including in its request operations funding that will allow the New Hampshire center to serve a population of 150 students in PY 2013 as the center builds up to full capacity. With this funding, the center will be able to begin operations to provide education and training to the geographic areas it is intended to serve.

Taking the necessary actions to operate at this funding level will enable the Office of Job Corps to fully execute all programs and services under Departmental Strategic Goal 1. Critical to the increases in outcomes for credential attainment and other programmatic goals is the ability to offer competitive salaries to instructors and retain the federal investment made in their training. These efforts will result in students achieving academic, career technical training, and industry-recognized credentials that will lead to placement in high growth industries with a defined career path. Job Corps anticipates a 5% increase in the percent of students: achieving literacy and numeracy gains, and attaining both academic and industry-recognized credentials.

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The FY 2013 Operations request of \$1,545,872,000 includes a transfer to the USDA to fund the Civilian Conservation Centers operated by the USDA Forest Service; this transfer includes built-in increases for federal pay and rent at federal centers. The majority of the remaining Operations budget will be used to fund student training expenses at the DOL contractor-operated centers. Below is an estimated breakdown of funding by Fiscal Year. These estimates are projections and will be adjusted as decisions are made regarding center closures, downsizing of large centers, and the conversion of residential to non-residential slots.

Operating Cost	FY12 Funding	FY13 Funding	Difference
Career Transition Services	57,000,000	57,000,000	0
Center Leases	9,692,040	9,934,341	242,301
Center Operations (including CCCs)	1,213,884,509	1,189,212,685	-24,671,824
FTS (phone and data lines)	6,241,380	6,241,380	0
IT Equipment, Licenses and Support	25,236,434	25,395,624	159,190
National Training Contractors	70,088,044	70,088,044	0
Outreach and Admissions	56,857,570	56,857,570	0
Program Development	13,889,285	14,953,618	1,064,333
Program Evaluation	2,565,000	2,565,000	0
Safety and Health Program	6,564,000	6,564,000	0
Student Home Transportation	25,059,738	25,059,738	0
Student Pay and FECA	82,000,000	82,000,000	0
TOTAL	\$1,569,078,000	\$1,545,872,000	-\$23,206,000

The Job Corps program continues to look for ways to improve efficiencies in service delivery to ensure that resources are utilized to provide greater outcomes. The program will continue to evaluate the optimal center size and consider downsizing large centers that have been historically unable to meet their On-Board Strength levels, duplicate services to other centers in the geographic area, and have high operating or facility costs. Specifically, downsizing / right-sizing would entail reducing the student enrollment size the center is contractually obligated to serve, and eliminating those slots from the program or assigning them to other centers that would operate efficiently with expansion.

Job Corps also continues to evaluate center performance in an effort to identify consistently low performing centers. The methodology for center closure will be shared through public disclosure and will allow for a transparent, objective process to determine selected centers. As a first step in the center closure process, the Department will identify key attributes that are essential to the mission of Job Corps and against which all centers can be measured. Once centers are identified for potential closure, the Department will conduct the legislatively mandated activities outlined in the Workforce Investment Act. The Department estimates that a properly executed center closure will take a minimum of six months and up to one year for centers with larger student populations.

Career technical training (CTT) programs are also continuously evaluated using the program's rigorous Outcome Measurement System. Each training program is assessed against the Career

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Technical Training Report Card, which specifically measures CTT program performance. If a program has unsatisfactory performance, the program is placed on probation, as well as a Performance Improvement Plan; probation typically lasts one year. Consistently poor performing training programs are subject to termination.

While the core mission of Job Corps is to place its students in a residential environment which fosters training and social development that will enhance employability, for many young people this is not a viable option. Job Corps, therefore, will explore converting a number of training slots from residential to non-residential to expand services to students for whom non-residential status is appropriate and effective. The analysis will focus on conversion opportunities where savings can be realized while maintaining or improving performance. The program will also look to focus more on 20- to 24-year olds, the population for whom the Job Corps model was found to be cost effective in the last rigorous evaluation of the program. Further, Job Corps will explore replicating successful models currently in place that pair Job Corps centers with community colleges.

Maintaining efficient and right sized centers, along with enforcing rigorous performance standards, will strengthen the Job Corps program by utilizing its operational resources to provide the greatest benefit for the students and employers.

FY 2012

The FY 2012 Enacted Budget for Job Corps operating expenses is \$1,569,078,000, a decrease of \$1,854,000 from the FY 2011 level. Job Corps operating expenses include contracts for outreach and admission services, center operations contracts, contracts to provide career technical and educational services, and career transition contracts to provide transition services as students enter the labor market. At this level of funding, the Job Corps program will operate 125 centers nationwide.

During FY 2012, the Job Corps program will continue to modernize curricula, upgrade equipment, and refine training options in 11 high growth job training areas. The program will continue to expand and build upon results from the “Centers for Excellence” initiative by initiating the conversion of centers to standards-based instructional programs that are fully grounded in evidence-based instructional practices. Changes will include establishing revised admissions and center operational requirements; launching a professional development system that supports all Job Corps centers; and developing minimal requirements for facilities design, training offerings, and class scheduling required to support Job Corps’ industry-based curriculum standards.

Job Corps will also continue to cultivate employer and stakeholder partnerships and maintain an ongoing focus to refine and upgrade curricula, equipment, and training options in high-growth areas for both students and instructional staff.

The FY 2012 Operations funding level of \$1,569,078,000 includes a transfer of approximately \$176,908,580 to the USDA to fund the 28 Civilian Conservation Centers operated by the USDA

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Forest Service. The majority of the remaining Operations budget will be used to fund student training expenses at the DOL contractor-operated centers.

FY 2011

The FY 2011 enacted level of \$1,570,932,000 reflects the amount appropriated in the full-year Continuing Resolution, along with rescissions of advances enacted as part of the FY 2012 appropriation. This resulted in a reduction of \$3,083,000 from the FY 2010 level. Since Job Corps operations are sensitive to inflationary increases, the program worked to avoid service reductions by looking for ways to operate more efficiently and make reductions in areas that resulted in minimal disruption to student learning.

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DETAILED WORKLOAD AND PERFORMANCE				
	PY 2010 Enacted	PY 2011 Enacted	PY 2012 Enacted	PY 2013 Request
	Result	Target	Target	Target
Operations				
Number of Operating Centers at Year End	125	125	125	122 (e)
Strategic Goal 1 – Prepare workers for good jobs and ensure fair compensation.	--	--	--	--
Slots	44,871	45,165	45,315	44,451 (e)
Student Service Years	43,525	43,810	43,956	43,117
Average wage of placed graduates	\$9.40	\$9.25	\$9.30	\$9.35
Average wage of graduates placed in an occupation or industry related to their training	\$9.78	\$9.70	\$9.75	\$9.80
New Enrollments	56,171	63,340	63,550	62,339
Cost per New Enrollee	\$29,888.00	\$26,456.00	\$26,339.00	\$26,001.00
Outcome Goal 1.1 – Increase workers’ incomes and narrow wage and income inequality.	--	--	--	--
Average wage of participants at initial placement	\$9.21	\$9.10	\$9.15	\$9.20
Outcome Goal 1.2 – Assure skills and knowledge that prepare workers to succeed in a knowledge-based economy, including in high-growth and emerging industry sectors like “green” jobs.	--	--	--	--
Percent of students who attain a GED, HSD, or certificate by the end of the third quarter after exit from the program	64.40%	57.00%	58.00%	60.90%
Percent of Job Corps students who attain industry-recognized certifications	45.70%	50.00%	51.00%	53.55%
Outcome Goal 1.3 – Help workers who are in low-wage jobs or out of the labor market find a path into middle class jobs.	--	--	--	--
Percent of Job Corps participants entering employment or enrolling in post-secondary education and/or advanced training/occupational skills training in the first quarter after exit from the program	73.40%	66.30%	67.30%	69.30%
Percent of students who achieve literacy or numeracy gains of one or more TABE levels	65.30%	60.00%	61.00%	64.05%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

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Workload and Performance Table Summary

Job Corps places a high priority on providing quality training in high growth/high demand industries to help Job Corps graduates become more competitive by equipping them with the credentials and skills needed to compete in the global labor market.

Job Corps anticipates a 5% increase in the percent of students: 1) achieving literacy and numeracy gains, and 2) attaining both academic credentials and industry-recognized certifications. Program graduates will receive quality academic and career technical training in high-growth /high demand occupations to make them competitive as they enter the workforce, enroll in postsecondary education, or enter the military.

According to the Bureau of Labor Statistics, in July 2011, members of the civilian workforce without a high school diploma suffered the highest unemployment rate in the nation – 15.0% – with all other educational attainment categories averaging below 10% unemployment³. Increases in numeracy and literacy proficiency, as well as attainment of academic and industry-recognized portable credentials can give Job Corps graduates a competitive edge in the labor market.

Therefore, Job Corps will monitor the performance of center operators to ensure that additional resources are dedicated to activities that lead to attainment of these goals. Monitoring activities will include evaluation of the effectiveness of the additional investment and a review of the following outputs:

- staff retention rates
- instructors hired with credentials
- instructors who obtain credentials after hire

Job Corps continues to report on the three Common Measures indicators for youth employment programs: the percent of participants entering employment or enrolling in post-secondary education, the military, or advanced training/occupational skills training in the first quarter after exit (placement); the percent of participants who earn a diploma, GED, or certificate by the end of the third quarter after exit; and the percent of participants who achieve literacy or numeracy gains of one educational functioning level.

Since PY 2004, placement results for Job Corps participants were declining, resulting in a shortfall in meeting the Department's targets for this measure. Several key factors significantly influenced these results, necessitating an adjustment in the target: the economic recession, which has resulted in a significant increase in the unemployment rates for persons—particularly

³ The U.S. Department of Labor's Bureau of Labor Statistics. "Employment status of the civilian population 25 years and over by educational attainment." Economic News Release, August 2011.
<http://www.bls.gov/news.release/empsit.t04.htm>

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minorities—age 16-24⁴; and increased rigor and relevance of career technical training programs which, in turn, has increased the amount of time students need to complete technical training.

The Office of Job Corps adjusted the program's placement rate targets in PY 2010 using the unemployment rate projections from the FY 2011 Economic Assumptions and the coefficient factor developed for the WIA Youth Program regression model. Future placement rate targets have been adjusted using an applied version of regression methodology to account for effects of unemployment and program results.

The Literacy and Numeracy gains measure was established in 2004. Initial targets were at the 45 percent level, but were substantially increased when PY 2006 baseline data for this measure became available and as Job Corps' performance results improved. The Certificate Attainment measure was also established in 2004. Initial targets were at the 64 percent level, but were reduced due to implementation of the Job Corps National Certification Initiative, which aligned Training Achievement Records (TARs) with industry standards/certifications and required more stringent student attainments. The decline in performance started to level off in PY 2008 and the program has experienced steady increases in PY 2010 in the results of this measure. For PY 2013, Job Corps has increased the target by 5% from PY 2012 level, and will continue to set aggressive targets in the future.

In PY 2010, Job Corps began reporting on four new measures developed to support the Secretary's vision for *good jobs for everyone*. The new measures include three wage measures (average wage of participants at initial placement, average wage of placed graduates, and average wage of graduates placed in an occupation or industry related to their training) and an attainment measure (percent of students who attain industry-recognized certifications). Job Corps will use PY 2010 wage data to adjust targets for the out years. In PY 2010, Job Corps collected baseline data on the attainment of industry-recognized certifications. This data has been used to develop out years' targets. The emphasis on both the attainment of industry-recognized credentials and placement earnings leading to middle-class wages will help to solidify graduates' foothold in the 21st Century workplace.

⁴The U.S. Department of Labor's Bureau of Labor Statistics, "Youth Labor Force Participation Rate at 59.5% in July 2011—Lowest July Rate on Record". <http://www.bls.gov/news.release/youth.nr0.htm>

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY13 Req./ FY12 Enacted
11.1	Full-time permanent	70,380	70,380	70,644	264
11.3	Other than full-time permanent	2,832	2,832	2,843	11
11.5	Other personnel compensation	6,018	6,018	6,041	23
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	79,230	79,230	79,528	298
12.1	Civilian personnel benefits	30,932	31,935	33,170	1,235
13.0	Benefits for former personnel	176	176	177	1
21.0	Travel and transportation of persons	4,217	4,217	4,217	0
22.0	Transportation of things	1,169	1,169	1,169	0
23.1	Rental payments to GSA	309	309	331	22
23.2	Rental payments to others	8,270	8,270	8,270	0
23.3	Communications, utilities, and miscellaneous charges	7,609	7,609	7,609	0
24.0	Printing and reproduction	121	121	121	0
25.1	Advisory and assistance services	4	4	4	0
25.2	Other services from non-Federal sources	1,392,193	1,388,925	1,364,163	-24,762
25.3	Other goods and services from Federal sources 1/	9,435	9,846	9,846	0
25.4	Operation and maintenance of facilities	0	0	0	0
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1,683	1,683	1,683	0
26.0	Supplies and materials	34,336	34,336	34,336	0
31.0	Equipment	1,248	1,248	1,248	0
32.0	Land and Structures	0	0	0	0
	Total	1,570,932	1,569,078	1,545,872	-23,206
	1/Other goods and services from Federal sources				
	Working Capital Fund	5,429	5,840	5,840	0
	Services by Other Government Departments	4,006	4,006	4,006	0

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CHANGES IN FY 2013

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$298
Personnel benefits	105
One day more of pay	0
Federal Employees Compensation Act (FECA)	1,130
Benefits for former personnel	1
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	22
All Other Rental	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services	-1,130
Working Capital Fund	0
Other purchases of goods and services from Government accounts	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Land and Structures	0

Built-Ins Subtotal **\$426**

Net Program **-\$23,632**

Direct FTE **0**

	Estimate	FTE
Base	\$1,569,504	0
Program Decrease	-\$23,632	0

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY 13 Req. / FY 12 Enacted
Budget Authority	104,801	104,792	75,000	-29,792
FTE	0	0	0	0

Introduction

The Construction, Rehabilitation, and Acquisition (CRA) funding provides for the rehabilitation of current facilities; modernization of classroom and training buildings to meet the credentialing needs of high growth occupations; repair (including emergency repairs) of building deficiencies to address life, safety, and health; the construction of new buildings when further repair is not cost effective; and, as directed by Congress, the acquisition of sites and construction of buildings for new centers. This CRA activity affects the outcomes of the Job Corps program because *good jobs for everyone* begins with facilities that contribute to a relevant and safe learning environment. The funding is distributed throughout all of the centers, impacting the daily lives of over 44,000 students and approximately 16,000 staff.

Job Corps centers will be operational in 49 states as well as the District of Columbia and Puerto Rico. The Department supports the goal of having a Job Corps center in every state. The following list indicates the centers that will be operational in PY 2012 plus the new center in Manchester that is scheduled to open in PY 2013:

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
ACOSTA	Tucson, Arizona	DOL
ALASKA	Palmer, Alaska	DOL
ALBUQUERQUE	Albuquerque, New Mexico	DOL
ANACONDA	Anaconda, Montana	USDA
ANGELL	Yachats, Oregon	USDA
ARECIBO	Garrochales, Puerto Rico	DOL
ATLANTA	Atlanta, Georgia	DOL
ATTERBURY (INDYPENDENCE)	Edinburgh, Indiana	DOL
BAMBERG	Bamberg, South Carolina	DOL
BARRANQUITAS	Barranquitas, Puerto Rico	DOL
BENJAMIN HOOKS	Memphis, Tennessee	DOL
BLACKWELL	Laona, Wisconsin	USDA
BLUE RIDGE	Marion, Virginia	DOL
BOXELDER	Nemo, South Dakota	USDA
BRUNSWICK	Brunswick, Georgia	DOL
BURDICK	Minot, North Dakota	DOL

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JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
CARRASCO	El Paso, Texas	DOL
CARVILLE	Carville, Louisiana	DOL
CASCADES	Sedro Woolley, Washington	DOL
CASS	Ozark, Arkansas	USDA
CASSADAGA	Cassadaga, New York	DOL
CENTENNIAL	Nampa, Idaho	DOI
CHARLESTON	Charleston, West Virginia	DOL
CINCINNATI	Cincinnati, Ohio	DOL
CLEARFIELD	Clearfield, Utah	DOL
CLEMENTS	Morganfield, Kentucky	DOL
CLEVELAND	Cleveland, Ohio	DOL
COLLBRAN	Collbran, Colorado	DOI
COLUMBIA BASIN	Moses Lake, Washington	DOI
CURLEW	Curlew, Washington	USDA
DAYTON	Dayton, Ohio	DOL
DELAWARE VALLEY	Callicoon, New York	DOL
DENISON	Denison, Iowa	DOL
DETROIT	Detroit, Michigan	DOL
EDISON	Edison, New Jersey	DOL
EXCELSIOR SPRINGS	Kansas City, Missouri	DOL
EXETER	Exeter, Rhode Island	DOL
FINCH-HENRY	Batesville, Mississippi	DOL
FLATWOODS	Coeburn, Virginia	USDA
FLINT HILLS	Manhattan, Kansas	DOL
FLINT/GENESSEE	Flint, Michigan	DOL
FRENCHBURG	Frenchburg, Kentucky	USDA
FT SIMCOE	White Swan, Washington	DOI
GADSDEN	Gadsden, Alabama	DOL
GAINESVILLE	Gainesville, Florida	DOL
GARY	San Marcos, Texas	DOL
GERALD FORD	Grand Rapids, Michigan	DOL
GLENMONT	Glenmont, New York	DOL
GOLCONDA	Golconda, Illinois	USDA
GRAFTON	North Grafton, Massachusetts	DOL
GREAT ONYX	Mammoth Cave, Kentucky	USDA
GULFPORT	Gulfport, Mississippi	DOL
GUTHRIE	Guthrie, Oklahoma	DOL
HARPERS FERRY	Harpers Ferry, West Virginia	USDA

CONSTRUCTION

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
HARTFORD	Hartford, Connecticut	DOL
HAWAII (MAUI)	Waimanalo, Hawaii	DOL
HOMESTEAD	Homestead, Florida	DOL
HUMPHREY	St. Paul, Minnesota	DOL
INLAND EMPIRE	San Bernardino, California	DOL
IROQUOIS	Medina, New York	DOL
JACKSONVILLE	Jacksonville, Florida	DOL
JACOBS CREEK	Bristol, Tennessee	USDA
JOLIET	Joliet, Illinois	DOL
KEYSTONE	Drums, Pennsylvania	DOL
KICKING HORSE	Ronan, Montana	DOL
KITTRELL	Kittrell, North Carolina	DOL
LAREDO	Laredo, Texas	DOL
LBJ	Franklin, North Carolina	USDA
LITTLE ROCK	Little Rock, Arkansas	DOL
LONG BEACH	Long Beach, California	DOL
LORING	Loring, Maine	DOL
LOS ANGELES	Los Angeles, California	DOL
MANCHESTER*	Manchester, New Hampshire	DOL
MIAMI	Miami Gardens, Florida	DOL
MILWAUKEE	Milwaukee, Wisconsin	DOL
MINGO	Puxico, Missouri	USDA
MISSISSIPPI	Crystal Springs, Mississippi	DOL
MONTGOMERY	Montgomery, Alabama	DOL
MUHLENBERG	Greenville, Kentucky	DOL
NEW HAVEN	New Haven, Connecticut	DOL
NEW ORLEANS	New Orleans, Louisiana	DOL
NORTH TEXAS	McKinney, Texas	DOL
NORTHLANDS	Vergennes, Vermont	DOL
OCONALUFTEE	Cherokee, North Carolina	USDA
OLD DOMINION	Monroe, Virginia	DOL
ONEONTA	Oneonta, New York	DOL
OTTUMWA	Ottumwa, Iowa	DOL
OUACHITA	Royal, Arkansas	USDA
PENOBSCOT	Bangor, Maine	DOL
PERKINS	Prestonsburg, Kentucky	DOL
PHILADELPHIA	Philadelphia, Pennsylvania	DOL
PHOENIX	Phoenix, Arizona	DOL
PINE KNOT	Pine Knot, Kentucky	USDA

CONSTRUCTION

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
PINE RIDGE	Chadron, Nebraska	USDA
PINELLAS PARK	Pinellas, Florida	DOL
PITTSBURGH	Pittsburgh, Pennsylvania	DOL
POTOMAC	Washington, DC	DOL
RAMEY	Aguadila, Puerto Rico	DOL
REDROCK	Lopez, Pennsylvania	DOL
ROSWELL	Roswell, New Mexico	DOL
SACRAMENTO	Sacramento, California	DOL
SAN DIEGO	Imperial Beach, California	DOL
SAN JOSE	San Jose, California	DOL
SCHENCK	Pisgah Forest, North Carolina	USDA
SHREVEPORT	Shreveport, Louisiana	DOL
SHRIVER	Devens, Massachusetts	DOL
SIERRA NEVADA	Reno, Nevada	DOL
SIMON	Chicago, Illinois	DOL
SOUTH BRONX (BROOKLYN)	Bronx, New York	DOL
SPRINGDALE (PIVOT)	Troutdale, Oregon	DOL
ST LOUIS	St. Louis, Missouri	DOL
TALKING LEAVES	Tahlequah, Oklahoma	DOL
TIMBER LAKE	Estacada, Oregon	USDA
TONGUE POINT	Astoria, Oregon	DOL
TRAPPER CREEK	Darby, Montana	USDA
TREASURE ISLAND	San Francisco, California	DOL
TREASURE LAKE	Indiahoma, Oklahoma	DOI
TULSA	Tulsa, Oklahoma	DOL
TURNER	Albany, Georgia	DOL
WEBER BASIN	Ogden, Utah	DOI
WESTOVER	Chicopee, Massachusetts	DOL
WHITNEY YOUNG	Simpsonville, Kentucky	DOL
WILMINGTON	Wilmington, Delaware	DOL
WOLF CREEK	Glide, Oregon	USDA
WOODLAND	Laurel, Maryland	DOL
WOODSTOCK	Woodstock, Maryland	DOL

In PY 2009, the program began development and construction on three new centers, which increases the total number of centers to 127. The new center in Ottumwa, Iowa opened at the end of PY 2010. The Manchester, New Hampshire center is scheduled to open in PY 2013. A new center in Wyoming is planned to open in a subsequent program year, pending completion of construction.

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In a program that operates 24 hours, seven days per week and is primarily residential, facility conditions are critical. The quality of Job Corps' residential and learning facilities has a direct impact on students' experiences and, ultimately, their educational achievement. Specifically, reports from the Building Educational Success Together (BEST) Foundation⁵ show that when school facilities are clean, in good repair, and designed to support high academic standards, there will be higher student achievement, independent of student socioeconomic status.

Research has also shown that students who feel safe and secure are not only less likely to leave the program prematurely, but they are also free from distraction. Directly translating these findings to the Office of Job Corps, if Job Corps students feel safe and secure, they are more likely to attain a High School Diploma or GED and earn a portable credential in a high-growth/high-demand industry. These successes lead to an increase in earnings, and a narrowing of wage and income inequality. As a result, Job Corps graduates will secure employment in competitive industries that maximize their earning potential.

The Office of Job Corps, which currently holds 99 percent of the Department's building stock, is a major contributor to the Department's efforts to meet energy efficiency goals and implement innovative initiatives that demonstrate the commitment to sustainability and environmental stewardship. In FY 2010, the Office of Job Corps was recognized for its contribution to the Department's receipt of "Green" on all three of the Draft OMB Environmental Stewardship Scorecards.

CRA activities will support the Job Corps program's ability to achieve Job Corps specific outcomes under Departmental Strategic Goal 1. These activities will be undertaken to ensure centers provide a safe living and learning environment that will enable students to successfully complete their training and obtain competitive jobs with a defined career path.

Additionally, the Department has specific goals related to the Sustainability Initiative, an aggressive initiative that establishes energy efficiency goals for Federal facilities. Executive Orders 13514 and 13423 establish requirements for buildings owned by the Federal Government to meet Sustainability standards. For Job Corps, these goals are as follows:

Eligible buildings built or improved to meet Sustainability standards by 2015	15% overall (3% per year beginning in 2010)
Greenhouse Gas emission reduction targets	27% over the DOL FY 2008 baseline by 2020

In recent years, as Job Corps has made regular repairs and improvements to its buildings and facilities, the program has incorporated sustainability elements, such as Energy Star appliances

⁵ BEST Foundation (2002). Do School Facilities Affect Academic Outcomes?

BEST Foundation (2003). Linking School Facility Conditions to Teacher Satisfaction and Success.

BEST Foundation (2004). The Educational Adequacy of new Jersey Public School Facilities: Results from a Survey of Principals.

BEST Foundation (2004). Los Angeles Unified School District School Facilities and Academic Performance.

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and low-flow water systems, wherever possible. As the average age of Job Corps' buildings is 41 years, incorporating sustainability "as we go" – in conjunction with projects financed by regular CRA funds – is insufficient to reach the aggressive 15 percent sustainable buildings goal by 2015 (three percent per year beginning in 2010). Thus, while every effort will be made to reach the sustainability goals, maintaining safe and functional facilities will remain Job Corps' highest priority.

Job Corps' newly-constructed campuses are ideal "green" learning laboratories as they fully comply with Federal "Guiding Principles for Sustainable Buildings." At these sites students study and experience sustainability in real terms as part of center life. The majority of Job Corps centers, however, require significant renovation and construction to transform aging buildings into sustainable facilities. This extensive work provides invaluable, practical learning opportunities for students enrolled in construction trades.

Through Career Technical Skills Training (CTST) programs, in which students apply their training by performing construction projects, Job Corps will engage an estimated 3,000 students in projects that will have environmental impacts. Student participation in sustainable construction projects will expose them to the skills and knowledge necessary to compete in today's labor market. NTC programs are ideal candidates to lead this effort as they are historically high-performing – with strong student outcomes for level of skill, expertise, job placement, and job training match. For example, students receiving instruction from the International Union of Operating Engineers (IUOE) have been instrumental in implementing energy management measures on Job Corps campuses as part of their green skills training.

Following are additional examples of actions aimed at sustainable facilities, which include student training elements:

- The energy and water conservation initiative implemented the use of monitoring systems (such as Energy Watchdog) to measure and monitor energy intensity, target projects and available funds for facility improvements, and plan for the achievement of short- and long-term conservation goals.
- Renewable energy initiative projects at Job Corps centers include wind turbines and solar panels that will directly provide facilities with clean and renewable energy.
- Centers' Green Projects target specific green actions (e.g., energy-efficient equipment replacing, xeriscaping, and waste reduction), to incorporate and teach green principles.
- CleanSweep excess property-based initiative increases re-use, recycling, and landfill diversion for items no longer of use to Job Corps centers. Examples include outdated office furnishings, recreational equipment and furniture, and training equipment.
- Use renewable energy beyond the renewable electricity requirements (i.e., thermal, mechanical, biomass, and landfill methane gas).

CONSTRUCTION

- Reduce energy intensity of Job Corps facilities and increase the installation and use of renewable electricity.
- Install smart utility meters.

Student participation in Sustainable construction projects will expose them to the skills and knowledge necessary to compete in today's competitive labor market.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2008	\$110,947	0
2009	\$115,000	0
2010	\$105,000	0
2011	\$104,801	0
2012	\$104,792	0

Funding Mechanism

In accordance with the FY 2012 appropriation for Job Corps, the funding request does not include advance appropriations. The FY 2013 request includes funding for Job Corps construction to become available on July 1, 2013. Additionally, the appropriation allows for the transfer of up to 15 percent of CRA funding to meet the operational needs of centers or to achieve administrative efficiencies.

The request will support projects for the acquisition, design and construction of facilities used in the Job Corps program. The majority of funding is awarded to contractors using competitive bidding; most of the design and construction projects are awarded to small businesses. The remainder of the funding is provided to the Department of Agriculture for small projects through an interagency agreement.

CONSTRUCTION

Job Corps construction funding is provided on a three-year basis. This allows for the necessary lead time for complex construction projects, with the most critical to the life and safety of Job Corps participants always taking priority for immediate resources.

FY 2013

The FY 2013 request of \$75,000,000 will enable Job Corps to continue ongoing CRA activities, which include the construction and rehabilitation of facilities; repair and upgrade of life, safety and health deficiencies; and the modernization of education and training buildings. This request would be allocated as follows:

- \$1,000,000 for conditions that threaten life or safety
- \$225,000 for abatement of environmentally unsafe conditions
- \$1,555,000 for energy saving investments
- \$2,000,000 for center telecommunication wiring upgrades
- \$1,000,000 for Green Way projects (sustainability)
- \$15,000,000 for engineering and contract support services
- \$7,777,000 contingency funds for emergency repairs
- \$17,950,000 minor repair and replacement
- \$28,493,000 for building rehabilitation and replacement projects

In accordance with Executive Order 13514, “Federal Leadership in Environmental, Energy, and Economic Performance,” and Executive Order 13423, “Strengthening Federal Environmental, Energy, and Transportation Management,” which establish requirements for Federal agencies to reduce greenhouse gas emissions, the Department must meet numerous Sustainability standards. Specifically, 15 percent of eligible buildings must be built or improved to meet these standards by 2015, and Job Corps holds 99 percent of the Department’s building stock.

The Department’s FY 2013 request is part of a multi-year initiative to both ensure that Job Corps and the Department reach its Sustainability goals and enable and estimated 3,000 Job Corps students to work, learn and earn valuable “green” skills. CTST programs are well positioned to participate in centers’ sustainability projects.

FY 2012

The FY 2012 enacted appropriation for Construction, Rehabilitation, and Acquisition (CRA) is \$104,792,000, a reduction of \$9,000,000 from the FY 2011 enacted level. Additionally, the appropriation allows for the transfer of up to 15 percent of CRA funding to meet the operational needs of centers or to achieve administrative efficiencies. One of the administrative efficiencies that can be achieved is the transfer of funding to Federal Administration for the conversion of inherently governmental contract support services from contractors to Federal staff. For several years, the Office of Job Corps has engaged contractor support services for major design and construction projects through CRA funds at an annual cost of approximately \$3,000,000; a transfer of \$1,500,000 will reduce the cost of this function by 50% and provide for increased oversight and accountability.

CONSTRUCTION

The Office of Job Corps will use the majority of the \$104,792,000 appropriated for CRA to improve the facility conditions at the existing centers. Emphasis will be placed on the most critical capital projects, and on further reducing the backlog of repairs on existing buildings and the disposal of surplus, non-mission dependent properties. This amount will be allocated as follows:

- \$1,000,000 for conditions that threaten life or safety
- \$225,000 for abatement of environmentally unsafe conditions
- \$1,540,000 for energy saving investments
- \$2,000,000 for center telecommunication wiring upgrades
- \$2,500,000 for Green Way projects (sustainability)
- \$15,000,000 (minus a transfer of \$1,500,000 to Federal Administration) for engineering support services
- \$9,104,000 contingency funds for emergency repairs
- \$17,250,000 minor repair and replacement
- \$56,173,000 for building rehabilitation and replacement projects

It should also be noted that Job Corps used 85 percent of the \$250,000,000 appropriated in the Recovery Act for construction, renovation and acquisition projects, which allowed for a reduction in the repair backlog that had accrued through the end of PY 2008.

Job Corps continues to pursue opportunities to improve the sustainability of its facilities, particularly through energy retrofits, building designs incorporating Leadership in Energy and Environmental Design (LEED) principles, and the development of alternative energy sources. Through this effort, Job Corps continues to work to incorporate sustainable design and environmental management into its facilities to help keep operational costs down and to promote environmental stewardship at each center.

FY 2011

In FY 2011, the Office of Job Corps used the majority of the \$104,801,000 appropriated for CRA to improve the facility conditions at Job Corps centers. Emphasis was placed on reducing the backlog of repairs on existing buildings and disposal of surplus, non-mission dependent properties. In addition, Job Corps aggressively incorporated sustainability practices into construction and rehabilitation projects.

In FY 2011, the CRA activity received a rescission of \$75,000,000 from prior year funding as well as a reduction of approximately \$25,000,000 from the annual appropriation, resulting in the delay of scheduled repair, rehabilitation and replacement projects. These delayed projects have been incorporated into plans for subsequent years.

Job Corps also continued use of Recovery Act funding to complete over 1,000 shovel-ready construction projects in the program's inventory of construction needs. This inventory included projects to construct new centers; rehabilitate current facilities; modernize classroom and training buildings; repair and upgrade deficiencies; address life, safety, and health concerns; and complete emergency repairs.

CONSTRUCTION

The projects completed or near completion which were funded by the \$212,098,494 for facility construction and rehabilitation from the Recovery Act include: construction of a new center in Ottumwa, IA; three new dorms at the St. Louis Job Corps Center; a major renovation at the Gerald Ford Job Corps Center; a new leased facility at the Los Angeles Job Corps Center; a new dormitory at the Timber Lake Civilian Conservation Center; renewable energy and energy efficiency projects at several centers; a new dormitory at the Columbia Basin Civilian Conservation Center; a new dormitory at the Golconda Civilian Conservation Center; dormitory renovations at the Hubert Humphrey Job Corps Center; a new dining hall at the Schenk Civilian Conservation Center; a new dormitory at the Jacobs Creek Civilian Conservation Center; and, many smaller repair and construction projects conducted by the centers.

CONSTRUCTION

DETAILED WORKLOAD AND PERFORMANCE				
	PY 2010 Enacted	PY 2011 Enacted	PY 2012 Enacted	PY 2013 Request
	Result	Target	Target	Target
Construction				
Facilities Condition Index (FCI)	92.70%	92.80%	93.15%	92.90%

* The FCI is calculated as 1 minus the ratio of the total Building deficiencies (backlog) over the Plant Replacement Value (PRV).

Workload and Performance Table Summary

Funding for identified repairs and replacements impacts the program’s Facility Condition Index, a measurement of the overall score of the program’s facilities, based on the completion of construction projects nationwide. Increases in funding which support more repair and replacement projects cause an increase in the facility condition index; conversely, delaying projects due to lack of funding decreases the facility condition index.

In FY 2013, the Job Corps program’s projected outcomes that will result from full and effective utilization of CRA funding are twofold: 1) meeting or exceeding targets for facility sustainability; and 2) meeting or exceeding targets for student outcomes, particularly training and placement.

Job Corps is responsible for increasing the sustainability of its facilities by 3% in FY 2013. To accomplish this objective, Job Corps will continue to improve upon Sustainability achievements as resources allow, including: continuing an annual average reduction of three percent in electrical usage; continuing to identify ways of reducing the consumption of potable water; ensuring that new covered building stock will be designed to exceed energy efficient, environmentally-friendly engineering standards by 30 percent; building upon the 95 percent alternative fuel usage rate; and decreasing total petroleum use by 10 percent annually.

To ensure sufficient progress in meeting Sustainability goals, Job Corps and other Departmental officials regularly review scorecards and revise the Sustainable Building Implementation Plan. The plan establishes milestones to achieve the goals of the guiding principles and scorecard benchmarks.

As previously mentioned, Job Corps will also incorporate sustainability projects into centers’ annual CTST plans. These sustainability projects will provide practical experience for students to hone their training, making them more marketable and competitive in the emerging green construction workforce. Job Corps has already begun to include “student involvement” as a required component in sustainability construction statements of work.

The effectiveness of the investment in additional funding for sustainable buildings will be measured by the following outputs:

CONSTRUCTION

- number of sustainable projects completed
- BTUs (amount of energy used) and water consumption reduced
- number of square footage in assets in compliance with sustainability guidelines

CONSTRUCTION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY13 Req./ FY12 Enacted
25.2	Other services from non-Federal sources	20,000	18,500	18,500	0
25.4	Operation and maintenance of facilities	30,000	30,000	30,000	0
31.0	Equipment	5,000	5,000	5,000	0
32.0	Land and Structures	49,801	51,292	21,500	-29,792
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	104,801	104,792	75,000	-29,792

CONSTRUCTION

CHANGES IN FY 2013

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Other services \$0

Operation and maintenance of facilities 0

Equipment 0

Grants, subsidies, and contributions 0

Insurance claims and indemnities 0

Land and Structures 0

Built-Ins Subtotal \$0

Net Program -\$29,792

Direct FTE 0

	Estimate	FTE
Base	\$104,792	0
Program Decrease	-\$29,792	0

ADMINISTRATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY 13 Req. / FY 12 Enacted
Budget Authority	29,132	29,077	29,132	55
FTE	155	166	166	0

NOTE: FY 2011 reflects actual FTE. Authorized FTE for FY 2011 was 168.

Introduction

Job Corps Administration funding provides for the salary, travel and training for staff in the National Office and six Regional Offices. The National Office includes the Director, the executive management team, and a cadre of staff that manages national policy, reviews program performance, and establishes national standards for the program. The six Regional Offices are tasked with the majority of contract oversight and monitoring, and are headed by a Regional Director. Each Region has designated staff to serve as a Contracting Officers' Representative (COR) for centers, outreach and admissions, and/or placement contracts. In addition to contract administration functions, such as reviewing invoices and processing modifications, staff conducts formal compliance assessments, on-site monitoring trips, desktop audits, and regular performance reviews of contracts under their purview.

The major portion of the Administration funding is used for federal salaries and benefits, and for the travel associated with the extensive oversight of Job Corps centers and associated support contractors.

Like the other two budget activities for the Job Corps program, Federal Administration plays an integral role in implementing Departmental Strategic Goal 1, Prepare Workers for Good Jobs and Ensure Fair Compensation. Job Corps Federal staff at the national and regional levels is responsible for ensuring Job Corps contractors are in compliance with the program's policies and effectively provide services geared toward helping students achieve the skills, knowledge, and credentials they will need to obtain placements in high growth industries.

Job Corps engages in a continuous process of evaluation of program performance to ensure accountability, integrity and program effectiveness. In FY 2013, results from regularly scheduled assessments and the Job Corps program evaluation initiated in FY 2011 will be utilized to continue to focus on program improvement and reform. Specifically, monitoring, oversight, and accountability will be increased for poor performing centers through the use of targeted performance improvement plans. The program evaluation may also inform modifications to existing policies, procedures, and practices to promote successful strategies gleaned from the study.

Federal Job Corps staff will continue to build partnerships with other DOL systems such as One-Stop Career Centers and Registered Apprenticeship to ensure every participant has access to the wealth of resources offered by the Department. Such partnerships will achieve the results necessary to "Win the Future" by supporting the competitiveness of new labor market entrants.

ADMINISTRATION

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2008	\$28,079	179
2009	\$28,662	179
2010	\$29,190	168
2011	\$29,132	168
2012	\$29,077	166

FY 2013

The FY 2013 request for administration is \$29,132,000 and 166 FTE. This is an increase of \$55,059 from the FY 2012 enacted level.

As indicated in the Office of Inspector General's report #18-013-03-390, (9/30/10), Federal staff are critical in providing oversight, monitoring, and technical assistance to mitigate any potential risks of fraud and abuse in Federal investments. Preventing fraud and abuse allows funding to be used for those activities which support outcome goals, thus leading to increased outputs by grantees. By utilizing its resources for staff and the travel related to contract monitoring and assessment, Job Corps can maintain the necessary level of effort for oversight, monitoring, and technical assistance to mitigate risk. Thus, the Job Corps program will promote efficient spending through the reduction of administrative costs in areas other than travel for oversight and monitoring, such as replacement of equipment, supplies and advisory contracts. Travel for conferences and meetings has been drastically reduced since FY 2010.

FY 2012

The FY 2012 enacted funding level for administration is \$29,076,941, a decrease of \$54,679 from the FY 2011 enacted level. This funding request provides for the necessary level of oversight and monitoring of Job Corps operations by Federal staff, including sufficient staffing levels and travel funds to conduct on-site monitoring of all Job Corps centers. At the requested funding level, Job Corps staff will be able to fully execute all oversight responsibilities to ensure the program achieves its goals.

The appropriation allows the Secretary of Labor to transfer funds from the Construction, Rehabilitation and Acquisition (CRA) account to achieve administrative efficiencies. As discussed in the prior section, one of the administrative efficiencies that can be achieved is the conversion of inherently governmental contract support services from contractors to Federal staff. For several years, the Office of Job Corps has engaged contractor support services for major design and construction projects through CRA funds at an annual cost of approximately \$3,000,000 and a transfer of this function to federal staff will reduce the cost of this function by 50 percent, while providing for increased oversight and accountability. ETA will continue to explore opportunities to move inherently governmental functions which can be performed more efficiently in the Administration account from CRA.

ADMINISTRATION

FY 2011

The Federal Administration enacted level was \$29,131,620. Over the past several years Job Corps has expanded the number of Job Corps centers, outreach and admissions and career transition services contracts. Federal Administration supported the necessary administration and oversight activities for the program, including reporting and assessment requirements, data integrity audits, and Contract Officer Technical Representative and information technology training requirements, and associated travel.

ADMINISTRATION

DETAILED WORKLOAD AND PERFORMANCE				
	FY 2011 Enacted		FY 2012 Enacted	FY 2013 Request
	Target	Result	Target	Target
Administration				
Number of Regional Office Center Assessments (ROCAs) completed	50	55	61	63
Number of Regional Office Desk Audits and Contractor Past Effectiveness Rating (CPER) updates completed	3,697	5,089	1,694	1,694

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined

Workload and Performance Table Summary

Job Corps uses two production measures (Number of Regional Office Center Assessments (ROCAs) completed and Number of Regional Office Desk Audits and Contractor Performance Assessment Ratings (CPARs) updates completed) to capture key elements of the contract management activities conducted by Federal staff. These measures represent the key outputs of this budget activity.

Regional Offices are required to conduct on-site ROCAs of center, outreach and admissions, and career transition services operations every 18-24 months. Due to travel funding restrictions in FY 2011, ROCAs are the most comprehensive review of program operations and typically consist of a week-long assessment by a team of federal staff. Through on-site reviews of centers, Federal staff evaluates all programmatic elements, including management, administrative support and data integrity.

Regional Office Desk Audits are conducted monthly for every Job Corps Outreach and Admissions, Center, and Career Transition Service operation using Job Corps reports to assess contract operations. CPERs are updated every six months within the contract period and are included in each Option Year package for review.

ADMINISTRATION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2011 Enacted	FY 2012 Enacted	FY 2013 Request	Diff. FY13 Req./ FY12 Enacted
11.1	Full-time permanent	16,625	16,964	17,098	134
11.3	Other than full-time permanent	0	29	0	-29
11.5	Other personnel compensation	585	166	166	0
11.9	Total personnel compensation	17,210	17,159	17,265	106
12.1	Civilian personnel benefits	4,514	4,916	4,948	32
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	800	700	700	0
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,772	1,805	1,931	126
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	135	128	128	0
24.0	Printing and reproduction	66	19	19	0
25.1	Advisory and assistance services	573	229	124	-105
25.2	Other services from non-Federal sources	164	175	175	0
25.3	Other goods and services from Federal sources 1/	2,918	3,172	3,172	0
25.4	Operation and maintenance of facilities	6	24	10	-14
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	647	535	495	-40
26.0	Supplies and materials	291	203	160	-43
31.0	Equipment	36	12	5	-7
42.0	Insurance claims and indemnities	0	0	0	0
	Total	29,132	29,077	29,132	55
	1/Other goods and services from Federal sources				
	Working Capital Fund	2,747	3,066	3,066	0
	DHS Services	141	76	76	0
	GSA Services	30	30	30	0

ADMINISTRATION

CHANGES IN FY 2013

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$65
Personnel benefits	18
One day more of pay	84
Federal Employees Compensation Act (FECA)	0
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	126
All Other Rental	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services	0
Working Capital Fund	0
Other government accounts (DHS Charges)	0
Other purchases of goods and services from Government accounts	0
Research & Development Contracts	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$293**

Net Program **-\$238**

Direct FTE **0**

	Estimate	FTE
Base	\$29,370	166
Program Decrease	-\$238	0