

**U.S. Department of Labor
Office of Inspector General
Office of Audit**

BRIEFLY...

Highlights of Report Number: 26-06-002-01-370,
to the National Director of Job Corps.

WHY READ THE REPORT

Contracts for Job Corps center operators, outreach and admissions providers, and career transition specialists account for a majority of the approximately \$1.5 billion Job Corps annual budget. Procurement for those services is handled through the Regional Offices of Job Corps. A complaint was filed against the Boston Regional Office, alleging the office engaged in abusive procurement practices that resulted in the award of a contract with a 5-year value of over \$80 million on a noncompetitive basis in violation of Federal procurement laws and regulations.

WHY OIG DID THE AUDIT

Our audit objectives were to determine (1) if the allegations of procurement abuse brought against the Boston Regional Office were valid and substantiated, (2) whether there are any former DOL Job Corps employees working for the incumbent contractor/offeree, and (3) whether the Boston Regional Office complied with applicable laws and regulations in the procurement included in the hotline complaint.

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:
<http://www.oig.dol.gov/public/reports/oa/26-06-002-01-370.pdf>

September 2006

Boston Regional Office Procurement of Job Corps Center Operator and Service Providers in Puerto Rico

WHAT OIG FOUND

We found that the allegations were not substantiated. In addition, we did not find former DOL Job Corps employees working for the incumbent contractor/offeree and the Regional Office complied with the intent of applicable laws and regulations, except for not promptly providing offerors who did not meet the competitive range the basis for their being excluded from further consideration for the contract.

WHAT OIG RECOMMENDED

We recommended that the National Director of the Office of Job Corps:

- Update the Job Corps Procurement Compendium to include the Federal Acquisition Regulation requirement that the notice to offerors not meeting the competitive range is to be provided "promptly."
- Ensure the Regional Director of the Boston Regional Office of Job Corps issue written guidelines for the office to comply with the Federal Acquisition Regulation requirement to promptly provide an offeror whose score did not meet the competitive range the basis for why they were excluded from further consideration for a contract.

The National Director of Job Corps responded that the agency concurred with the first recommendation. However, she stated that because contracting authority was being transferred from the Job Corps Regional Directors to OASAM Contracting Officers, the second recommendation is no longer applicable. She further stated that during scheduled training for the OASAM Contracting Officers, the issues identified in the report will be emphasized.