

FY 2021

CONGRESSIONAL BUDGET JUSTIFICATION

EMPLOYMENT AND TRAINING ADMINISTRATION

Job Corps

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JOB CORPS

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JOB CORPS

JOB CORPS (INCLUDING TRANSFER OF FUNDS)

To carry out subtitle C of title I of the WIOA, 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 WIOA, *and to carry out closure of Job Corps centers, including but not limited to building demolition and removal* [\$1,743,655,000] \$1,015,897,000, plus reimbursements, as follows:

(1) [\$1,603,325,000] \$883,334,000 for Job Corps Operations, which shall be available for the period July 1, [2020]2021 through June 30, [2021]2022[: *Provided, That the Secretary may transfer up to 1 percent of such funds for the construction, rehabilitation, or acquisition of Job Corps Centers, which may include the acquisition, maintenance, or repair of major items of equipment: Provided further, That any funds transferred pursuant to the preceding proviso shall be available for obligation until June 30, 2024: 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;*

(2) [\$108,000,000] \$100,016,000 for construction, rehabilitation and acquisition of Job Corps Centers, which shall be available for the period July 1, [2020]2021 through June 30, [2023]2024, 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 provision shall not be available for obligation after June 30, 2021: 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) [\$32,330,000] \$32,547,000 for necessary expenses of Job Corps, which shall be available for obligation for the period October 1, [2019]2020 through September 30, [2020]2021:

Provided, 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, 2019.)

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ANALYSIS OF APPROPRIATION LANGUAGE

Language Provision

Explanation

and to carry out closure of Job Corps centers, including but not limited to building demolition and removal,

This language clarifies that the Department has the authority to obligate Job Corps funds to carry out closure of Job Corps Centers. It clarifies the Department's authority to pay for any costs that arise from closing centers.

In paragraph (1):

Provided, that the Secretary may transfer up to 1 percent of such funds for the construction, rehabilitation, or acquisition of Job Corps Centers, which may include the acquisition, maintenance, or repair of major items of equipment: Provided further, That any funds transferred pursuant to the preceding proviso shall be available for obligation until June 30, 2023: 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;

The proviso would authorize the Secretary to transfer up to one percent of the funds appropriated to carry out Job Corps operations for activities relating to the construction, rehabilitation or acquisition of Job Corps Centers. This flexibility would be useful over the course of the fiscal year if the Secretary determines that additional funds are needed for CRA activities.

In paragraph (2):

[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 provision shall not be available for obligation after June 30, 2020: 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]

The budget would eliminate this proviso that was included in the enacted FY 2020 language authorizing the Secretary to transfer up to 15 percent of funds appropriated for construction, rehabilitation and acquisition for operational activities of Job Corps centers or to achieve administrative efficiencies. This transfer authority is not needed for FY 2021.

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	162	\$1,718,655	145	\$1,743,655	145	\$1,015,897
<i>Subtotal Appropriation</i>	<i>162</i>	<i>\$1,718,655</i>	<i>145</i>	<i>\$1,743,655</i>	<i>145</i>	<i>\$1,015,897</i>
<i>Subtotal Transfer</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
B. Gross Budget Authority	162	\$1,718,655	145	\$1,743,655	145	\$1,015,897
Shared Services Realignment	-32	\$0	-32	\$0	-32	\$0
<i>Subtotal Transfer</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
C. Budget Authority Before Committee	130	\$1,718,655	113	\$1,743,655	113	\$1,015,897
<i>Subtotal Transfer</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>	<i>0</i>	<i>\$0</i>
D. Total Budgetary Resources	130	\$1,718,655	113	\$1,743,655	113	\$1,015,897
Unobligated Balance Expiring	-17	-\$103	0	\$0	0	\$0
Shared Services Realignment	32	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	145	\$1,718,552	113	\$1,743,655	113	\$1,015,897

JOB CORPS

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2020 Enacted	FY 2021 Request	Net Change
Budget Authority			
General Funds	\$1,743,655	\$1,015,897	-\$727,758
Total	\$1,743,655	\$1,015,897	-\$727,758

Full Time Equivalents			
General Funds	113	113	0
Total	113	113	0

Explanation of Change	FY 2020 Base		FY 2021 Change					
	FTE	Amount	Trust Funds		General Funds		Total	
			FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	113	\$83,889	0	\$0	0	\$234	0	\$234
Personnel benefits	0	\$24,429	0	\$0	0	\$80	0	\$80
Employee health benefits	0	\$0	0	\$0	0	\$0	0	\$0
One day less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$55	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$4,163	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$547	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$1,249	0	\$0	0	\$0	0	\$0
Rental payments to others	0	\$14,432	0	\$0	0	\$0	0	\$0
Communications, utilities, and miscellaneous charges	0	\$7,105	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$285	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$250	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$1,482,735	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$22,178	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$0	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$0	0	\$0	0	\$0	0	\$0
Research & Development Contracts	0	\$0	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$60,000	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$1,553	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$8,328	0	\$0	0	\$0	0	\$0

JOB CORPS

FY 2021 Change

Explanation of Change	FY 2020 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Equipment	0	\$9,910	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$0	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$0	0	\$0	0	\$0	0	\$0
Land and Structures	0	\$20,040	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	113	+\$1,741,148	0	\$0	0	+\$314	0	+\$314
B. Programs:								
Programs Subtotal			0	\$0	0	\$0	0	\$0
Total Increase	113	+\$1,741,148	0	\$0	0	+\$314	0	+\$314
Decreases:								
A. Built-Ins:								
To Provide For:								
One day less of Pay	0	\$0	0	\$0	0	-\$97	0	-\$97
Federal Employees' Compensation Act (FECA)	0	\$2,507	0	\$0	0	-\$173	0	-\$173
Built-Ins Subtotal	0	+\$2,507	0	\$0	0	-\$270	0	-\$270
B. Programs:								
Operations Program Decrease	0	\$0	0	\$0	0	-\$719,818	0	-\$719,818
Construction Decrease	0	\$0	0	\$0	0	-\$7,984	0	-\$7,984
Programs Subtotal			0	\$0	0	-\$727,802	0	-\$727,802
Total Decrease	0	+\$2,507	0	\$0	0	-\$728,072	0	-\$728,072
Total Change	113	+\$1,743,655	0	\$0	0	-\$727,758	0	-\$727,758

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SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2019 Enacted		FY 2020 Enacted		FY 2021 Request		Diff. FY21 Request / FY20 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Operations	0	1,603,325	0	1,603,325	0	883,334	0	-719,991
General Funds	0	1,603,325	0	1,603,325	0	883,334	0	-719,991
Construction	0	83,000	0	108,000	0	100,016	0	-7,984
General Funds	0	83,000	0	108,000	0	100,016	0	-7,984
Administration	113	32,330	113	32,330	113	32,547	0	217
General Funds	113	32,330	113	32,330	113	32,547	0	217
Total	113	1,718,655	113	1,743,655	113	1,015,897	0	-727,758
General Funds	113	1,718,655	113	1,743,655	113	1,015,897	0	-727,758

NOTES: 2019 reflects actual FTE. FTE for all years reflect the Shared Services Realignment.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
	Full-Time Equivalent				
	Full-time Permanent	113	113	113	0
	Total	113	113	113	0
	Average ES Salary	\$175,000	\$175,000	\$175,000	\$0
	Average GM/GS Grade	13	13	13	0
	Average GM/GS Salary	\$102,500	\$102,500	\$102,500	\$0
11.1	Full-time permanent	77,642	77,884	68,021	-9,863
11.3	Other than full-time permanent	585	585	585	0
11.5	Other personnel compensation	5,570	5,420	4,664	-756
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	83,797	83,889	73,270	-10,619
12.1	Civilian personnel benefits	26,936	26,936	26,843	-93
13.0	Benefits for former personnel	55	55	55	0
21.0	Travel and transportation of persons	4,275	4,163	3,313	-850
22.0	Transportation of things	547	547	547	0
23.1	Rental payments to GSA	1,249	1,249	1,249	0
23.2	Rental payments to others	14,432	14,432	11,432	-3,000
23.3	Communications, utilities, and miscellaneous charges	7,135	7,105	7,095	-10
24.0	Printing and reproduction	285	285	245	-40
25.1	Advisory and assistance services	276	250	206	-44
25.2	Other services from non-Federal sources	1,477,876	1,482,735	780,217	-702,518
25.3	Other goods and services from Federal sources 1/	21,961	22,178	22,178	0
25.4	Operation and maintenance of facilities	35,000	60,000	52,016	-7,984
25.5	Research and development contracts	0	0	0	0
25.7	Operation and maintenance of equipment	1,553	1,553	1,453	-100
26.0	Supplies and materials	13,328	8,328	5,828	-2,500
31.0	Equipment	9,910	9,910	9,910	0
32.0	Land and Structures	20,040	20,040	20,040	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	1,718,655	1,743,655	1,015,897	-727,758
	1/Other goods and services from Federal sources				
	Working Capital Fund	21,961	22,178	22,178	0

NOTE: FTE for all years reflect the Shared Services Realignment.

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APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2011					
Base Appropriation...1/	\$1,707,363			\$1,704,865	158
2012					
Base Appropriation...2/	\$1,699,747		\$1,706,171	\$1,702,947	168
2013					
Base Appropriation...3/	\$1,650,004			\$1,613,872	163
2014					
Base Appropriation	\$1,688,155			\$1,688,155	155
2015					
Base Appropriation	\$1,688,155			\$1,688,155	160
2016					
Base Appropriation	\$1,715,944			\$1,689,155	160
2017					
Base Appropriation	\$1,754,590			\$1,704,155	168
2018					
Base Appropriation...4/5/	\$1,448,444	\$1,704,155		\$1,718,655	159
2019					
Base Appropriation...6/	\$1,296,938		\$1,718,655	\$1,718,655	162
2020					
Base Appropriation...7/8/	\$1,015,583	\$1,868,655		\$1,743,655	113
2021					
Base Appropriation	\$1,015,897				113

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

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

3/ 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.

4/ This bill was passed by the House.

5/ Excludes disaster supplemental resources appropriated as part of the Bipartisan Budget Act of 2018 (P.L. 115-123)

6/This bill was passed by the Senate. It was passed out of the House Subcommittee but was not reported out of the House Committee or by the full House.

7/This bill was passed by the House. It was not taken up by the Senate Appropriations Subcommittee or the full Senate Appropriations Committee.

8/FTE for FY 2020 and FY 2021 reflect the Shared Services realignment.

JOB CORPS

OVERVIEW

Introduction

Over fifty years ago, President Lyndon Johnson signed into law the Economic Opportunity Act creating the Job Corps program. The program was designed to help improve the economic outlook for at-risk youth by providing education and technical skills training. Today, Job Corps has become the nation's largest national residential employment and workforce development program for youth. The program provides comprehensive career development services to students, including academic instruction, career and technical education, and work readiness preparation. It also provides housing, meals, health care services, and support services to students. The combination of services provided in Job Corps is intended to prepare youth to obtain and hold gainful employment, pursue further education or skills instruction, or satisfy entrance requirements for careers in the Armed Forces.

Each year, the Job Corps program serves thousands of youth, ages 16 to 24. The Department remains committed to helping young people leave Job Corps prepared for jobs in high-demand occupations and ready to assume the responsibilities of citizenship and adulthood. Job Corps currently operates centers, both residential and non-residential, in all 50 states, the District of Columbia, and the Commonwealth of Puerto Rico.

The program serves eligible low-income youth who are one or more of the following: basic skills deficient; a school dropout; homeless, including a runaway, a foster child or an individual who was in foster care and has aged out of the foster care system; a parent; or an individual who requires additional career and technical instruction to obtain and retain employment. In PY 2018, 61.0 percent of Job Corps enrollees were high school dropouts, 21.8 percent were from families receiving public assistance, 30.1 percent had a self-reported disability, and 5.0 percent were in foster care or homeless.

Job Corps is funded by three distinct accounts: Operations, which funds the residential, academic, and career and technical education programs; Administration, which funds federal positions at the National Office and six Regional Offices; and Construction, Rehabilitation, and Acquisition (CRA), which funds the acquisition, design, construction, and rehabilitation of facilities used in the Job Corps program across the country.

The program has historically struggled with numerous issues, including safety and security, uneven center performance, and a lack of innovation. A randomized control trial of the program in 2003 found that program participants did not experience long-term employment or earnings gains relative to non-participants, though it did find positive long-term earnings impacts for the 20-24 year old cohort.¹ The program is also extremely costly. In addition, the OIG has repeatedly included Job Corps security and safety on its list of top challenges facing the Department.

The Fiscal Year (FY) 2021 Budget takes important steps to improve Job Corps for the youth it serves by closing centers that chronically do a poor job educating and preparing students for jobs, focusing the program on the older youth for whom it is more effective, improving center

¹ Schochet, et al. National Job Corps Study: Findings Using Administrative Earnings Record Data, (2003).

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safety, and making other changes to increase program quality and efficiency. In addition, DOL will expand several recently-initiated pilots to test new models for operating Job Corps centers.

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BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	1,603,325	1,603,325	883,334	-719,991
FTE	0	0	0	0

Introduction

Job Corps’ Operations account funds Job Corps center operations, Outreach and Admissions (OA), Career Transition Services (CTS), and operational support activities. Job Corps centers are operating in all 50 states, as well as the District of Columbia and Puerto Rico. Programs at each center support at-risk youth who can benefit from intensive education and career technical skills instruction. The goal of the program is to make individuals completing the Job Corps program more employable, responsible, and productive citizens.

Job Corps provides students with residential services in combination with career technical skills instruction and work-based learning experience that align with industry standards. The work-based learning program links classroom and career skills instruction to practical, on-the-job activities. The *Job Corps Policy and Requirements Handbook* ² establishes standards for the program and services provided to students.

Activities funded using the Operations account directly support Job Corps center operations. Job Corps administers its centers primarily through center operations contracts. The Department is also continuing its transition to the exclusive use of firm fixed price contracts, which is anticipated to result in greater cost predictability and, ultimately, savings. This transitional process will be completed once new contract awards are made. Recruitment and placement of students are administered primarily through center operations contracts that include OA and CTS responsibilities that are awarded on a competitive basis. Currently, the U.S Department of Agriculture’s (USDA) Forest Service (FS) operates a number of Job Corps centers, known as Civilian Conservation Centers (CCC). Pursuant to the existing interagency agreement, CCCs are not responsible for conducting OA and CTS. As a result, OA and CTS services must be provided through third party contract arrangements. However, whether operated by a contractor or the USDA FS, all centers provide similar academic and skills training services.

Center operations costs typically fall into the following categories: direct student services, indirect student services, USDA FS budgetary transfers, contract performance incentive fees on remaining cost reimbursement contracts, regional/field operations and support, and national office operations and support.

Other activities previously funded by the Operations account include the strategic communications plan and other activities to support Onboard Strength (OBS) such as implementing the business engagement initiative and integrating Job Corps into the workforce development community, Job Corps center safety and security, the implementation of the

² <https://eprh.jobcorps.gov/Pages/Home.aspx>

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Comprehensive Safety and Safety Strategic Plan, planning and implementation of the National Enrollee Assignment Plan (NEAP), identifying and consolidating excess real property holdings, improving processes for identifying contractors with significant compliance risks, engaging in contract compliance oversight, and providing technical assistance to contractors.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$1,581,825	0
2017	\$1,587,325	0
2018	\$1,603,325	0
2019	\$1,603,325	0
2020	\$1,603,325	0

Funding Mechanism

Student career technical skills instruction and the residential services of the program are operated through contracts or through an interagency agreement with the USDA. Job Corps also obtains outreach and recruitment and student placement services through contracts. Program analysis, technical assistance, and administrative support (i.e., information technology support) are also supported by Operations funds.

Job Corps' funding for Operations is available on a Program Year (PY) basis, July 1 through June 30. Therefore, funds appropriated for Operations in FY 2021 are available from July 1, 2021, through June 30, 2022 (PY 2021).

FY 2021

The FY 2021 Budget for Operations is \$883,334,000. The Department will continue efforts to reform the Job Corps program, including refining center safety plans, exploring new approaches to delivering job training, and closing chronically low-performing centers. The Department has intensified, and will continue to reinforce, oversight of operations and performance outcomes for all centers in accordance with WIOA. The Budget also proposes new legislative flexibilities that would enable the Department to more expediently close low-performing centers, target the program to groups more likely to benefit, and make the necessary capital investments to ensure successful pilot programs.

The Department will focus on the following activities in FY 2021:

Center Closures

The Department recognizes the uneven performance of Job Corps centers and is committed to funding high-performing centers that justify the high cost of operations. In addition, we recognize that there are numerous situations that warrant closing centers. These include aging infrastructure, unpredictable external events, chronic low performance, and unsafe conditions. To that end, the Department will close centers that fall short in delivering education and

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employment outcomes for students, fail to provide a safe learning environment, or cannot be efficiently run in a way that honors the taxpayer dollar used to fund them. Any center closures will adhere to the center-closure methodology and will be carried out in accordance with WIOA and appropriations act requirements.

Center Safety and Security

Job Corps will continue implementing its *Comprehensive Safety and Security Plan* that calls for the ongoing assessment of contract and USDA centers for safety and security risks. All centers will have their security risks assessed, prioritized, and addressed by the Department. Some of the strategies and activities Job Corps will pursue in FY 2021 include:

- Ensuring that all centers have basic security equipment and assessing the additional physical security needs of each center,
- Determining the level of existing security risk at each center,
- Prioritizing centers for physical security enhancements based on their level of risk,
- Installing additional security equipment as needed,
- Training center staff on the appropriate use of security equipment, and
- Reviewing Job Corps security policies.

Demonstration Projects

Job Corps will continue the multi-year demonstration projects that it launched in FY 2019 and FY 2020 under WIOA demonstration authority. Two projects are using cooperative agreements with states and other entities to operate centers at a cost lower than traditional Job Corps centers to determine if improved student outcomes can be achieved. Another demonstration provides community colleges, historically black colleges and universities, and tribally-controlled colleges and universities with grants to train Job Corps eligible students. A third demonstration project focuses on empowering nonprofits to bring their youth training, education, and development expertise to bear in operating Job Corps centers. In FY 2020 and FY 2021, nonprofits will be encouraged to compete for Job Corps center operator contracts through the procurement process. Taken together, these demonstration projects represent Job Corps' attempt to explore innovative approaches to training and educating disadvantaged youth, which depart from the traditional Job Corps service-delivery model.

National Enrollee Assignment Plan

In FY 2019, Job Corps released its National Enrollee Assignment Plan (NEAP) as required by WIOA Section 145(c)³. Job Corps will review, revise as needed, and implement an updated NEAP in FY 2021. This plan applies a standard formula to all Job Corps centers to determine the number of new students each center must enroll to maintain full capacity. Historically, Job Corps used a fixed national average of students it anticipated would leave the program each year to help calculate the arrival goals for each outreach and admissions provider. The NEAP utilizes center-

³ U.S. Department of Labor, Employment and Training Administration, Office of Job Corps, National Enrollee Assignment Plan, https://www.doleta.gov/job_corps/national-enrollee-assignment-plan/ (last accessed January 22,2020).

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specific separation rates to set contract arrival goals. Centers with higher separation rates will have higher arrival goals in order to align with actual recruitment needs. These revised goals will be included in each center's contract to ensure that Job Corps centers reach and maintain full capacity. Costs associated with this project are contract costs for acquiring and analyzing data, software, and technical support.

Workforce Development and Employer Connectivity

During the previous year, Job Corps worked to strengthen its engagement with the workforce development community and business partners. As part of the NEAP implementation strategy, student recruitment areas were designated through alignment with existing workforce development areas across the nation. As a result, Job Corps expects stronger relationships with workforce development boards, business and local communities. This should help Job Corps identify state and local workforce needs, increase referrals to the Job Corps program, and improve job placement for Job Corps students. Moreover, Job Corps continued implementing its Business Engagement Initiatives launched in FY 2020. Among other activities and strategies, this initiative provides training to center OA/CTS providers and Job Corps staff on engaging and maintaining meaningful relationships with industry and workforce development boards.

Advanced Training Hubs

This includes completing the launch of Advanced Training Hubs at two of Job Corps' largest centers, one in Utah and one in Kentucky. These Hubs at the Clearfield and Clements centers will recruit students from within the existing Job Corps network, offer training in the most in-demand trades, and place highly skilled students in high-paying jobs across the country. The Department will also refocus the advanced skilled instruction programs to provide more hands-on, work-based learning experiences to deliver better connections to growing and in-demand employment opportunities. Moreover, funds will be invested in the Hubs and other facilities to support high-quality training that meets existing industry standards.

Evaluation of the Impact of the Increasing Number of Students with Disabilities

In FY 2020, Job Corps initiated an evaluation of the impact of the increasing numbers of students with disabilities in the program. In FY 2021, that study is expected to be completed. Once completed, Job Corps will develop a plan of action for how it could reasonably ensure that the program meets the skills training, educational, and other needs of this population and begin implementing needed changes to its program.

Risk-Based Contractor Oversight

Job Corps increased program performance by eliminating the paperwork intensive desk audit in favor of leveraging the data-based Risk Management Dashboard (RMD) to identify high-risk centers. The RMD analytics and reports provide a graphical and numerical representation of changes in 10 key performance metrics that Job Corps believes are indicative of emerging problems in a center's climate, culture, and performance. Job Corps uses the RMD to identify Job Corps centers with performance issues and then provide technical assistance, or conduct

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formal compliance assessments. In FY 2021, Job Corps will focus on formalizing this approach and training staff.

Consolidating and Excessing Real Property

In FY 2021, Job Corps will continue its initiative to identify areas where its leases could be modified to reduce its footprint and costs without reducing its services to students. As in previous years, Job Corps also plans to continue identifying and disposing of real property through the General Services Administration's (GSA) excess property process. Unlike in previous years, the program proposes to create a broad plan for managing its facilities, including an approach for effectively using and consolidating the space at centers which may include redesigning some centers, eliminating buildings that pose a safety or security risk, and projecting facilities lifecycle repairs and their costs.

Performance-based Service Contracting

Job Corps will continue to utilize its Performance-Based Service Contracting (PBSC) system until the final cost reimbursement contracts have transitioned to firm fixed price contracts by late FY 2024. The methodology for identifying centers for this incentive is rooted in center Outcome Measurement System (OMS) performance. Each center's OMS performance is a reflection of students' retention, achievement of academic and vocational credentials, placement, job retention and post-placement earnings. The use of PBSC incentivizes continuous performance improvement by contractors because improved student outcomes result in increased incentive-fee earnings. Job Corps annually reviews and revises, and publishes its PBSC methodology.

Legislative Flexibilities

The Budget continues the language included in FY 2020 providing the authority to dispose of or divest itself of all or a portion of the Treasure Island Job Corps Center real property. The Department would receive the net proceeds of this sale, which would be available until expended to carry out the Job Corps program on Treasure Island. This authority is consistent with the Department's efforts to work with the Treasure Island Development Authority, a California non-profit public benefit corporation dedicated to the economic development of the former Naval Station Treasure Island, and the Treasure Island Community Development, LLC, which is undertaking a major redevelopment of Treasure Island.

The Budget proposes changes to the General Provisions allowing the Department to prioritize enrollment of students ages 20 and older, the population for which Job Corps is most effective. The Budget also proposes language changes that would speed the process of selling the land and property excess to the Job Corps program. Lastly, the Budget eliminates the new General Provision added in FY 2020 that prohibits any changes to the interagency agreement between DOL and USDA, as it hampers efforts to reform the program and better train students.

OPERATIONS

FY 2020

The FY 2020 Budget for Operations is \$1,603,325,000. In FY 2020, the Department will continue to improve center safety and empower new, more effective entities to operate centers.

Making upgrades to the safety and security of Job Corps centers remains a program priority. Approximately 85 percent of Job Corps students live at a Job Corps center and rely on Job Corps to provide a safe residential and learning environment. In addition to the challenge of maintaining a safe environment for residential students, the presence of non-residential students brings with it the challenge of controlling the environment with students leaving and entering the campus on a continual basis. In FY 2020, Job Corps will continue implementing its safety and security plan that includes many of the safety and security related operational recommendations made by the Department's Office of the Inspector General and the U.S. Government Accountability Office.

A focus on mental health services at Job Corps centers is a FY 2020 priority. Job Corps accepts students with barriers to employment, including those that have histories of substance abuse, contact with the criminal justice system, learning disabilities, mental health issues, and/or behavioral issues. In PY 2018, 31 percent (13,827) of the 45,175 students who separated from Job Corps disclosed that they had a disability. This is 1 percent increase from PY 2017. In FY 2020, Job Corps plans to pursue an evaluation of the potential financial and programmatic impact of the increasing number of enrollees with physical, emotional, and mental health issues. Once completed, Job Corps will then develop a plan of action for how it could reasonably ensure that the program meets the skills training, educational, and other needs of this population.

The first phase of refocusing Job Corps' advanced skilled instruction programs will be initiated in FY 2020. This includes consolidating many of the advanced training programs into two large centers, and ensuring that labor or workforce needs are considered.

The Department intends to continue pursuing other program reforms and initiatives, including using demonstration authority to implement pilot projects with non-profits and other entities with demonstrated expertise in serving Job Corps eligible youth, and implementing reforms to the contracting process to support performance improvement and the more efficient use of federal resources. These reforms save money by finding better ways to educate youth. In FY 2020, Job Corps announced grant opportunities for the Job Corps Scholars Program. Up to 20 grants may be awarded to eligible accredited public community colleges, historically black colleges and universities, and tribally controlled colleges and universities to provide education and skills development to Job Corps eligible young adults. By serving Job Corps eligible youth, in particular, the qualifying institutions will also provide extensive counseling and employment-related services through existing educational institutions rather than a traditional Job Corps center facility. After successfully completing the program, Job Corps Scholars will have earned technical skills certificates, academic credit, and a pathway to meaningful employment.

OPERATIONS

FY 2019

In FY 2019, the Department took important steps to improve Job Corps for the youth it serves by improving center safety and piloting new methods to serve at-risk youth.

Job Corps continued implementation of the safety and security related operational recommendations made by the DOL Office of the Inspector General and the Government Accountability Office (GAO) and focused on improving mental health services for students. Job Corps accepts students with barriers to employment, including those who have histories of substance abuse, contact with the criminal justice system, learning disabilities, mental health issues, and/or behavioral issues.

Job Corps launched pilot efforts in FY 2019. The first pilot initiative is an agreement with the State of Idaho to develop the Idaho JOBCorps Program, which will eventually serve up to 50 residential and 250 non-residential students. The Idaho Department of Labor acts as the grantee and provides direct services to Job Corps eligible youth, including outreach, work-based learning, job placement, and supportive services. In the first year, the College of Western Idaho provided education and skills instruction. In years two and three, the program will expand to include education and instruction delivered by other community colleges in Idaho.

The Idaho demonstration project was followed by an agreement with the Louisiana National Guard to expand the Louisiana National Guard Youth ChalleNGE Program to serve at-risk youth with skills instruction through an expansion of the Louisiana National Guard Youth ChalleNGE Program. The Louisiana National Guard youth programs have a record of preparing graduates to meet life's challenges and the expansion provides more opportunities for participation. The Job ChalleNGE Project is being delivered through a repurposed Carville Job Corps Center. The program included the recruitment of Job Corps-eligible youth among Youth ChalleNGe graduates; occupational skills training and credentialing; individualized career and academic counseling; leadership development activities that encourage responsibility, employability, and other positive behaviors; employer engagement; and job placement.

In FY 2019, Job Corps introduced firm fixed-price contracting with the goal of generating cost-savings and increasing contract expenditure certainty. This migration to the new contracting approach continues in FY 2020. Making the transition will take several years but, in the long-term, the result should be a savings for the government, and greater cost predictability for the program.

Job Corps also undertook an initiative to identify areas where its leases could be modified to reduce its footprint and costs without reducing its services to students. The resulting recommendations are expected in FY 2020 and implementation will begin in early FY 2021. As in previous years, Job Corps will identify real property for the GSA excess property process to reduce maintenance costs and liabilities associated with property ownership.

OPERATIONS

WORKLOAD AND PERFORMANCE SUMMARY							
		PY 2018 Enacted		PY 2019 Enacted		PY 2020 Enacted	PY 2021 Request
		Target	Result	Target	Result	Target	Target
Operations							
Strategic Goal 1 - Support the Ability of All Americans to Find Good Jobs							
Strategic Objective ETA 1.1 - Create customer-focused workforce solutions for American workers.							
ETA-WIOA JC-01	Education and Employment Rate – 2nd Quarter After Exit (WIOA Job Corps)	TBD	[base]	[base]	--	TBD	TBD
ETA-WIOA JC-02	Education and Employment Rate – 4th Quarter After Exit (WIOA Job Corps)	TBD	[base]	[base]	--	TBD	TBD
ETA-WIOA JC-03	Median Earning – 2nd Quarter After Exit (WIOA Job Corps)	TBD	[base]	[base]	--	TBD	TBD
ETA-WIOA JC-04	Credential Attainment (WIOA Job Corps)	TBD	[base]	[base]	--	TBD	TBD
ETA-OJC-01	Number of New Enrollees (Job Corps)	45,000	49,969	48,000	--	48,000	TBD
ETA-OJC-02	Slots (Job Corps)	38,194	28,498	38,194	--	38,194	TBD
ETA-OJC-03	Number of Operating Centers at Year End (Job Corps)	123	123	121	--	TBD	TBD

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

OPERATIONS

Workload and Performance Summary

The WIOA authorizes primary indicators of performance. Job Corps centers report to the Department on: 1) employment in the second quarter after exit; 2) employment in the fourth quarter after exit; 3) median earnings of those employed in the second quarter after exit; and 4) credential attainment. The results of these measures demonstrate the value of these investments to help address the employment and skill needs of workers, job seekers, and employers.

Job Corps undertook a complete overhaul of its Outcome Measurements System (OMS) to align with the WIOA measures and to reflect the program's focus on longer-term outcomes for program participants. In PY 2018, Job Corps deployed its new OMS, which evaluates center and operator performance based on the WIOA primary measures. The deployment of that system emphasizes the need for the system to focus its resources on placement outcomes and longer-term attachment of the program participants to the workforce.

OPERATIONS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
11.1	Full-time permanent	62,565	62,565	52,565	-10,000
11.3	Other than full-time permanent	585	585	585	0
11.5	Other personnel compensation	5,290	5,290	4,290	-1,000
11.8	Special personal services payments	0	0	0	0
11.9	Total personnel compensation	68,440	68,440	57,440	-11,000
12.1	Civilian personnel benefits	22,834	22,834	22,661	-173
13.0	Benefits for former personnel	55	55	55	0
21.0	Travel and transportation of persons	3,420	3,420	2,620	-800
22.0	Transportation of things	547	547	547	0
23.1	Rental payments to GSA	0	0	0	0
23.2	Rental payments to others	14,432	14,432	11,432	-3,000
23.3	Communications, utilities, and miscellaneous charges	7,010	7,010	7,010	0
24.0	Printing and reproduction	205	205	205	0
25.1	Advisory and assistance services	6	6	6	0
25.2	Other services from non-Federal sources	1,457,685	1,462,468	759,950	-702,518
25.3	Other goods and services from Federal sources 1/	12,781	12,998	12,998	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	1,325	1,325	1,325	0
26.0	Supplies and materials	13,230	8,230	5,730	-2,500
31.0	Equipment	1,355	1,355	1,355	0
32.0	Land and Structures	0	0	0	0
	Total	1,603,325	1,603,325	883,334	-719,991
	1/Other goods and services from Federal sources				
	Working Capital Fund	12,781	12,998	12,998	0

OPERATIONS

CHANGES IN FY 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Personnel benefits	0
One day less of Pay	0
Federal Employees' Compensation Act (FECA)	-173
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 **-\$173**

Net Program **-\$719,818**

Direct FTE **0**

	Estimate	FTE
Base	\$1,603,152	0
Program Increase	\$0	0
Program Decrease	-\$719,818	0

CONSTRUCTION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	83,000	108,000	100,016	-7,984
FTE	0	0	0	0

Introduction

The Job Corps Construction, Rehabilitation, and Acquisition (CRA) account provides for:

- Rehabilitating current Job Corps facilities, modernizing instructional classrooms, and upgrading skills training spaces and buildings so that student instruction meets industry standards;
- Repairing buildings with structural deficiencies to address safety and health concerns;
- Executing emergency building repairs;
- Constructing new center buildings when further repairs are not cost effective;
- Repairing and replacing equipment; and
- Acquiring new sites and constructing new centers, as directed by Congress.

CRA funding is critical to the success of the Job Corps program because modern facilities contribute to a safe and effective learning environment. Moreover, as a residential program, the living conditions of the program participants must be healthy and safe.

Large and small businesses, including Alaskan Native Corporations, manage and operate most of the Job Corps centers through contractual agreements with the Department. Through an Interagency Agreement with the United States Department of Agriculture (USDA), the Forest Service (FS) operates a number of centers. Both contract and FS operated centers have significant facility deficiencies. However, based on the Facilities Condition Index scores as of August 2019, the overall condition of the FS centers is better, on average, than the contract centers.

Over the past several program years, the cost associated with correcting property life safety and health deficiencies has increased by more than 50 percent. In many instances, older buildings require repairs in accordance with requirements of the National Historic Preservation Act (NHPA). This often results in higher costs for Job Corps as the age of Job Corps' facilities portfolio continues to grow. More than 43 percent of the Job Corps portfolio, by square footage, is more than 50 years old. Job Corps estimates that in five years, 104 additional buildings comprising nearly 850,000 gross square feet will reach the age of 50, which will result in an additional 104 buildings subject to compliance with the historic preservation regulations when undergoing renovations.

Job Corps, which holds over 99 percent of the Department's building stock, is a major contributor to the Department's efforts to meet energy efficiency and real property goals. Job Corps will work to achieve sustainability requirements through a number of efforts including: reducing energy and water intensity to promote efficient federal operations and ensuring that

CONSTRUCTION

new or renovated building stock is designed to exceed energy efficiency standards such as Energy Star rated heating, ventilation, and air-conditioning (HVAC) equipment systems, LED lighting High Efficiency water heaters, and low flow plumbing fixtures. Job Corps is also working towards diverting 50 percent of waste to recycling as well as using sustainable materials and products where applicable.

Job Corps will continue to incorporate sustainability projects into centers' annual Career Technical Skills Training (CTST) plans. Student involvement is a fundamental component of CTST and sustainability construction projects deemed suitable for training. These sustainability projects, among other community enhancement efforts, provide practical experience for students to hone their skills, making them more marketable and competitive in the emerging high performance construction sector.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$75,000	0
2017	\$84,500	0
2018	\$83,000	0
2019	\$83,000	0
2020	\$108,000	0

Funding Mechanism

Job Corps construction funding operates on a program year (PY) basis with funds available for three years. Funds appropriated in FY 2021 will be available for obligation from July 1, 2021, through June 30, 2024. The majority of funding is awarded to contractors using competitive procurement, and most of the design and construction projects are awarded to small businesses. The remainder of the funding is provided to the USDA through an interagency agreement.

FY 2021

The Budget for FY 2021 for CRA is \$100,016,000, a decrease of \$7,984,000 from the FY 2020 Budget, and planned allocations are as follows:

- \$4,800,000 for conditions that threaten life and safety;
- \$350,000 for abatement of environmentally unsafe conditions;
- \$60,000 for sustainability and energy savings investments;
- \$2,000,000 for center telecommunication wiring upgrades;
- \$21,000,000 for engineering and contract support services;
- \$14,000,000 in contingency funds for emergency repairs;
- \$500,000 for major equipment;
- \$10,000,000 for critical roofing, HVAC, and infrastructure repairs/replacements;
- \$22,306,000 for safety and security, and building rehabilitation and replacement.
- \$25,000,000 for construction backlog

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A Management Plan for Facilities and Equipment Decision-making

In order to better manage resources and facilities, in FY 2020, Job Corps will be creating a four to five-year plan for managing its equipment and facilities, including an approach for effectively using and consolidating the space at centers that may include redesigning some centers, eliminating buildings that pose a safety or security risk, and projecting facilities lifecycle repairs and their costs. This plan for facilities and equipment management will include, among other things:

- goals, objectives, strategies, and outcomes,
- risk assessment,
- equipment lifecycle repair/replacement schedules,
- routine maintenance schedules,
- demolition and construction schedules,
- equipment upgrades,
- upgrade or redesign of facilities on selected Job Corps campuses to reduce the size, and increase the functionality and safety, and
- budget, funding, and other needs.

The plan will cover 99 percent of the anticipated annual CRA appropriation, leaving a small balance to manage unanticipated needs and emergencies. After this is developed, Job Corps will have a year-by-year plan with measures and target outcomes for the repair, maintenance, upgrade, and construction of facilities and equipment. Having and executing such a plan will guide Job Corps CRA decision-making and resource allocation; and presents an opportunity to manage, improve, and account for the conditions at the 121 Job Corps centers.

Addressing Immediate Facilities Needs

With CRA funds in FY 2021, Job Corps will identify facilities that have physical assets appropriate for continuing investment. Within this group, Job Corps will give priority to life and safety issues, repairs that have an immediate impact on center operations, and repairs to items that serve to stem further facilities deterioration. For example, leaking roofs, if not repaired, result in facility damage and unhealthy living conditions; heating, ventilation, and air conditioning (HVAC) systems that no longer provide adequate air quality are a serious danger; and environmental and Executive Order compliance matters are priorities. Job Corps will use available resources to address urgent and emergency situations.

Excessing and Consolidating Real Property Holdings

In FY 2021, Job Corps will continue its initiative to identify and dispose of or divest itself of acres of real property through the General Services Administration's (GSA) excess property process in FY 2021. This process may result in some expenses as the program relocates structures or buildings. The Department has proposed a General Provision that would speed the process of making excess property available for competitive public sale and reduce costs to the program.

CONSTRUCTION

FY 2020

The Budget for FY 2020 (PY 2020) for CRA is \$108,000,000.

In FY 2020, Job Corps proposes to secure a comprehensive evaluation of its facilities and equipment to develop a long-term plan that includes, for example:

- equipment lifecycle replacement/repair;
- building and structure repair, demolition, and construction/replacement;
- timelines or schedules; and
- cost projections and other needs.

Job Corps continues to incorporate into the facility survey process an inventory of various physical security measures including welcome center configuration, the vehicular gate access, metal detectors, lighting, and cameras. Job Corps incorporates appropriate physical security measures in construction and renovation projects based on center security needs.

Job Corps' annual budget is prioritized and allocated to ensure the most critical items are funded first, including Life Safety and Health code violations, emergency repairs that affect center operations, as well as environmental and Executive Order compliance. Job Corps has prioritized its critical roofing, heating ventilation and air conditioning (HVAC), and infrastructure needs and must address these issues before they fail resulting in further deterioration or damage to the buildings or site. The Department will continue to invest in the rebuilding of the Gulfport Job Corps Center and provide updates to Congress. In addition, the Department will continue construction of a new Job Corps center in Atlanta.

FY 2019

The Budget for FY 2019 (PY 2019) for CRA is \$83,000,000.

Job Corps incorporated into its facility survey process an inventory of various physical security measures, including welcome centers configuration, vehicular gate access, metal detectors, perimeter fencing, and exterior lighting. Job Corps incorporated appropriate physical security measures in construction and renovation projects based on center security needs.

Job Corps' annual budget was prioritized and allocated to ensure the most critical items are funded first, including Life Safety and Health code violations, emergency repairs that affect center operations, and environmental and Executive Order compliance. Job Corps prioritized its critical roofing, heating ventilation and air conditioning (HVAC), and infrastructure needs and began addressing these issues. The ultimate goal is to address them before they fail and result in further deterioration or damage to the buildings or site.

In addition, the Department continued the construction of the new Atlanta Job Corps Center, as well as continued its investment in the rebuilding of the Gulfport Job Corps center.

CONSTRUCTION

WORKLOAD AND PERFORMANCE SUMMARY				
	FY 2019 Enacted		FY 2020 Enacted	FY 2021 Request
	Target	Result	Target	Target
Construction				
Strategic Goal 1 - Support the Ability of All Americans to Find Good Jobs				
Strategic Objective ETA 1.1 - Create customer-focused workforce solutions for American workers.				
ETA-OJC-03 Facilities Condition Index (FCI)	87.00%	90.00%	85.00%	85.00%

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

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Workload and Performance Summary

The facilities condition index has been the metric of choice because of the consistency in the tri-annual surveys. This metric is reported to the federal real property council, thus a federal government-wide metric. Although the FCI is still declining, we are on track to achieve the FY 2020 FCI target of 85 percent.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 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	19,460	19,460	19,460	0
25.4	Operation and maintenance of facilities	35,000	60,000	52,016	-7,984
31.0	Equipment	8,500	8,500	8,500	0
32.0	Land and Structures	20,040	20,040	20,040	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	83,000	108,000	100,016	-7,984

CONSTRUCTION

CHANGES IN FY 2021

(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 **-\$7,984**

Direct FTE **0**

	Estimate	FTE
Base	\$108,000	0
Program Increase	\$0	0
Program Decrease	-\$7,984	0

ADMINISTRATION

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
Activity Appropriation	32,330	32,330	32,547	217
FTE	113	113	113	0

NOTE: FTE for all years reflect the Shared Services Realignment.

Introduction

Job Corps' Administration account provides funding for salaries, travel, and workforce development for staff in the National Office and six Regional Offices.

The Job Corps' National Office includes the Director, two Deputy Directors, and four operational divisions. The National Office performs the below key roles and responsibilities:

- Creating, evaluating, and revising program standards and policy,
- Reviewing program performance,
- Establishing and coordinating career technical skills instruction and academic programs,
- Overseeing center performance and performance reporting,
- Assessing center safety and security,
- Evaluating Job Corps regional office performance, and
- Conducting national stakeholder engagement.

Job Corps has six Regional Offices, each led by a Regional Director. These offices have designated staff that serve as contracting officers' representatives (CORs) for contracts relating to center operations, Outreach and Admissions (OA), and/or Career Technical Services (CTS). Regional Office staff are also responsible for the direct oversight of contractor-operated centers and U.S. Department of Agriculture (USDA) Forest Service (FS) operated Job Corps Civilian Conservation Centers (CCC). This oversight extends to center OA and CTS functions that are part of a center operations contract, as well as any remaining stand-alone OA and CTS contracts. The Regional Offices primarily use compliance assessments to conduct oversight of contract-operated and USDA FS centers. Regional Office Center Assessments (ROCAs) are scheduled assessments that evaluate the overall operation of a center while Regional Office Targeted Assessments (ROTAs) are used to examine specific aspects of a center's operation. Regional staff examine center risks using a risk management dashboard and use this information to inform schedule and perform assessments. The Compliance Check, which is being initiated in FY 2020, is another tool Job Corps uses to assess contractor compliance with program policies and procedures. These assessments, individually and in combination, fulfill the obligation in Section 159(f)(1) of WIOA that requires the Secretary to conduct an annual assessment of the performance of each Job Corps center.

In addition, the account provides funding for the Employment Training Administration's (ETA) Office of Financial Administration (OFA), Office of Contracts Management (OCM), Office of Management and Administrative Services (OMAS), and Office of Human Resources (OHR).

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These offices provide support functions to Job Corps. These ETA offices execute the roles of providing financial oversight of contracts and control of Job Corps funds, administrative management, and human resources. These offices provide critical support to the programmatic functions of the Job Corps program.

In FY 2021, the Department is committed to implementing the President's Management Agenda (PMA) and an Enterprise Shared Services delivery model for administrative functions. The purpose of the Enterprise Shared Services initiative is to create an administrative services delivery model that is streamlined, consistent, and efficient. Instead of directly funding information technology, procurement, personnel security, and human resources functions, the Department's current plan is that ETA will use shared services providers through the Working Capital Fund (WCF) and the proposed IT Working Capital Fund (IT WCF). Under this plan, 32 FTE will be realigned from ETA to the WCF and IT WCF. The FY 2021 President's Budget reflects this FTE realignment and the corresponding realignment of personnel compensation and benefits. The Budget does not include any related changes to non-personnel funding. The Department continues to develop and implement plans for Enterprise Shared Services. All FTE and funding estimates related to the Enterprise Shared Services initiative are preliminary and will be validated before final implementation.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2016	\$32,330	160
2017	\$32,330	168
2018	\$32,330	159
2019	\$32,330	162
2020	\$32,330	113

FY 2021

The FY 2021 budget request for Administration is \$32,547,000. Job Corps will emphasize:

- center safety and security,
- contractor oversight and compliance,
- oversight and the delivery of technical assistant to USDA FS operated centers,
- consistency across regions,
- Job Corps program evaluations and studies,
- stakeholder engagement and technical assistance, and
- staff development that supports Job Corps' contractor oversight role.

Safety and Security

Job Corps will continue implementing its multi-year *Comprehensive Safety and Security Plan* that calls for the ongoing evaluation of centers for safety and security risks. The security plan has

ADMINISTRATION

three strategic goals, as listed below. Each goal has specific strategies and performance measures.

- Improve the physical security of Job Corps centers;
- Ensure contract Job Corps center operators and USDA-operated centers understand and adhere to their center safety and security obligations; and
- Ensure Job Corps has policies in place to promote safe and secure centers that are current, clear, and accurate.

The program will invest in training and development for Job Corps staff responsible for conducting center safety and security assessments, and provide instruction or technical assistance to center staff.

Contractor Oversight and Compliance

In FY 2020, Job Corps will discontinue its use of the Program Assessment Guide and will transition to a more robust Center Compliance Checklist to assess the operation of contract providers during ROTAs and ROCAs. This approach, based on clearly identified center requirements taken from the *Job Corps Policy and Requirements Handbook*² will result in quantifiable and actionable information. In addition, the instrument will also minimize the degree of subjectivity involved in the process, creating transparency and accountability. Job Corps center staff and corporate personnel, USDA FS staff, and center staff will know exactly what is expected, what specific issues exist, and when each identified compliance issue should be resolved. However, through a compliance assistance approach, Job Corps will stress the importance of providing contractors and the USDA FS with reliable and accurate technical assistance to help drive performance improvement. Consequently, resources will be invested in sharpening Job Corps staff technical, audit, and communication skills; and developing resources and tools for center operators. When a contractor does not improve its performance, Job Corps will use existing contract administration tools to hold contractors accountable. Similarly, Job Corps' CORs may require additional development to be effective in this area.

Forest Service Center Support and Technical Assistance

By the end of FY 2020, Job Corps will have completed assessments of all USDA FS centers. The goal was to establish a baseline for performance, provide technical assistance, obtain improvement plans for USDA FS centers with identified deficiencies, and monitor performance. Assessment reports are provided to USDA and FS leadership, and regularly scheduled calls will be conducted in FY 2020 and FY 2021 to review assessment findings and corrective actions, adherence to program policies, and key performance indicators. To the extent possible, Job Corps will seek to align its USDA FS funding and programming with other USDA FS program initiatives. Finally, Job Corps will work with USDA FS to promote placement of Job Corps students into apprenticeship programs available within USDA.

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Consistency and Predictability Across Regions

Consistency within the Job Corps program continues to be a priority because it supports effective contractor oversight and provides certainty to Job Corps contractors. To support consistency across its Regional Offices, Job Corps will conduct regional office audits. Using the framework created in FY 2020, these audits focus on whether and how each region executes key regional functions, and how closely each region adheres to established Job Corps program policies and procedures. Moreover, Job Corps is incorporating adherence to policies and procedures into staff performance plans.

Studies and Evaluations

ETA and the Department's Office of the Chief Evaluation Office, is funding a third-party research contract to develop a research and evaluation framework that will provide options and support the research and evaluation requirements of Job Corps in the Workforce Innovation and Opportunity Act (WIOA) sections 161 and 169. The project includes an implementation evaluation of Job Corps demonstration pilots or service model variations and feasibility assessment(s) including potential impact and/or outcome design options across or within these pilots or service model variations.

Stakeholder Engagement and Technical Assistance

In FY 2021, Job Corps will undertake stakeholder engagement events. This may include conducting three regional and one national stakeholder meetings, and Job Corps will participate in certain third-party events. The stakeholder meetings sponsored by Job Corps will engage contractors in discussions on national office priorities, initiatives, policies, and expectations for continuous improvement. These meeting will also focus on contractor training, and gathering stakeholder feedback on their experiences as Job Corps service providers, including any challenges and barriers to achieving their performance goals.

Staff Development

Job Corps will coordinate two trainings for staff in FY 2021. These will focus on evaluating contract performance and/or auditing or program evaluation. Beyond this, Job Corps' long-term aim is to develop a staff training and development plan for staff charged with participating in the contracting/procurement process and assessing or auditing contractor performance. Ensuring that key staff have the tools needed to support the program and its goals is central to achieving program performance goals.

Other Considerations

Additionally, in FY 2021, the Department is committed to implementing the President's Management Agenda (PMA) and an Enterprise Shared Services delivery model for administrative functions. The purpose of the Enterprise Shared Services initiative is to create an administrative services delivery model that is streamlined, consistent, and efficient. Instead of directly funding information technology, procurement, and human resources functions, ETA will

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use shared services providers through the Working Capital Fund (WCF) and the proposed IT Working Capital Fund (IT WCF). Thirty-two full-time equivalents (FTE) will be realigned from Job Corps Administration to the WCF as part of the implementation of this model. The FY 2021 budget reflects this FTE realignment and the corresponding realignment of personnel compensation and benefits. The Budget does not include any related changes to non-personnel funding. The Department continues to develop and implement plans for Enterprise Shared Services. All FTE and funding estimates related to the Enterprise Shared Services initiative are preliminary and will be validated before final implementation.

FY 2020

The FY 2020 budget for Administration is \$32,330,000. Scheduled ROCAs or complete center operation assessments will continue, as will the information-based ROTAs that target one or more specific areas of center operations based on known information or specific concerns.

In FY 2020, Job Corps will begin using Compliance Checks to assess how well providers adhere to Job Corps policies and procedures. This approach, based on clearly identified center requirements in the *Job Corps Policy and Requirements Handbook*, results in quantifiable and actionable information. Using Compliance Checks also minimizes the degree of subjectivity involved in the process, creating transparency and accountability. Job Corps staff, as well as FS staff, and contract operators will know exactly what is expected, what specific issues exist, and when each compliance issue should be resolved. Job Corps will continue its use of ROTAs and ROCAs. Consequently, resources will be invested in sharpening Job Corps' technical, audit, and communication skills, and developing resources and tools for center operators. When a contractor does not improve its performance, Job Corps will use contract administration tools to hold contractors accountable. Job Corps will invest in CORs' development to maximize the value of these tools.

FY 2019

The FY 2019 budget for Administration was \$32,330,000.

OJC continued activities related to center safety and security; implementation of WIOA requirements, including developing the National Enrollee Assignment Plan (NEAP); providing for a third-party program evaluation; and ensuring contractor performance accountability through the use of targeted Job Corps center assessments (i.e., ROTAs, and ROCAs). A key management goal of Job Corps is to enhance the academic and career technical skills instruction that the program provides. This can be achieved by entering into agreements with colleges and apprenticeship programs; making strategic investments in training equipment upgrades; reviewing training requirements at least on an annual basis; and monitoring training providers to ensure that their instruction meets industry standards.

Job Corps revised its performance measurement system to align with reporting requirements under WIOA. There are now eight primary indicators in Job Corps' Outcome Measurement system (OMS) instead of the 15 metrics previously included in the OMS. The new system places more weight on student placements and longer-term employment and earnings outcomes. The

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emphasis on attainment of industry-recognized credentials continues to drive rigor and relevance in the program, while focus on longer-term student outcomes keeps the program aligned with WIOA requirements.

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WORKLOAD AND PERFORMANCE SUMMARY						
	FY 2019 Enacted		FY 2020 Enacted	FY 2021 Request		
	Target	Result	Target	Target		
Administration						
Strategic Goal 1 - Support the Ability of All Americans to Find Good Jobs						
Strategic Objective ETA 1.1 - Create customer-focused workforce solutions for American workers.						
ETA-OJC-01	Number of Regional Office Center Assessments (ROCAs) and/or compliance checks completed.		30	53	30	40
ETA-OJC-02	Number of Regional Office Targeted Assessments (ROTAs) completed.		50	56	50	60
ETA-OJC-03	Number of Job Corps Regional Audits		0	0	0	6

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

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Workload and Performance Summary

In FY 2021, Job Corps will use three production measures – the number of ROCAs completed, the number of ROTAs completed, and the number of Regional Audits – to capture key elements of the contract management activities conducted by Federal staff. ROCAs are the most comprehensive review of program operations by a team of Federal staff. Through ROCAs, Federal staff evaluate management, administrative support, program outcomes, compliance to policy and requirements, and data integrity. ROTAs are assessments of specific or targeted areas of a center’s operation. For FY 2021, Job Corps is projecting that it will conduct 40 ROCAs and 60 ROTAs. In addition, six audits of functions and operations of Job Corps regional offices will be conducted in FY 2021.

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BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2019 Enacted	FY 2020 Enacted	FY 2021 Request	Diff. FY21 Request / FY20 Enacted
11.1	Full-time permanent	15,077	15,319	15,456	137
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	280	130	374	244
11.9	Total personnel compensation	15,357	15,449	15,830	381
12.1	Civilian personnel benefits	4,102	4,102	4,182	80
13.0	Benefits for former personnel	0	0	0	0
21.0	Travel and transportation of persons	855	743	693	-50
22.0	Transportation of things	0	0	0	0
23.1	Rental payments to GSA	1,249	1,249	1,249	0
23.2	Rental payments to others	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	125	95	85	-10
24.0	Printing and reproduction	80	80	40	-40
25.1	Advisory and assistance services	270	244	200	-44
25.2	Other services from non-Federal sources	731	807	807	0
25.3	Other goods and services from Federal sources 1/	9,180	9,180	9,180	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	228	228	128	-100
26.0	Supplies and materials	98	98	98	0
31.0	Equipment	55	55	55	0
42.0	Insurance claims and indemnities	0	0	0	0
	Total	32,330	32,330	32,547	217
	1/Other goods and services from Federal sources				
	Working Capital Fund	9,180	9,180	9,180	0

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CHANGES IN FY 2021

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$234
Personnel benefits	80
Employee health benefits	0
One day less of Pay	-97
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	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 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 **\$217**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$32,547	113
Program Increase	\$0	0
Program Decrease	\$0	0