

AGENCY RESPONSE TO DRAFT REPORT

U.S. Department of Labor

Office of Job Corps
Washington, D.C. 20210



SEP 27 2006

MEMORANDUM FOR: ELLIOT P. LEWIS
Assistant Inspector General for Audit
Office of Inspector General

FROM: ESTHER R. JOHNSON, Ed.D. *Esther R. Johnson*
Administrator
Office of Job Corps

SUBJECT: OIG Audit
Allegations of Misuse of Funds and Property at the
Los Angeles Job Corps Center
Report No. 09-06-005-01-370

I appreciate the comprehensive work your office put forth in reviewing the addressed allegations. The following is in response to the above stated OIG Audit Report.

Recommendation 1: "Recover \$300,870 representing the total estimated proposal development costs improperly charged to the Job Corps contract."

Response: Job Corps concurs and the Contracting Officer will prepare a letter to be sent to the Los Angeles Job Corps Center requesting the return of the above mentioned funds.

Recommendation 2: "Recover \$3,000 in insurance cost associated with the GSA leased vehicle used by the CEO of the YWCA."

Response: Job Corps concurs and the Contracting Officer will include in the above mentioned letter the request to return funds in the amount of \$3,000 regarding the cost of insurance associated with the GSA leased vehicle used by the CEO of the YWCA.

Recommendation 3: "Direct the center and the YWCA to comply with all provisions of DOL regulations and center policy regarding the use of U.S. Government vehicles."

Response: The YWCA will be directed to comply with all Department of Labor's vehicle policies and the Regional Office will closely monitor their compliance.

Thank you again for the time and commitment given by you and your staff.