

FY 2015

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Job Corps

JOB CORPS

TABLE OF CONTENTS

Appropriation Language	1
Explanation of Language Change	2
Amounts Available for Obligation.....	3
Summary of Changes	4
Summary Budget Authority and FTE by Activity	6
Budget Authority by Object Class	7
Significant Items in Appropriation Committees' Reports	8
Appropriation History	10
Overview	11
Budget Activities	15
Operations	15
Construction	27
Administration	41

JOB CORPS

APPROPRIATION LANGUAGE

[OFFICE OF] JOB CORPS

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, \$1,688,155,000, plus reimbursements, as follows:

(1) [\$1,578,008,000] *\$1,580,825,000* for Job Corps Operations, which shall be available for the period July 1, [2014] *2015* through June 30, [2015] *2016*;

(2) [\$80,000,000] *\$75,000,000* for construction, rehabilitation, and acquisition of Job Corps Centers, which shall be available for the period July 1, [2014] *2015* through June 30, [2017] *2018, and which may include the acquisition, maintenance, and repair of major items of equipment: 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, [2015] 2016: Provided further, That the Committees on Appropriations of the House of Representatives and the Senate are notified at least 15 days in advance of any transfer; and*

(3) [\$30,147,000] *\$32,330,000* for necessary expenses of [the Office of] Job Corps, which shall be available for obligation for the period October 1, [2013] *2014* through September 30, [2014] *2015*:

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, 2014.)

JOB CORPS

EXPLANATION OF LANGUAGE CHANGE

The Administration proposes two changes to the language under the heading "Job Corps" for FY 2015 from the enacted version in FY 2014. The first change is to change the name of the organization from Office of Job Corps to Job Corps. This change clarifies the title of the organization to remain consistent with other organizations in ETA.

The second change is to add a proviso that would broaden the scope of budget authority and allow the Department to use CRA funding for equipment, "*and which may include the acquisition, maintenance, and repair of major items of equipment.*" Specifically, the provision authorizes the Secretary of Labor to determine when it is appropriate for facility fixtures to be replaced within the scope of the CRA budget. Prior to this language the funds from Operations were utilized to carry out this task due to lack of apparent authority to spend CRA funds on equipment. The inclusion of this reference would allow Job Corps to more efficiently and effectively carry out the maintenance and operations of the Job Corps facilities.

JOB CORPS

AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2013 Enacted		FY 2014 Enacted		FY 2015 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	163	\$1,702,946	155	\$1,688,155	168	\$1,688,155
Reduction Pursuant to P.L. 113-6 for FY 2013	0	-\$3,406	0	\$0	0	\$0
Reduction Pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985	0	-\$85,668	0	\$0	0	\$0
<i>Subtotal Appropriation</i>	<i>163</i>	<i>\$1,613,872</i>	<i>155</i>	<i>\$1,688,155</i>	<i>168</i>	<i>\$1,688,155</i>
Offsetting Collections From:						
Reimbursements	0	\$1,160	0	\$0	0	\$0
B. Gross Budget Authority	163	\$1,615,032	155	\$1,688,155	168	\$1,688,155
Offsetting Collections To:	0	\$0	0	\$0	0	\$0
Reimbursements	0	-\$1,160	0	\$0	0	\$0
C. Budget Authority Before Committee	163	\$1,613,872	155	\$1,688,155	168	\$1,688,155
Offsetting Collections From:						
Reimbursements	0	\$1,160	0	\$0	0	\$0
D. Total Budgetary Resources	163	\$1,615,032	155	\$1,688,155	168	\$1,688,155
FTE Lapse	-8	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	0	-\$503	0	\$0	0	\$0
E. Total, Estimated Obligations	155	\$1,614,529	155	\$1,688,155	168	\$1,688,155

JOB CORPS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2014 Enacted	FY 2015 Request	Net Change
Budget Authority			
General Funds	\$1,688,155	\$1,688,155	\$0
Total	\$1,688,155	\$1,688,155	\$0

Full Time Equivalents			
General Funds	155	168	13
Total	155	168	13

Explanation of Change	FY 2014 Base		FY 2015 Change				Total	
	FTE	Amount	Trust Funds		General Funds		FTE	Amount
			FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	155	\$95,176	0	\$0	0	\$692	0	\$692
Personnel benefits	0	\$32,304	0	\$0	0	\$199	0	\$199
Federal Employees' Compensation Act (FECA)	0	\$3,993	0	\$0	0	\$112	0	\$112
Benefits for former personnel	0	\$197	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$4,857	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$1,164	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$2,033	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$8,233	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$7,695	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$151	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$2,090	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$1,419,378	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$7,829	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$88	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$4,028	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$35,000	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$2,376	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$33,690	0	\$0	0	\$0	0	\$0
Equipment	0	\$6,373	0	\$0	0	\$0	0	\$0

JOB CORPS

Explanation of Change	FY 2014 Base		FY 2015 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
			FTE	Amount	FTE	Amount	FTE	Amount
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	\$21,500	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	155	+\$1,688,155	0	\$0	0	+\$1,003	0	+\$1,003
B. Programs:								
To Provide for New Center Operations	0	\$0	0	\$0	0	\$13,605	0	\$13,605
To Provide for Acquisition Support	0	\$0	0	\$0	13	\$2,000	13	\$2,000
Programs Subtotal			0	\$0	13	+\$15,605	13	+\$15,605
Total Increase	155	+\$1,688,155	0	\$0	13	+\$16,588	13	+\$16,588
Decreases:								
A. Built-Ins:								
To Provide For: Rental payments to GSA	0	\$1,725	0	\$0	0	-\$20	0	-\$20
Built-Ins Subtotal	0	+\$1,725	0	\$0	0	-\$20	0	-\$20
B. Programs:								
To Provide for Center Closures	0	\$0	0	\$0	0	-\$11,588	0	-\$11,588
To Provide for a Reduction in Construction	0	\$80,000	0	\$0	0	-\$5,000	0	-\$5,000
Programs Subtotal			0	\$0	0	-\$16,588	0	-\$16,588
Total Decrease	0	\$0	0	\$0	0	-\$16,588	0	-\$16,588
Total Change	155	+\$1,688,155	0	\$0	13	\$0	13	\$0

JOB CORPS

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2013 Enacted		FY 2014 Enacted		FY 2015 Request		Diff. FY15 Request / FY14 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operations	0	1,487,006	0	1,578,008	0	1,580,825	0	2,817
General Funds	0	1,487,006	0	1,578,008	0	1,580,825	0	2,817
Construction	0	99,310	0	80,000	0	75,000	0	-5,000
General Funds	0	99,310	0	80,000	0	75,000	0	-5,000
Administration	155	27,556	155	30,147	168	32,330	13	2,183
General Funds	155	27,556	155	30,147	168	32,330	13	2,183
Total	155	1,613,872	155	1,688,155	168	1,688,155	13	0
General Funds	155	1,613,872	155	1,688,155	168	1,688,155	13	0

NOTE: FY 2013 reflects actual FTE.

JOB CORPS

BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
	Full-Time Equivalent				
	Full-time Permanent	155	155	168	13
	Total	155	155	168	13
	Average ES Salary	\$172,000	\$173,000	\$174,000	\$1,000
	Average GM/GS Grade	13	13	13	0
	Average GM/GS Salary	\$94,738	\$95,685	\$96,650	\$965
	Average Salary of Ungraded Positions	0	0	0	0
11.1	Full-time permanent	84,968	86,093	87,287	1,194
11.3	Other than full-time permanent	2,832	2,820	2,820	0
11.5	Other personnel compensation	6,018	6,263	6,263	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	93,818	95,176	96,370	1,194
12.1	Civilian personnel benefits	36,218	36,297	37,144	847
13.0	Benefits for former personnel	176	197	197	0
21.0	Travel and transportation of persons	4,875	4,857	4,999	142
22.0	Transportation of things	1,169	1,164	1,164	0
23.1	Rental payments to GSA	2,148	2,033	2,033	0
23.2	Rental payments to others	8,270	8,233	8,233	0
23.3	Communications, utilities, and miscellaneous charges	7,751	7,695	7,695	0
24.0	Printing and reproduction	151	151	151	0
25.1	Advisory and assistance services	646	2,090	2,850	760
25.2	Other services from non-Federal sources	1,328,047	1,419,378	1,421,395	2,017
25.3	Other goods and services from Federal sources 1/	12,618	11,945	11,985	40
25.4	Operation and maintenance of facilities	30,000	35,000	30,000	-5,000
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	2,133	2,376	2,376	0
26.0	Supplies and materials	34,419	33,690	33,690	0
31.0	Equipment	5,623	6,373	6,373	0
32.0	Land and Structures	45,810	21,500	21,500	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	1,613,872	1,688,155	1,688,155	0
	1/Other goods and services from Federal sources				
	Working Capital Fund	8,506	7,829	7,829	0
	Services by Other Government Departments	4,006	3,988	3,988	0
	DHS Services	76	88	128	40
	GSA Services	30	40	40	0

JOB CORPS

SIGNIFICANT ITEMS IN APPROPRIATIONS COMMITTEES' REPORTS

JOB CORPS

Omnibus Conference Report
Page 2

Contracts provided for the operation and maintenance of Job Corps facilities are generally let on a two-year basis, with as many as three option years depending on the quality of performance. When evaluating contract renewals or re-bids, due consideration should be provided to the federal investment already made in high performing incumbent contractors as a part of a full, fair, and open competitive process. As part of this process, the Department of Labor (DOL) should consider documented past performance of student outcomes and cost-effective administration as important factors in Job Corps procurements.

Response: DOL is in the process of reviewing the Conference Report language in light of the rules governing federal contracting. DOL considers past performance during the procurement process including evaluation for the initial contract award and the exercising of option years. DOL uses a performance-based outcome measurement system in the contracts, including an incentive fee that is directly tied to contractor performance.

Omnibus Conference Report
Page 2

The agreement recognizes that construction on a new Job Corps center will be substantially completed in December 2014 and provides sufficient funds to ensure that competitively awarded contracts will be in place to keep the process of opening the new center on course.

Response: ETA/OJC anticipates substantial completion of the new centers to take place in December 2014, provided that there are no unforeseen site conditions, weather, environmental issues, etc. Sufficient funding has been allocated to ensure that competitively awarded contracts will be in place to keep the process of opening the new centers on course.

S. Report 113-71
Page 21

The Committee remains concerned about the Department's mismanagement of Job Corps, which resulted in projected costs exceeding the funding provided for the operations account and, most recently, a 12-week freeze on new student enrollment. An OIG audit dated May 31, 2013, found that programmatic, budgetary, and managerial problems as well as a lack of proper program integrity controls contributed to the shortfalls in program years 2011 and 2012. The Committee directs the Secretary to provide a report no later than December 1, 2013, on the progress of the Department's implementation of the OIG recommendations, in addition to the new on-board strength model's impact on projecting program costs.

JOB CORPS

Response: Due to the late passage of the Omnibus Appropriations bill, the Secretary will provide a report on the Department's progress by July 31, 2014. Interim progress on the implementation of actions in response to the OIG recommendations may be found on the Job Corps public website at: http://www.jobcorps.gov/AboutJobCorps/performance_planning.aspx.

S. Report 113-71

Page 22

The Committee understands that the Department is undertaking a full review of the Job Corps Policy and Requirements Handbook to improve and update program management and identify potential areas for additional cost savings. The Committee supports the Department's effort in this area and encourages the Department to seek input from all stakeholders in Job Corps. The Committee directs the Department to provide a report no later than March 1, 2014, on the Department's progress in reviewing and updating the handbook.

Response: Due to the late passage of the Omnibus Appropriations bill, the Department will submit a report to describe the progress on reviewing and updating the Policy and Requirements Handbook for Job Corps by July 1, 2014.

S. Report 113-71

Page 22

The Committee also recommends a total of \$90,000,000 in construction, renovation, and acquisition funds. This amount is available from July 1, 2014, to June 30, 2017. The budget request is \$75,000,000. The Committee notes that an OIG audit report dated December 7, 2012, found Job Corps did not address maintenance deficiencies in a timely manner and did not sufficiently track and monitor obligated funds. The Committee directs the Secretary to provide a report no later than June 30, 2014, on the Department's progress in implementing the OIG recommendations to ensure the health and safety of students, staff, and visitors, as well as making improvements to the Funded-not-Corrected system, which center contractors use to track and monitor repair deficiencies.

Response: In accordance with the OIG's recommendations, ETA continues to modify and improve its Funded-not-Corrected system to ensure center contractors track, monitor, and repair deficiencies in a timely manner. ETA/Job Corps is currently revising its Policy and Requirements Handbook as it relates to Facility Standards, and Maintenance Improvement to be disseminated to the Job Corps community for comments. The Secretary will provide a report to the committee by June 30, 2014.

JOB CORPS

APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2005					
Base Appropriation...1/2/3/	\$1,557,287	\$1,541,216	\$1,577,287	\$1,546,332	0
2006					
Base Appropriation...3/4/	\$1,517,019	\$1,542,019	\$1,582,000	\$1,585,848	188
2007					
Base Appropriation...5/	\$1,426,602	\$1,523,000	\$1,629,788	\$1,599,945	188
2008					
Base Appropriation...6/	\$1,522,372	\$1,649,476	\$1,659,872	\$1,598,434	188
2009					
Base Appropriation...7/8/	\$1,564,699	\$0	\$1,693,348	\$1,683,938	181
2010					
Base Appropriation	\$1,701,389	\$1,705,320	\$0	\$1,706,823	190
2011					
Base Appropriation...9/	\$1,707,363	\$0	\$0	\$1,704,865	158
2012					
Base Appropriation...10/	\$1,699,747	\$0	\$1,706,171	\$1,702,947	166
2013					
Base Appropriation...11/	\$1,650,004	\$0	\$0	\$1,613,872	163
2014					
Base Appropriation	\$1,691,923	\$0	\$0	\$1,688,155	155
2015					
Base Appropriation	\$1,688,155	\$0	\$0	\$0	155

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

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

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

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

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

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

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

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

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

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

11/ Reflects a 0.2% across the board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

JOB CORPS

Introduction

As the nation's largest career technical training and education program for youth, the Job Corps program has a vital role in addressing the high unemployment rates for young people. The Department of Labor (DOL) is committed to ensuring that young people leave Job Corps prepared for jobs in high-demand occupations with good wage potential, an interest in pursuing further education and training, and ready to assume the responsibilities of citizenship and adulthood. Currently, these academic and career training programs operate in a group setting at 125 centers, both residential and non-residential, in 48 states, the District of Columbia, and the Commonwealth of Puerto Rico. The Job Corps (JC) supports the administration and management of the Job Corps program.

The Job Corps program provides comprehensive training and services that include career-oriented training based on industry standards and 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 also acquire basic job search and interpersonal skills to increase their employability. To assist in sustainable job placement, students who graduate from the Job Corps program are also provided an array of transitional support services that include assistance with securing housing, transportation, and child care, as well as access to mentoring support. Job Corps is funded in three distinct accounts— Operations, which funds the residential, academic and vocational programs; Administration, which funds which funds the federal administration of the program and positions at the National Office and six Regional Offices; and Construction, Rehabilitation, and Acquisition, the acquisition, design, and construction of facilities used in the Job Corps program across the country.

The Job Corps program contributes to the Department's Strategic Goals:

Goal 1: Prepare workers for better jobs

Strategic Objective 1.2: Provide marketable skills and knowledge to increase workers' incomes and help them overcome barriers to the middle class through partnerships among business, education, labor, community organizations, and the workforce system

The program serves economically at-risk youth, aged 16-24, who meet at least one of the following requirements: 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. Job Corps enrolls approximately 50,000 individuals per year. In PY 2012, 60 percent of Job Corps enrollees were high school dropouts, 42 percent were unemployed at the time of enrollment, 45 percent were from families receiving public assistance, and 24 percent had a disability.

Delivering relevant academic and career technical training that leads to meaningful employment or higher education is the overarching strategy of Job Corps. Job Corps graduates will be more competitive in the 21st Century workforce as a result of increases in academic and career technical training credential attainment, supported by increases in numeracy and literacy.

JOB CORPS

With the attainment of academic and industry-recognized, portable credentials, including Career and Technical Training (CTT) completions, Job Corps graduates have a competitive edge in the labor market. According to the Department's Bureau of Labor Statistics, in July 2013 members of the civilian workforce without a high school diploma suffered the highest unemployment rate in the nation, 11.0 percent.¹ Credentials document and verify the skills and knowledge required by employers, and when these credentials are acquired in the program, they provide graduates with enhanced employment prospects and mobility as they advance through their careers.

The Job Corps program focuses on preparing graduates for good jobs, increasing their placement outcomes, and helping graduates advance in their chosen careers. The Job Corps program has moved toward a standards-based education and training where learning goals or standards identify what students need to know and should be able to do in order to be employed and 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. Standards-based instruction ensures that Job Corps program graduates enter the workforce, the military, or postsecondary education with a defined set of skills and competencies that are relevant in today's and tomorrow's workforce, and therefore, Job Corps will help to sustain an educational system elevating the skills of these new labor market entrants. Job Corps attributes increased student success to its credential effort as evidenced by supporting data that shows increased placement overall and in jobs matching training received. These data also demonstrate increased wages over time. Job Corps began the implementation of the Industry Recognized Credential Initiative in Program Year (PY) 2008. The measure became an element of the Outcome Measurement System for informational purposes in PY 2010, and reached full implementation in PY 2011. By the end of PY 2012, the placement and wage outcomes had shown a marked improvement over PY2008. Specifically, the placement rate of Graduates and Former Enrollees improved 8.4% from 66.2% to 74.6% between PY 2008 and PY 2012, while the Graduate Average Initial Wage increased from \$9.02 in PY2008 to \$9.70 in PY1012, and the Job Training Match Average Placement Wage increased from \$9.59 to \$10.34.

The 2015 Budget provides sufficient funding to fully operate two new centers in New Hampshire and Wyoming in Program Year 2015, and continues the Administration's commitment to improving and reforming the Job Corps program. These reforms include streamlining and modernizing the program design through a revised Policy and Requirements Handbook; closing a small number of Job Corps centers that are chronically low-performing; identifying and seeking to replicate the practices of high-performing centers; and adopting cost-saving reforms. In addition, the Budget proposes steps and includes resources to strengthen the program's financial and contract oversight to ensure that the program is well positioned to serve youth well in future years.

Job Corps will also continue 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

¹ 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*, July 2013.
<http://www.bls.gov/news.release/empsit.t04.htm>

JOB CORPS

resources on 20-24-year olds, the population for whom this model was shown to be cost effective in the latest rigorous evaluation of the Job Corps program. Job Corps will continue to provide information to the public about each Job Corps center's performance in a transparent and user-friendly way on its website at:

http://www.jobcorps.gov/AboutJobCorps/performance_planning.aspx

OPERATIONS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	1,487,006	1,578,008	1,580,825	2,817
FTE	0	0	0	0

Introduction

The Job Corps Operations account funds Job Corps center operations, outreach and admissions, career transition services and field operations that support the primarily residential centers in 48 states, the District of Columbia, and the Commonwealth of Puerto Rico. The program offered at each center supports economically disadvantaged youth, who need intensive education and training services in order to become more employable, responsible, and productive citizens. The Job Corps program provides students with the skills, education and training needed to enter in high-demand career fields, thus ensuring a quality pipeline of prepared workers.

The Job Corps Program distinguishes itself from other training programs by providing students with residential services in combination with hands-on training and experience aligned with current industry standards. Furthermore, Job Corps is dedicated to training its students on state of the art tools and equipment to maximize their preparedness post-graduation. This approach is evidenced in Job Corps' work-based learning program, which requires students to participate in real work environments before their training is completed. The work-based learning program links classroom and career training to practical, on-the-job activities. These activities are reflected in the Job Corps Policy and Requirements Handbook (PRH), which describes the program and services provided to students and establishes standards for execution, so that all Job Corps centers operate in a uniform manner.

Activities funded with the Operations account include:

Outreach and Admissions – Job Corps recruits and attracts students through the outreach activities. The objectives of outreach are to:

1. Educate the public about training opportunities that Job Corps provides for economically at-risk youth;
2. Promote Job Corps as an active member/partner in the state and local workforce training communities;
3. Actively engage employers in local and national labor markets where students seek employment; and
4. Actively involve the center and its students in local communities.

During the admission process, the admission counselors assess, verify, and document applicants' eligibility for the Job Corps program. They work with applicants to understand their individual training and education needs in order to effectively place the applicant with the center that will

OPERATIONS

best meet their needs. They ensure that applicants are provided with accurate information about the standards and expectations, living arrangements, and are fully prepared for successful enrollment.

Center Operations – Ninety-seven centers are administered through center operations contracts, the majority of which are awarded on a competitive basis, and twenty-eight centers are operated through an Interagency Agreement with the U.S. Department of Agriculture. Recruitment and placement of students are administered through separate outreach and admissions (OA) and career transition service (CTS) contracts. Whether contracted or federally operated, all centers provide a similar array of services that are designed to produce well educated, trained, and socially adept young people ready to successfully compete in the employment market.

Center operations fall into three broad categories: direct student service, indirect student services, and contractor award and incentive fees.

Direct student services includes preparation for high school equivalence certification and high school diploma training, career skills training, community living, counseling, student travel, recreation, food, clothing and health services. To assist students in attaining and maintaining optimal health, the Job Corps program provides basic on-center health and dental services which includes wellness promotion, prevention, assessment, interventions, treatment, and follow-up.

Indirect student services refer to the required services necessary to support the administration and physical center operations. These services include center administration personnel, facility maintenance, security, staff training, utilities, communications and operator indirect expenses (known as the General and Administrative expense for contractors and as Program Direction for the USDA).

The final center operations category is contractor award and incentive fees, which is exclusive to the private contractors. Center contracts are awarded as cost-reimbursement contracts with fixed and incentive fees. The incentive fee provision was added to center contracts as a means to encourage better than average performance as measured by achievement of student training and employment goals.

During FY 2014, JC will be undertaking a variety of measures to strengthen contract oversight and financial management of the Job Corps program, including reviewing and assessing whether to implement changes to Job Corps' procurement practices based on internal and external recommendations.

Field Operations/Support – Activities and contracts in this operations category provide for a wide array of services, including center facility leases, career skills training provided by several national training centers, student pay and benefit services, operation of the Job Corps Data Center, which houses all of the Job Corps program's data, including performance monitoring, curriculum development, and medical testing.

Career Transition Services (CTS) – Transition services provide the successful integration of Job Corps graduates and former enrollees into the workforce. CTS staff assist students with job

OPERATIONS

searches, and finding affordable housing and transportation. The CTS counselor monitors student employment in addition to subsequent and periodic surveys.

Performance Results: The Administration remains committed to managing the program through performance-based decision-making. Student outcomes are tracked through extensive placement surveys that measure salaries and career progress. These data inform Job Corps about the impact of credentials, enable Job Corps staff to compare centers' performance, and expand successful career tracks. JC has plans to use this performance measurement system to update career tracks consistent with real time labor market information.

Center Closures: Job Corps has intensified and reinforced federal oversight of operations and performance outcomes for all centers. Federal program managers supervise centers through monitoring visits, desk audits, and Contractor Performance Assessment Reports during each contractor's performance period. Job Corps regional offices also conduct the Regional Office Center Assessments (ROCAs). Through these oversight activities, Job Corps federal program managers develop Performance Improvement Plans (PIPs) for entire centers that need improvement, or Corrective Action Plans (CAPs) to address specific issues with operations, such as career technical training. Both PIPs and CAPs are used for continued monitoring and have been used for USDA centers. PIP will also be implemented for contract centers in PY 2015. Only CAPS have been used with contract centers, as the competitive bid process allows replacement of low-performing operators. However, since this generally takes five years, the PIP process is being added for these centers as well. These oversight actions strengthen collaboration between Job Corps, contractors, and the USDA to rectify deficiencies and improve policy compliance and performance outcomes.

While the majority of centers meet program standards, some centers are chronically low-performing and have remained in the bottom cohort of center performance rankings for multiple years despite DOL interventions. Given the resource intensiveness of the Job Corps model, the Administration determined that it should no longer continue to expend resources on the small number of chronically low-performing centers that have repeatedly failed to provide participants with the highest quality of Job Corps programming.

The student slots at the closed centers will be reallocated to centers that perform well, and any savings that are realized after the closing procedures have been fully completed will be reinvested into the program with a primary emphasis serving the most students possible with the available resources and enhancing education programs and offerings.

New Centers: Job Corps will be opening two new centers, one in New Hampshire and one in Wyoming. With the addition of these two centers, there will be at least one Job Corps center in all fifty states to service the states' and the nation's at-risk youth. This represents a critical milestone achieved in the program's long-term strategy of supporting the employment needs of every region and sector of the national economy. The strategy's goal was to ensure that the employment needs and the corresponding training needs of each region is addressed through the presence of at least one center focused on those local needs, and the opening of Wyoming and New Hampshire Job Corps centers represents the achievement of that strategic vision.

OPERATIONS

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$1,572,833	0
2011	\$1,570,932	0
2012	\$1,569,078	0
2013	\$1,487,006	0
2014	\$1,578,008	0

Funding Mechanism

In PY 2013, the Department administers Job Corps through 147 contracts for the program's 125 centers and educational and career technical training programs. Private contractors operate 97 centers and the U.S. Department of Agriculture (USDA) runs the remaining 28 centers. In 2015, the Department will continue to provide training to at-risk and/or disadvantaged students by funding the appropriate contracted On Board Strength (OBS) of students (see detailed discussion below on OBS levels).

The training of students at Job Corps centers, is operated through contracts for recruitment and placement of students, skills training, program analysis and technical assistance, and administrative support (i.e., information technology support). The Civilian Conservation Centers are federally operated through the transfer of funds to the U. S. Department of Agriculture (USDA) under an Interagency Agreement.

Job Corps' funding for Operations and Construction operate on a program year (PY) calendar. Therefore, funds appropriated in FY 2015 are available from July 1, 2015 through June 30, 2016 for Operations and (longer for CRA).

In order to avoid the financial difficulties experienced by Job Corps in PY 2011 and PY 2012, ETA has changed the basis for its budget calculations. In PY 2012, Job Corps developed a model to determine the appropriate OBS that better reflects actual expenditures. This model helps ensure that the agency continues its mission of providing high-quality education, training, and credentialing to young, at-risk adults, within budgetary realities. Job Corps will continue to refine the model as additional data becomes available.

This budgeting model takes the expected appropriation in a PY and then uses center-based data to determine how much has historically been spent in each operating expenditure line item by each center, per the center's average actual OBS level. A key principle of the model is that ETA can separate variable and non-variable costs per student across 29 center expense categories within the Job Corps Operations account. The model assumes that variable costs include those that ETA cannot easily calculate over time and that are subject to enrollment, e.g., the quantity of food, utilities, fuel, clothing, and other items consumed over a defined period of time. Variable costs also include some personnel costs that are associated with student enrollment. Non-variable

OPERATIONS

costs are those that ETA can calculate over a period of time, e.g., rent fees, some salary and expenses, and other long-term contractual obligations. After adjusting for inflation and the percent variability by center, Job Corps can calculate the variable cost per student by center. Using this information and the non-variable costs, Job Corps has determined an OBS level that is reflective of the program's funding level that is affordable at each center. Because the model alone cannot fully account for center-specific factors that affect the appropriate OBS levels, such as dorm usage and class size, Job Corps establishes the final OBS level for each center after reviewing its residential and programmatic needs. On a monthly basis, Job Corps and the Department are then comparing costs against plans. As differences appear, the explanations for those differences have been sought and determined. Potential areas of concern are identified and addressed.

The Department has chosen this model because it maximizes the number of students the program is able to enroll within the budget received. ETA's commitment is to ensure a strong student focus on education, career training, and placement in a job on a career path with good wages. Job Corps anticipates that this model will better support the program's goal and enable budgeting and contracting staff to more successfully oversee and monitor the program and its performance. The Department will also continue to review and enhance the model as it matures in future program years with added program years of data.

FY 2015

The budget request in FY 2015 for Operations is \$1,580,825,000, which is an increase of \$2,817,000 over the FY 2014 enacted level. This request includes a transfer for funding the operations and administration of the 28 Civilian Conservation Centers operated by the USDA Forest Service. Funding at this level will enable Job Corps to execute all programs and services under the Department's Strategic Goal of *Preparing workers for better jobs*.

The 2015 Budget continues the Administration's commitment to strengthening the Job Corps program and improving students' outcomes. Taking the necessary actions to operate at this funding level will enable Job Corps to fully execute all programs and services under Departmental Strategic Goal 1. 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 six percentage point increase in students achieving literacy and numeracy gains; a 10 percentage point increase in students attaining an academic credential; and a 10 percentage point increase in students attaining industry-recognized credentials. Job Corps is committed to transparently sharing information on these outcomes on its website at http://www.jobcorps.gov/AboutJobCorps/performance_planning.aspx.

The request includes \$13,605,000 for operations costs of two new centers that are scheduled to open late PY 2014 or early PY 2015. This request will fully fund the New Hampshire and the Wyoming Job Corps centers. Job Corps has estimated that both of

OPERATIONS

these centers will begin accepting students in PY 2015. The request reflects \$4,918,000, which is the remainder of the operating costs for New Hampshire above the current base funding and \$8,687,000 million for the Wyoming center. These costs assume that both centers will have 300 new student slots at each center for a total of 600 in FY 2015. With the addition of these two centers, there will be at least one Job Corps center in all fifty states to service the states' and the nation's at-risk youth. This represents a critical milestone achieved in the program's long-term strategy of supporting the employment needs of every region and sector of the national economy. The strategy's goal was to ensure that the employment needs and the corresponding training needs of each region is addressed through the presence of at least one center focused on those local needs, and the opening of Wyoming and New Hampshire Job Corps centers represents the achievement of that strategic vision.

The request also includes \$11,588,000 in estimated savings from the planned closure of a small number of chronically low-performing centers. The savings will partially offset the increases needed for the costs of the two new centers.

FY 2014

The FY 2014 enacted appropriation for Operations is \$1,578,008,000, which is an increase of \$91,002,000 over the FY 2013 enacted level, less sequestration. This appropriation includes a transfer to the USDA to fund the operations and administration of the 28 Civilian Conservation Centers operated by the USDA Forest Service. The majority of the remaining Operations budget will be used to fund student training expenses at the DOL contractor-operated centers. Job Corps operating expenses include contracts for outreach and admission services, center operations contracts, contracts for career technical training, 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, and execute all programs and services under the Department's Strategic Goal of *Preparing workers for better jobs*.

During PY 2014, Job Corps OBS levels will rise to approximately 37,000. Efforts already underway to strengthen the Job Corps program's management and oversight will continue, including efforts to strengthen financial and procurement oversight, to allow the program to maintain strong internal controls, ensure that its contracts are procured and monitored appropriately, and closely monitor expenditures. In FY 2014, the Job Corps program will continue to look for ways to improve efficiencies in service delivery to ensure that resources are utilized to provide greater outcomes. The Job Corps program will continue to modernize curricula, upgrade equipment, and refine training to provide skills and credentials needed by employers for the career technical training provided in 11 industries. Job Corps will 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. Job Corps will also continue progress in modifying its high school equivalency academic program, based on nationwide changes to the high school equivalency exams.

OPERATIONS

In 2014 activities will reflect a continuation of the Administration's commitment to strengthening and reforming the Job Corps program and improving students' outcomes. Actions anticipated include: closing Job Corps centers that are chronically low-performing; identifying and replicating the practices of high-performing centers; transitioning to serving a predominantly older youth cohort; and adopting cost-saving reforms. In addition, Job Corps will return to the previous practice of funding continuous maintenance and upgrades of the IT infrastructure.

FY 2013

The FY 2013 enacted level of \$1,487,006,000 reflects the final PY 2013 availability after sequestration, a reduction of \$82,072,000 from the FY 2012 enacted level. In order to ensure financial stability within the program and establish an OBS level for PY 2013 that was supportable under the FY 2013 appropriation, Job Corps implemented an across-the-board cut in planned OBS levels. Reducing OBS was a critical step in ensuring that Job Corps' total financial and budgetary commitments aligned with the appropriation.

In addition, in PY 2012, the Job Corps program implemented several permanent cost saving measures including reduced student pay, reduced student clothing allotments, elimination of an accounting contract, and elimination of student pay when students are not present for duty. The costs saving measures were implemented with a goal to operate more efficiently and make reductions in areas that resulted in minimal disruption to student learning. Due to the cost savings measures implemented in PY 2012 and the slower than anticipated enrollment of students after the enrollment suspension was lifted in April 2013, expenditures by contractors throughout the program year were, in many cases, less than what was obligated to the contracts, and some of that funding remained available on those contracts at the end of PY 2012. As a result, just over \$40 million will be offset from the PY 2013 allocations, allowing Job Corps to re-allocate some PY 2013 funds for crucial needs that will better prepare students so that Job Corps is not using end-of-life cycle and outdated tools to prepare students for 21st Century jobs. A portion of the funds will be used to begin to ramp up to the OBS level supported by the FY 2014 enacted appropriation. Additionally, Job Corps plans to use a portion of the funds to implement a much-needed modernization of equipment and technology at Job Corps Centers, to begin the planned review of the current program design, and to provide procurement and contract closeout support.

OPERATIONS

DETAILED WORKLOAD AND PERFORMANCE							
	PY 2012 Enacted		PY 2013 Enacted		PY 2014 Enacted	PY 2015 Request	
	Target	Result	Target	Result	Target	Target	
Operations							
Strategic Goal 1 - Prepare workers for better jobs							
Strategic Objective 1.2 - Provide marketable skills and knowledge to increase workers' incomes and help them overcome barriers to the middle class through partnerships among business, education, labor, community organizations, and the workforce system							
Number of Operating Centers at Year End	125	125	125	--	122	124	
ETA- OJCAPR- 03	Percent of students who attain a GED, HSD, or certificate by the end of the third quarter after exit from the program (Job Corps)	58.00%	64.90%	58.00% [r]	--	58.00%	68.00%
ETA- OJCAPR- 04	Percent of Job Corps students who achieve literacy or numeracy gains of one or more adult basic education levels	61.00%	64.70%	62.00% [r]	--	62.00%	68.00%
ETA- OJCAPR- 01	Percent of Job Corps students who attain industry-recognized certifications	51.00%	77.30%	70.00% [r]	--	70.00%	80.00%
ETA- OJCAPR- 02	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	67.3%	73.3%	65.0%	--	70.0%	74.0%
Slots		45,165	44,697	36,046	--	37,000(e)	37,000(e)
Student Service Years		43,810	43,356	34,965	--	36,043(e)	36,043(e)

OPERATIONS

DETAILED WORKLOAD AND PERFORMANCE						
	PY 2012 Enacted		PY 2013 Enacted		PY 2014 Enacted	PY 2015 Request
	Target	Result	Target	Result	Target	Target
Average wage of graduates at initial placement (Job Corps)	\$9.30	\$9.60	\$9.35	\$0.00	\$9.50	\$9.70
Average wage of graduates placed in an occupation or industry related to their training	\$9.75	\$10.19	\$9.90	--	\$9.90	\$9.95
Average wage of participants at initial placement	\$9.30	\$9.35	\$9.35	--	\$9.35	\$9.40
New Enrollments	55,947	55,028	52,267	--	48,057	48,057
Academic/Vocational Cost per New Enrollee (r)	TBD	TBD	TBD	--	TBD	TBD

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

OPERATIONS

Workload and Performance Table Summary

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; the percent of participants who earn a diploma, high school equivalency, or certificate while in the program; and the percent of participants who achieve literacy or numeracy gains of one educational functioning level.

Job Corps also tracks the: (1) percent of students attaining industry-recognized credentials; (2) average wage at initial placement; and (3) average wage of graduates placed in an occupation or industry related to their training. Setting aggressive performance targets reflects Job Corps' continuous effort to achieve better results in students' academic and career technical training on centers and job placement after leaving Job Corps. 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.

The most significant target increases are shown in the *Percent of students who attain GED, HSD, or Certificates*, the *Percent of students who receive industry-recognized credentials*, and the *Percent of students which achieve literacy or numeracy gains of one or more TABE levels*. These increases are directly related to investments made in the improvement and expansion of academic programs since PY 2013.

Maintaining FY 2015 Student Slot levels at approximately 37,000 will keep the number of enrollees steady at 48,051. In addition, Student Service Years will remain steady at 36,038 students, which is the number of students expected to be in the program at any one time. This is calculated to recognize the open entry/exit nature of the Job Corps program by applying a capacity utilization rate of 97% to the total number of slots. The number of new enrollments for PY 2013 is higher than PY 2014 and PY 2015 due to the filling of vacant student slots following the enrollment suspension.

Note: In past years, the methodology for calculating the cost per new student is adding the entire Operations and Construction, Rehabilitation and Acquisition budgets and dividing it by the number of new students admitted to the program. This results in an inflated cost per student. Similar to other academic environments such as four-year colleges and community colleges, Job Corps is exploring a more accurate way to calculate costs per students. For example, colleges separate academic costs versus board and room costs and other non-academic costs such as health insurance, transportation, lab fees, etc. Since Job Corps is a primarily academic and vocational program delivered via a primarily residential program, the Department believes that these costs should not be rolled up into a single per student cost. Therefore, the measure Academic/Vocational costs per new student will be calculated by adding the academic and vocational costs in the Operations account and dividing by the new student enrollment.

OPERATIONS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	68,880	69,236	69,924	535
11.3	Other than full-time permanent	2,832	2,820	2,820	0
11.5	Other personnel compensation	6,018	5,991	5,991	0
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	77,730	78,047	78,735	535
12.1	Civilian personnel benefits	31,560	31,619	31,731	265
13.0	Benefits for former personnel	176	177	177	0
21.0	Travel and transportation of persons	4,217	4,199	4,199	0
22.0	Transportation of things	1,169	1,164	1,164	0
23.1	Rental payments to GSA	309	308	308	0
23.2	Rental payments to others	8,270	8,233	8,233	0
23.3	Communications, utilities, and miscellaneous charges	7,609	7,575	7,575	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	1,309,545	1,400,778	1,402,795	2,017
25.3	Other goods and services from Federal sources 1/	9,654	9,304	9,304	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	1,676	1,676	0
26.0	Supplies and materials	34,336	33,560	33,560	0
31.0	Equipment	623	1,243	1,243	0
32.0	Land and Structures	0	0	0	0
	Total	1,487,006	1,578,008	1,580,825	2,817
	1/Other goods and services from Federal sources				
	Working Capital Fund	5,648	5,316	5,316	0
	Services by Other Government Departments	4,006	3,988	3,988	0

OPERATIONS

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$535
Personnel benefits	153
Federal Employees' Compensation Act (FECA)	112
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	0
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other goods and services from Federal sources	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 **\$800**

Net Program **\$2,017**

Direct FTE **0**

	Estimate	FTE
Base	\$1,578,808	0
Program Increase	\$13,605	0
Program Decrease	-\$11,588	0

CONSTRUCTION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	99,310	80,000	75,000	-5,000
FTE	0	0	0	0

Introduction

The Job Corps Construction, Rehabilitation, and Acquisition (CRA) account provides for the rehabilitation of current facilities; modernization of classroom and training buildings to meet the credentialing needs of high growth occupations; repair of building deficiencies to address life, safety, and health concerns including emergency repairs; the construction of new buildings when further repair is not cost effective; and, as directed by the Congress, the acquisition of sites and construction of buildings for new centers. CRA funding is critical to the success of the Job Corps program because modern facilities contribute to a safe and effective learning environment. Funding is distributed across all centers, impacting the daily lives of students and staff.

In a primarily residential program that operates 24 hours, seven days per week, facility conditions are critical. The quality of residential and learning facilities has a direct impact on the student experiences and, ultimately, their educational achievement. Research by the National Clearinghouse for Educational Facilities concluded that school facilities, including spatial configurations, noise, heat, cold, light, and air quality affect both student’s ability to learn and also teacher performance.² Specifically, reports from the Building Educational Success Together (BEST) Foundation³ 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. Further, a 2006 21st Century School Fund report outlined the disparity between facilities serving affluent students as compared to those serving what it termed “the academically neediest students—minorities and impoverished students.”⁴ Therefore, if Job Corps students feel safe and secure, they are more likely to stay and attain a High School Diploma or high school equivalency certificate 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.

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

² Schneider, M. (2002). *Do School Facilities Affect Academic Outcomes?* Washington, D.C.: National Clearinghouse for Educational Facilities.

³ 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.*

⁴ Filardo, M. W., Vincent, J. M., Sung, P., & Stein, T. (2006). *Growth and Disparity: A Decade of US Public School Construction. 21st Century School Fund.*

CONSTRUCTION

initiatives that demonstrate the commitment to sustainability and environmental stewardship. In 2010, Job Corps was recognized for its contribution to the Department’s receipt of “Green” on all three of the Draft OMB Environmental Stewardship Scorecards.

Large and small businesses, nonprofit organizations, and Native American tribes manage and operate most of the Job Corps centers through contractual agreements with the Department, while the remaining centers are operated through an interagency agreement with the U.S. Department of Agriculture. The following chart shows the location of each Job Corps center, and the agency responsible for the operation of each.

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
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	USDA
CHARLESTON	Charleston, West Virginia	DOL
CINCINNATI	Cincinnati, Ohio	DOL
CLEARFIELD	Clearfield, Utah	DOL
CLEMENTS	Morganfield, Kentucky	DOL
CLEVELAND	Cleveland, Ohio	DOL
COLLBRAN	Collbran, Colorado	USDA
COLUMBIA BASIN	Moses Lake, Washington	USDA
CURLEW	Curlew, Washington	USDA

CONSTRUCTION

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
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	USDA
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
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
LYNDON B. JOHNSON	Franklin, North Carolina	USDA
LITTLE ROCK	Little Rock, Arkansas	DOL

CONSTRUCTION

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
LONG BEACH	Long Beach, California	DOL
LORING	Loring, Maine	DOL
LOS ANGELES	Los Angeles, California	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 HAMPSHIRE*	Manchester, New Hampshire	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
PINE RIDGE	Chadron, Nebraska	USDA
PINELLAS PARK	Pinellas, Florida	DOL
PITTSBURGH	Pittsburgh, Pennsylvania	DOL
POTOMAC	Washington, DC	DOL
RAMEY	Aguadilla, 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

CONSTRUCTION

JOB CORPS CENTERS

CENTER	LOCATION	AGENCY OPERATORS
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	USDA
TULSA	Tulsa, Oklahoma	DOL
TURNER	Albany, Georgia	DOL
WEBER BASIN	Ogden, Utah	USDA
WESTOVER	Chicopee, Massachusetts	DOL
WHITNEY YOUNG	Simpsonville, Kentucky	DOL
WILMINGTON	Wilmington, Delaware	DOL
WIND RIVER*	Riverton, Wyoming	DOL
WOLF CREEK	Glide, Oregon	USDA
WOODLAND	Laurel, Maryland	DOL
WOODSTOCK	Woodstock, Maryland	DOL

Note: The centers with the asterisk are still under construction but are scheduled to be open and fully enrolled during PY 2015.

One of the Department's primary strategies in PY 2015 is to renovate existing facilities, modernize career technical training labs, and provide vital repairs and renovations addressing life-safety and health deficiencies. 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. The Job Corps program is in the process of constructing two new centers: one in Manchester, NH and one in Wind River, WY.

Additionally, the Department has specific goals related to the Sustainability Initiative, an aggressive initiative that establishes energy efficiency goals for Federal facilities. The sustainability performance targets of Job Corps are ambitious and aggressive. Executive Order 13514 "Federal Leadership in Environmental, Energy, and Economic Performance," 13423 "Strengthening Federal Environmental, Energy, and Transportation Management," and the OMB Environmental Scorecard establish requirements for buildings owned by the Federal Government to meet sustainability standards. The funding will help to address a multi-year initiative, which will allow Job Corps to work toward achieving the following goals:

CONSTRUCTION

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

In recent years, as the Department has made regular repairs and improvements to Job Corps program buildings and facilities, the program has incorporated sustainability elements, such as Energy Star appliances and low-flow water systems, wherever possible. Newly-constructed campuses are ideal “green” learning laboratories as they fully comply with Federal “Guiding Principles for Sustainable Buildings.” Students study at these sites 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 programs, in which students apply their training by performing construction projects, the Department will engage an estimated 3,000 students in projects that lead to both positive learning outcomes and environmental impacts. For example, students receiving instruction from the International Union of Operating Engineers have been instrumental in implementing energy management measures on Job Corps campuses as part of their green skills training. NTC programs are ideal 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.

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

- 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.
- Job Corps green projects target specific green actions (s, e.g., for example energy-efficient equipment replacing, xeriscaping, and waste reduction), and to incorporate and teach green principles from approved projects.
- The 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.
- Reduce energy intensity of Job Corps facilities and increase the installation and use of renewable electricity.
- Install smart utility meters.

CONSTRUCTION

For approximately 3% of students who participate in sustainable construction projects, they will be exposed 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>
2010	\$104,800	0
2011	\$104,801	0
2012	\$104,792	0
2013	\$99,310	0
2014	\$80,000	0

Funding Mechanism

Job Corps' construction funding operates on a program year (PY) calendar for a three year period. Therefore, funds appropriated in FY 2015 are available from July 1, 2015 through June 30, 2018. The majority of funding is awarded to contractors using competitive bidding and most of the design and construction projects are awarded to small businesses. The remainder of the funding is provided to the USDA for small projects through an interagency agreement.

FY 2015

The FY 2015 request of \$75,000,000 will enable Job Corps to address CRA needs, which include the construction and rehabilitation of facilities; repair and upgrade of life, safety and health deficiencies; and, modernization of education and training buildings. This request will enable Job Corps to reduce the backlog of critical repairs at Job Corps centers and fund an initiative through the 2015 calendar year to ensure that the Job Corps program achieves mandated goals in accordance with Sustainability Executive Orders 13514 and 13423, EISA 2007, and the OMB Environmental Scorecard. The process for each center will include retro-commissioning, reporting, procurement, project implementation, and benchmarking. This request will also significantly fund the construction of the final phase of the campus redevelopment project at the St. Louis Job Corps Center in St. Louis, Missouri.

The FY 2015 budget request for CRA will be allocated as follows:

- \$1,200,000 for conditions that threaten life or safety;
- \$300,000 for abatement of environmentally unsafe conditions;
- \$2,500,000 for sustainability and energy saving investments;
- \$2,000,000 for center telecommunication wiring upgrades;
- \$17,000,000 for engineering and contract support services;
- \$7,000,000 contingency funds for emergency repairs;
- \$15,000,000 minor repair and replacement; and
- \$30,000,000 for building rehabilitation and building replacement

CONSTRUCTION

In addition, ETA is requesting additional authority in the appropriations language, which would allow funding in this activity to support the acquisition, repair, and maintenance of major items of equipment used in the Job Corps program, as well as projects for the acquisition, design, and construction of facilities.

FY 2014

The FY 2014 enacted appropriation for CRA of \$80,000,000 will enable Job Corps to address CRA needs, which include the construction and rehabilitation of facilities; repair and upgrade of life, safety and health deficiencies; and, modernization of education and training buildings. This request will enable Job Corps to reduce the backlog of critical repairs at Job Corps centers and fund an initiative through the 2015 calendar year to ensure that the Job Corps program achieves mandated goals in accordance with Sustainability Executive Orders 13514 and 13423, EISA 2007, and the OMB Environmental Scorecard. The process for each center will include retro-commissioning, reporting, procurement, project implementation, and benchmarking. This request will also provide the final outfitting for the opening of the new Job Corps Centers in Manchester, New Hampshire and Wind River, Wyoming.

The FY 2014 budget request for CRA will be allocated as follows:

- \$1,200,000 for conditions that threaten life or safety;
- \$300,000 for abatement of environmentally unsafe conditions;
- \$2,500,000 for sustainability and energy saving investments;
- \$2,000,000 for center telecommunication wiring upgrades;
- \$17,000,000 for engineering and contract support services;
- \$7,000,000 contingency funds for emergency repairs;
- \$15,000,000 minor repair and replacement; and
- \$35,000,000 for building rehabilitation and building replacement.

FY 2013

The FY 2013 enacted appropriation for the CRA account was \$99,310,000. The appropriation 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
- \$288,000 for abatement of environmentally unsafe conditions
- \$1,604,821 for energy saving investments
- \$2,000,000 for center telecommunication wiring upgrades
- \$2,500,000 for Green Way projects (sustainability)
- \$15,000,000 for engineering and contract support services
- \$6,891,179 contingency funds for emergency repairs
- \$16,200,000 minor repair and replacement
- \$53,826,000 for building rehabilitation and replacement projects

CONSTRUCTION

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 FY 2013 appropriation will allow the Department to continue the 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”. The FY 2013 CRA budget allowed the full funding of construction of the new Wind River Job Corps Center in Riverton, Wyoming; the full funding of construction for a major rehabilitation project at the Shreveport Job Corps Center in Shreveport, Louisiana; the full funding of construction for the final phase of the redevelopment at the Potomac Job Corps Center in Washington, DC; the projected settlement of several construction claims; and the full construction funding for rehabilitation projects at five other Job Corps centers.

CONSTRUCTION

DETAILED WORKLOAD AND PERFORMANCE						
	PY 2012 Enacted		PY 2013 Enacted		PY 2014 Enacted	PY 2015 Request
	Target	Result	Target	Result	Target	Target
Construction						
Strategic Goal 1 - Prepare workers for better jobs						
Strategic Objective 1.1 - Advance employment opportunities for US workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships						
ETA- Facilities Condition Index (FCI) OJC-03	93.15%	94.00%	92.80% [r]	93.70%	92.80%	92.72%

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

CONSTRUCTION

Workload and Performance Table Summary

Funding for repairs and replacements impact the program's Facility Condition Index, a measurement of the overall condition of the program's facilities, based on the completion of construction projects nationwide. In general the facility condition index will go up when repair and replacement projects are able to be funded and completed. Conversely, a lower level of funding generally results in the delay of repair and replacement projects and a lower facility condition index.

Job Corps is pursuing increased sustainability of its facilities to reach 15 percent by FY 2015. The completion of construction of two new sustainable Job Corps centers located in Wyoming and New Hampshire in PY 2014, which will begin enrolling students in PY 2015, is an important effort toward reaching this objective. In addition, Job Corps will document the sustainability of three recently constructed new Job Corps centers in Florida, Iowa, and Wisconsin; complete construction of numerous newly built sustainable buildings or major renovations (for example: a new dormitory and a major renovation to the educational and administrative building at the Detroit Job Corps Center; a new dormitory at the Mississippi Job Corps Center; a major renovation to the cafeteria at the Brunswick Job Corps Center; a major renovation to the main building at the South Bronx Job Corps Center; a new cafeteria and new and renovated educational buildings at the Shreveport Job Corps Center; and three new vocational buildings at the Potomac Job Corps Center); and achieve sustainability at other existing buildings.

Additionally, Job Corps will continue to improve upon sustainability achievements, as resources allow, including reducing energy usage by 3% annually; identifying ways to reduce consumption of potable water; ensuring that new covered building stock will be designed to exceed energy efficient, environmentally friendly engineering standards; building upon the 95 percent alternative-fuel usage rate; and decreasing total petroleum use by 10 % 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.

Job Corps will also incorporate sustainability projects into centers' annual Career Technical Skills Training plans. Job Corps has already begun to include "student involvement" as a required component in sustainability construction statements of work. These sustainability projects will provide practical experience for students to hone their skills, making them more marketable and competitive in the emerging green construction sector.

The following outputs will measure the effectiveness of Job Corps sustainability efforts:

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

CONSTRUCTION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.1	Advisory and assistance services	0	0	0	0
25.2	Other services from non-Federal sources	18,500	18,500	18,500	0
25.4	Operation and maintenance of facilities	30,000	35,000	30,000	-5,000
31.0	Equipment	5,000	5,000	5,000	0
32.0	Land and Structures	45,810	21,500	21,500	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	99,310	80,000	75,000	-5,000

CONSTRUCTION

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Advisory and assistance services	0
Other services from non-Federal sources	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 -\$5,000

Direct FTE 0

	Estimate	FTE
Base	\$80,000	0
Program Increase	\$0	0
Program Decrease	-\$5,000	0

ADMINISTRATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
Activity Appropriation	27,556	30,147	32,330	2,183
FTE	155	155	168	13

NOTE: FY 2013 reflects actual FTE. Authorized FTE for FY 2013 was 163.

Introduction

The Administration account provides funding for the salaries, travel, equipment and training for the staff supporting the Job Corps program in the Office of Management and Administrative Services, Office of Financial Administration and Office of Contracts Management as well as the Job Corps national and regional office staff. These offices provide critical support to the administrative, budgetary, programmatic, and contracting functions. The Administration account also funds IT systems development, the Department’s working capital expenses, the Department’s Office of the Chief Information Officer (in support of ETA’s information technology network, and infrastructure), and ETA’s indirect costs. Administration funding is available on a fiscal year basis.

The national office includes the director and deputy director of Job Corps, the executive management team, and staff that manages national policy, reviews program performance, and establishes national standards for the Job Corps program. The regional offices perform contract oversight and center monitoring and each is led by a regional director. Each region has designated staff to serve as contracting officers’ representatives (CORs) for contracts relating to center operations, outreach and admissions (OA), and/or career transition services (CTS). In addition to contract administration functions, which are coordinated through the Office of Contracts Management, such as reviewing invoices and processing modifications, regional staff also conduct formal compliance assessments, on-site monitoring trips, desktop audits, and regular performance reviews of the contracts under their purview.

Job Corps Program Administration funding plays an integral role in implementing Departmental Strategic Goal 1: *Prepare Workers for Better Jobs*. Job Corps Federal staff is responsible for monitoring and ensuring Job Corps contractors are in compliance with program 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.

The Department engages in a continuous process of evaluating program performance to ensure accountability, integrity, and effectiveness of the Job Corps program. Job Corps Federal program managers are primarily responsible for monitoring Job Corps centers. In FY 2015, that monitoring will be accomplished through annual Contractor Performance Assessment Reports (CPARs) and bi-annual on-site Regional Office Center Assessments (ROCAs). These activities will continue to be Job Corps primary formal assessments of contractors’ performance in delivering services to students, implementing program initiatives, managing budgetary resources,

ADMINISTRATION

and adhering to policies and regulations governing contract administration, data integrity, and property and facilities.

In FY 2015, Job Corps training management staff will continue to move toward a standards-based education and training delivery model. The review and development of standards will focus on student learning objectives that merge academic and career technical instruction. The continued integration of academic and industry standards will enable students to apply their training to projects or practical situations. This increased rigor and relevance of program content will improve both the quality of instruction and student retention as it represents what they will encounter when they enter the workforce. This approach of integrating academic and career technical training is also integral to increasing credential attainment.

Job Corps construction management staff oversees national architectural and engineering (A/E) design and construction projects throughout the nation, through the implementation of Job Corps' annual Construction, Rehabilitation, and Acquisition (CRA) budget. In FY 2015, they will continue to monitor technical aspects of contracts and in-house efforts pertinent to the Job Corps design and construction program to ensure successful completion of all proposed projects. Providing the technical review and approval of the engineering aspects of, but not limited to, site surveys, utilization studies, facility surveys, emergency requests, scopes of work, and contract documents in conjunction with and in support of the Job Corps program.

Job Corps Administration funds are also used to finance ETA's mission to support activities such as financial oversight of contracts and control of Job Corps funds and administrative management. The offices in which these functions reside provide critical support to the programmatic functions of the Job Corps program. ETA's mission supports offices provide critical business functions, which allow the Job Corps program to operate. Without these business functions, the ability of Job Corps to perform the most basic of operations would be constrained. Federal Job Corps staff will also strengthen partnerships with other departmental systems such as the American Job Center network and Registered Apprenticeship programs to ensure that students have access to the array of resources offered by the Department.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2010	\$29,190	190
2011	\$29,132	158
2012	\$29,077	166
2013	\$27,556	163
2014	\$30,147	155

FY 2015

The 2015 agency request for Job Corps Administration is \$32,330,000 and 168 full-time equivalent (FTE). This program increase includes built-in adjustments of \$183,000 and an

ADMINISTRATION

increase of \$2,000,000 for 13 FTE performing tasks related to contract administration. The requested contract specialists address a recent analysis of Job Corps acquisition practices which found that Job Corps' contracting staff was small compared to other Federal agencies with similar contracting workload. The additional staff will ensure there are a sufficient number of qualified staff to provide monitoring and oversight of Job Corps contracts.

In FY 2014, the agency is undertaking an effort to determine the proper number of CORs, contracting officers, contract specialists, and supervisors needed to fully support Job Corps. The procurement study that Job Corps recently completed demonstrated that there is an insufficient number of CORs and contract specialists to efficiently and effectively handle the workload. The staffing study will help the agency determine the best number and balance of staff type.

Staff will continue to work on improvements in procurement practices that will help the program better control costs while meeting programmatic goals. Staff will have completed work on the new Acquisition Handbook, and management will ensure staff is trained on its use.

Also in FY 2014, Job Corps began a multi-year effort to redesign the program by streamlining and updating program requirements to create a more cost-effective model that continue to produce strong student outcomes. Those efforts will continue in FY 2015.

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.

FY 2014

The 2014 enacted appropriation for Job Corps Administration is \$30,147,000 and 155 full-time equivalent (FTE). The 2014 appropriation allows Job Corps to continue efforts to place additional emphasis on financial oversight and financial analysis of Job Corps contracts that will be more comprehensive and timely.

During FY 2014, Job Corps staff will undertake significant efforts to update roles and responsibilities and develop revised policies and procedures pertaining to funds management, contracting and contractor oversight. Staff will work to develop a new model RFP that makes changes designed to incorporate a cost incentive into contract performance, will improve the program's independent government cost estimating guidelines and procedures, and will begin a multi-year effort to redesign the program by streamlining and updating program requirements to create a more cost-effective model that continue to produce strong student outcomes. Staff will also begin working through an extensive list of procurement actions that must be completed in FY 2014 and FY 2015.

In 2014, results from regularly scheduled assessments and Job Corps program evaluation activities initiated in 2011 and 2012 will indicate areas for program improvement and reform. Specifically, monitoring, oversight, and accountability will be increased for poor-performing centers using tailored performance improvement plans. The program evaluation

ADMINISTRATION

activities also may inform modifications to existing policies, procedures, and practices to promote successful strategies concluded from the study. Staff will review the model RFP and RFI to determine where such lessons learned may be incorporated.

ETA will continue work to improve communication and coordination between its Office of Job Corps, Office of Financial Administration and Office of Contract Management, with regular meetings and frequent reporting to the Department on the status of the PY 2014 costs against the established targets and development of reports that provide an early warning system to notify and take action if Job Corps is projected to have financial difficulties. Job Corps staff will also continue work to update regional office policies and procedures pertaining to funds management, contracting and contractor oversight through the completion of a new Acquisition Handbook, and will provide additional training for Job Corps staff involved in this process. Job Corps leadership will also be increasing their monitoring of CORs by providing additional training as needed, and by implementing select recommendations from its human capital resource needs assessment.

FY 2013

The FY 2013 federal administration enacted level was \$27,556,000 and 163 FTE. Staff undertook a variety of measures to strengthen contract oversight and financial management of the Job Corps program. These include thorough analysis and monitoring of programmatic and financial data; aligning the number of students with the levels supportable under the program's appropriation; improving communication between program, contracting, fiscal, and agency leadership; and improvements in contract administration and oversight as well as additional training for contracting staff.

In FY 2013, staff undertook significant efforts to right-size the program and its delivery, and to manage the communication and contract modification activities surrounding the implementation of the enrollment suspension. Staff also worked to prepare documentation around the proposed methodology for closing a small number of chronically low-performing centers. In addition, staff began work on several projects to review contracting procedures that will lead to program success in the future, including developing a new model RFI, and beginning work on a new model RFP.

ADMINISTRATION

DETAILED WORKLOAD AND PERFORMANCE				
	FY 2013 Enacted		FY 2014 Enacted	FY 2015 Request
	Target	Result	Target	Target
Administration				
Strategic Goal 1 - Prepare workers for better jobs				
Strategic Objective 1.2 - Provide marketable skills and knowledge to increase workers' incomes and help them overcome barriers to the middle class through partnerships among business, education, labor, community organizations, and the workforce system				
ETA- OJC-01	Number of Regional Office Center Assessments (ROCAs) Conducted			
	52	57[r]	52[r]	60
ETA- OJC-02	Number of Desk Audits Conducted			
	1,455[r]	1,500[r]	1,464[r]	1,500

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

ADMINISTRATION

Workload and Performance Summary

Job Corps uses two production measures [Number of Regional Office Center Assessments (ROCAs) completed, and Number of Regional Office Desk Audits 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. ROCAs are the most comprehensive review of program operations and typically consist of a week-long assessment by a team of Federal staff. Through ROCAs, federal staff evaluates all programmatic elements, including management, administrative support, program outcomes, compliance to policy and requirements, and data integrity.

The *Number of Regional Office Center Assessments (ROCAs) Conducted* between FY 2014 and FY 2015 will be 112. Of the 112 ROCAs, 52 centers will be assessed in FY 2014 and 60 ROCAs will be conducted in FY 2015.

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.

ADMINISTRATION

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2013 Enacted	FY 2014 Enacted	FY 2015 Request	Diff. FY15 Request / FY14 Enacted
11.1	Full-time permanent	16,088	16,857	17,363	506
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	0	272	272	0
11.9	Total personnel compensation	16,088	17,129	17,635	506
12.1	Civilian personnel benefits	4,658	4,678	5,413	735
13.0	Benefits for former personnel	0	20	20	0
21.0	Travel and transportation of persons	658	658	800	142
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,839	1,725	1,725	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	142	120	120	0
24.0	Printing and reproduction	30	30	30	0
25.1	Advisory and assistance services	642	2,086	2,846	760
25.2	Other services from non-Federal sources	2	100	100	0
25.3	Other goods and services from Federal sources	2,964	2,641	2,681	40
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	450	700	700	0
26.0	Supplies and materials	83	130	130	0
31.0	Equipment	0	130	130	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	27,556	30,147	32,330	2,183
	Other goods and services from Federal sources				
	Working Capital Fund	2,858	2,513	2,513	0
	DHS Services	76	88	128	40
	GSA Services	30	40	40	0

ADMINISTRATION

CHANGES IN FY 2015

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$157
Personnel benefits	46
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	-20
Rental payments to others	0
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	0
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	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 **\$183**

Net Program **\$2,000**

Direct FTE **13**

	Estimate	FTE
Base	\$30,330	155
Program Increase	\$2,000	13
Program Decrease	\$0	0