

GAO

Testimony

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**MULTIPLE EMPLOYMENT  
TRAINING PROGRAMS**

**Major Overhaul Needed to  
Create a More Efficient,  
Customer-Driven System**

Statement of Clarence C. Crawford, Associate Director  
Education and Employment Issues  
Health, Education, and Human Services Division



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**SUMMARY OF TESTIMONY BY CLARENCE C. CRAWFORD**  
**MULTIPLE EMPLOYMENT TRAINING PROGRAMS: MAJOR OVERHAUL NEEDED TO**  
**CREATE A MORE EFFICIENT, CUSTOMER-DRIVEN SYSTEM**

For more than 50 years, the federal government has invested considerable effort and resources to help people find productive employment. The result today is 163 federal programs scattered across 15 federal agencies providing employment training assistance. Despite spending billions of dollars each year, most federal agencies do not know if their programs are really helping people find jobs.

**THE CURRENT "SYSTEM" WASTES RESOURCES AND CONFUSES  
AND FRUSTRATES CLIENTS, EMPLOYERS, AND ADMINISTRATORS**

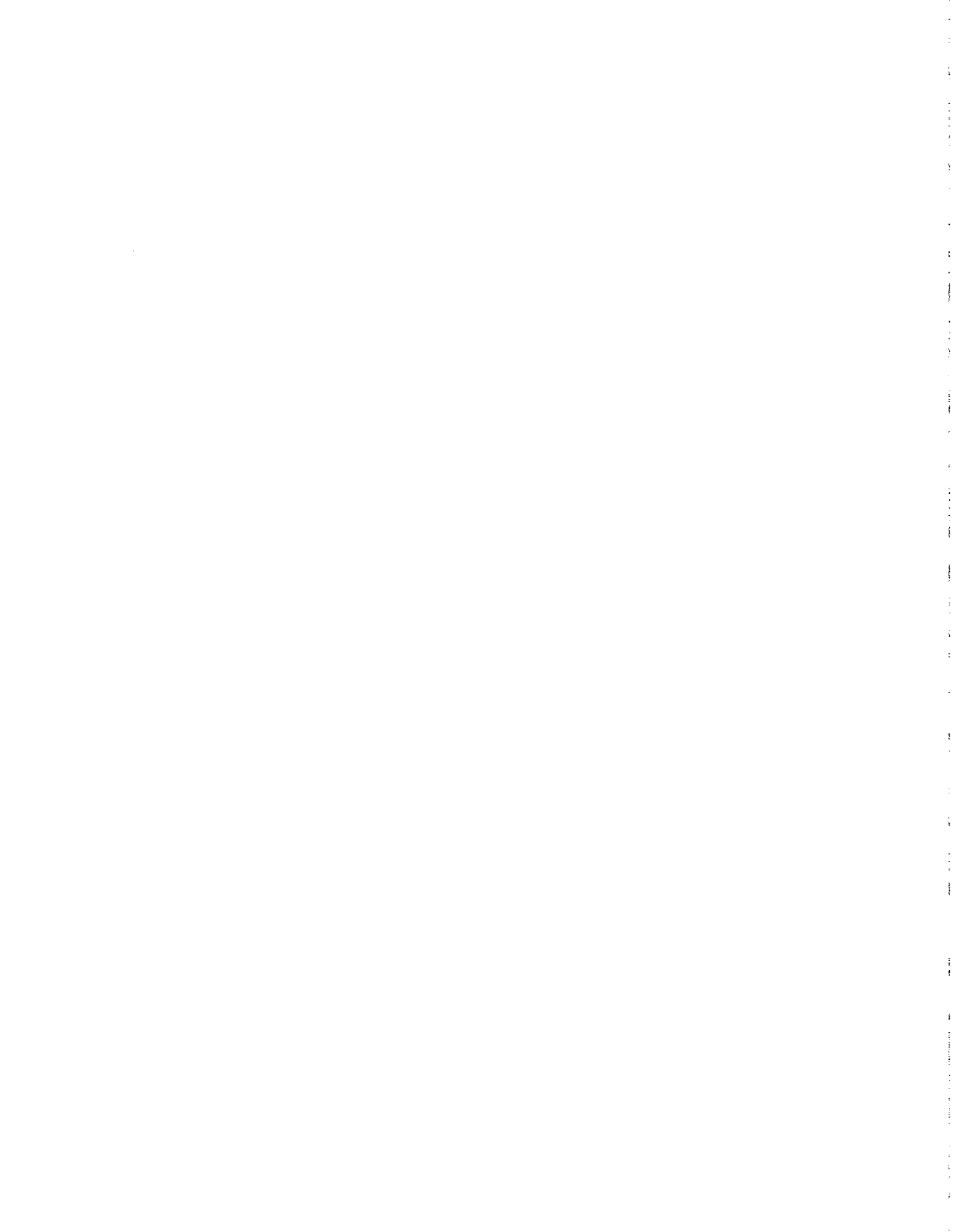
Collectively, the current system for providing employment training assistance suffers from a variety of problems that arise from a multitude of narrowly focused programs that often compete for clients and funds. While these programs frequently target the same clients, share the same goals, and provide similar services, agencies maintain separate administrative structures that devote staff and other resources, often at both headquarters and regional locations, to administer, monitor, and review program implementation. This extensive overlap raises questions about the system's efficiency. In addition, the patchwork of programs confuses those seeking assistance and frustrates employers and administrators. People have difficulty knowing where to begin to look for assistance because the system lacks clear entry points and clear paths from one program to another.

**MOST AGENCIES DO NOT KNOW IF THEIR PROGRAMS ARE WORKING EFFECTIVELY**

Most agencies lack the basic information needed to manage their programs or measure their performance. Many programs cannot tell us how many people they served or whether people obtained jobs. Even when participant outcome data are gathered, only a handful of programs know whether participants would likely have achieved the same outcomes without the program. For those programs that have been studied using a comparison of participant and nonparticipant outcomes, the results have not been encouraging. Gains have been modest at best.

**CREATING A MORE EFFICIENT, CUSTOMER-DRIVEN SYSTEM**

We are convinced that a major overhaul and consolidation of programs is needed to create an effective and efficient employment training system that (1) provides easy access to services; (2) encourages the efficient use of resources; (3) offers a wide variety of employment training services; and (4) holds program administrators accountable for results, while allowing states and local agencies the flexibility to determine how best to meet the needs of their communities.



Mr. Chairman and Members of the Subcommittee:

We are pleased to be here today to discuss our work concerning the many federal programs that provide employment training assistance<sup>1</sup> and the need to reshape the fragmented array of programs into a more efficient, customer-driven system.

As you know, in 1991, we identified 125 separate federal programs or funding streams that provide employment training assistance to adults and out-of-school youths. In 1993, we found that the number of programs providing employment training assistance had increased to at least 154. Despite much discussion about the need to reduce the number of programs, our review of 1995 appropriations and major legislation enacted in the last Congress identified at least 163 programs administered by 15 different agencies that provide about \$20 billion in employment training assistance for adults and out-of-school youths.<sup>2</sup>

Our testimony today will discuss the many problems with the current fragmented "system" of federal employment training assistance. Individually, many programs have admirable goals, however, collectively, they add unnecessary administrative costs and confuse and frustrate clients, employers, and administrators. These problems have raised concerns about the efficiency of the current system. Additionally, many agencies do not know whether their programs actually help people get jobs. Thus, the effectiveness of these programs is also in question.

These findings convince us that a major overhaul and consolidation of programs is needed to create a more efficient, customer-driven system that (1) provides clients and employers easy access to services; (2) encourages the efficient use of resources and simplifies program implementation; (3) offers a variety of employment training services to meet individual needs; and (4) holds program administrators accountable for results, but allows states and local agencies the flexibility to determine how best to meet their community needs.

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<sup>1</sup>See appendix I for a list of related GAO products.

<sup>2</sup>As used in this statement, "employment training programs" refers to programs or funding streams that (1) help the unemployed find jobs, (2) create job opportunities, and (3) enhance the skills of participants to increase their employability. For a list of programs and funding streams and their 1995 appropriation, see appendix II. The dollars shown for each program are those appropriated in fiscal year 1995 for adults and out-of-school youths. It should be noted that several recently enacted programs were not funded in fiscal year 1995.

NUMEROUS AGENCIES ADMINISTER THE CURRENT FRAGMENTED  
"SYSTEM" OF FEDERAL EMPLOYMENT TRAINING PROGRAMS

For more than 50 years, the federal government has invested considerable effort and resources to help people find productive employment. Numerous programs have been created to (1) facilitate the transition of youths from school to work, (2) help individuals overcome barriers that hamper their ability to compete for jobs, and (3) assist dislocated workers in reentering the work force.

The result today is 163 federal programs scattered across 15 federal agencies providing employment training assistance. While the Departments of Education and Labor administer the most programs--61 and 37 programs, respectively--the remaining 65 programs reside in departments not generally expected to provide employment training assistance. This has been particularly true as many new programs have emerged in recent years under the jurisdiction of the Departments of Defense, Housing and Urban Development (HUD), and Justice. (See app. III for a chart showing the federal departments and agencies providing employment training assistance.)

Despite the many federal agencies administering employment training programs, these programs frequently target the same client populations. For example, youth are specifically targeted by the largest number of programs (19); other target groups, such as veterans, Native Americans, the economically disadvantaged, and dislocated workers, are also targeted by several programs. (See app. IV for a list of target populations.)

In addition to serving the same client populations, many of these programs share common goals and provide similar services. For example, all nine programs that specifically target the economically disadvantaged have the goal of enhancing clients' participation in the work force, and six programs--the Labor Department's three Job Training Partnership Act (JTPA) programs, the Department of Health and Human Service's (HHS) Job Opportunities and Basic Skills (JOBS), the Department of Agriculture's Food Stamp Employment and Training (E&T), and HUD's Family Self-Sufficiency--specifically mention reducing welfare dependency as a primary goal.

Thus, it is not surprising that these programs also serve many of the same clients. For example, in a prior report we found that, among programs that target the economically disadvantaged, some clients receive services from more than one program at the same time.<sup>3</sup> While title IV-A of the Social Security Act requires state agencies to provide child care mandated by the Family Support Act

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<sup>3</sup>Multiple Employment Training Programs: Overlap Among Programs  
Raises Questions About Efficiency (GAO/HEHS-94-193, July 11, 1994).

for JOBS participants, it also provides an estimated \$86.1 million in additional child care funding for recipients of Aid to Families with Dependent Children (AFDC) while receiving other services, such as training or educational assistance from other programs including JTPA or the Vocational Education Basic State program. Similarly, clients enrolled in the Food Stamp E&T program receive their vocational training from JTPA or the Vocational Education Basic State program.

Many of the employment training programs we identified also provide the same categories of services through parallel but separate structures. For example, the 9 employment training programs that target the economically disadvantaged offer 27 different categories of services in 5 basic areas: (1) career counseling and skills assessment, (2) remedial education, (3) vocational skills training, (4) placement assistance, and (5) support services. The JTPA title II-A programs offer 24 of those services. The JOBS program provides 17 of the same services as JTPA, and the Food Stamp E&T program overlaps with JTPA on 18 services. These three programs account for about 72 percent of the funding specifically targeted to the economically disadvantaged population.

To deliver these services, the federal government has created a patchwork of parallel administrative structures and service delivery mechanisms. Within the 15 departments and agencies, 40 interdepartmental offices channel funds to state and local program administrators. Each office provides staff and incurs costs, often at both headquarters and regional locations, to plan and monitor the implementation of its programs.

At the state and local levels, similar, often parallel program structures administer the delivery of services to similar target groups. For example, the JTPA program funds about 630 service delivery areas (SDA) to administer local service delivery. Concurrently, the JOBS and Food Stamp E&T programs both fund numerous offices, frequently using the network of over 3,000 state- or county-run welfare offices to administer the delivery of program services. In other instances, the 2,000 Employment Service offices are used to provide JTPA or JOBS services.

#### CURRENT SYSTEM WASTES RESOURCES AND CONFUSES AND FRUSTRATES CLIENTS, EMPLOYERS, AND ADMINISTRATORS

Despite the efforts of the people providing services to meet what are admirable goals, the fragmented system suffers from a variety of problems that arise from a multitude of narrowly focused programs delivered by agencies that often compete for clients and funds. Collectively, this conglomeration of programs adds unnecessary administrative costs and confuses and frustrates clients, employers, and administrators.

Overlap Among Programs Adds Unnecessary Administrative Costs and Raises Questions About Efficiency

The amount of money spent administering employment training programs cannot be readily quantified. Estimates of administrative costs range from as low as 7 percent for some programs to as high as 15 or 20 percent for others. For example, the JTPA program limits administrative costs at the local level to 20 percent. At the federal level, most agencies cannot adequately track their administrative costs by program.<sup>4</sup> However, given the many federal, state, and local agencies involved in administering these programs, we believe the administrative costs are substantial.

To illustrate the problem, last year we looked at 38 federally funded programs that specifically targeted either the economically disadvantaged, dislocated workers, older workers, or youth.<sup>5</sup> We found that despite often sharing common goals, serving comparable clients, providing similar services, and, in some instances, being so intertwined that some clients receive services from more than one program at the same time,<sup>6</sup> each program maintains separate administrative structures.

The extensive overlap among these programs raises questions about the efficiency of having individual administrative structures for each program. Both the National Commission for Employment Policy<sup>7</sup> and the Welfare Simplification and Coordination Advisory Committee<sup>8</sup> agree that programs serving the economically disadvantaged could realize substantial savings if they did not operate independently and support separate administrative structures. The Welfare Simplification Committee report concluded,

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<sup>4</sup>Budget Issues: Assessing Executive Order 12837 on Reducing Administrative Expenses (GAO/AIMD-94-15, Nov. 17, 1993).

<sup>5</sup>GAO/HEHS-94-193, July 11, 1994.

<sup>6</sup>For example, we found that a 30-year-old mother on AFDC enrolled in the JOBS program could be provided an initial assessment and orientation by the JOBS program while being referred to JTPA for education and training. While enrolled in JTPA training, she could also receive AFDC (IV-A) child care funds. JOBS and JTPA: Tracking Spending, Outcomes, and Program Performance (GAO/HEHS-94-177, July 15, 1994), p.6.

<sup>7</sup>Coordinating Federal Assistance Programs for the Economically Disadvantaged: Recommendations and Background Materials, National Commission for Employment Policy (Washington, D.C.: 1991).

<sup>8</sup>Time for a Change: Remaking the Nation's Welfare System, Report of the Welfare Simplification and Coordination Advisory Committee (Washington, D.C.: 1993).



"Eliminating duplicate bureaucracies will reduce administrative costs, saving money that can be used, instead, for client services."

Eliminating separate staffs to administer, monitor, and evaluate programs at the state and local levels could also save resources. Some state and local areas have attempted to rationalize the array of federal programs and funding streams. For example, in the state of Washington, the human services department contracts with the state's employment service department for the administration of its Food Stamp E&T program. At the local level, Washington's human service agencies refer Food Stamp clients to the state's Employment Service offices for employment training assistance.

### Fragmented System Confuses and Frustrates Clients, Employers, and Administrators

The current patchwork of employment training programs confuses those seeking assistance because it has no clear entry points and no clear path from one program to another. Organizations that provide federal employment training assistance range from publicly supported institutions of higher education to local education agencies and from nonprofit community-based organizations to private-for-profit corporations. Not surprisingly, people have difficulty knowing where to begin to look for assistance. As a result, they may go to the wrong agency, or worse, give up altogether.

Employers also experience problems with the multitude of employment training programs. Employers want a system that is easy to access and provides qualified job candidates. Instead, employers must cope with solicitations from over 50 programs that provide job referral and placement assistance, each looking for positions for their clients. A survey of employers in the state of Washington showed that 60 percent said they had difficulty finding qualified workers, and 31 percent said employment training programs were too slow in responding to their need for qualified workers.<sup>9</sup>

All too often, there is no clear linkage between economic development activities and employment training programs to help employers meet their labor needs. Developing a skilled worker is a hollow success if no job opportunities exist when the worker completes training. We found more than 30 federal programs that offer economic development activities to help create full-time permanent jobs for the unemployed and the under-employed, primarily in economically distressed areas. However, the National Governors

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<sup>9</sup>The Investment in Human Capital Study, State of Washington Office of Financial Management (Dec. 1990).

Association found that less than one in four states administered major economic development and job training programs through the same state-level agency. It also found that only one in three states jointly planned program policies and activities for these related programs.

Increasingly, program administrators are under orders to coordinate activities and share resources to ensure that program participants get needed services. Despite decades of attempts to better coordinate employment training programs, program administrators continue to face conflicting program requirements. For example, our analysis of nine programs that target the economically disadvantaged identified six different standards for defining "low income," five different definitions for family or household, and five definitions of what is included in income when determining eligibility for services.<sup>10</sup>

Another problem facing administrators attempting to coordinate programs is differences in program operating cycles for planning, funding, and reporting activities. We found that even programs targeting the same populations, such as older workers, dislocated workers, the economically disadvantaged, and youth, often operate on different annual cycles, which hampers the ability of program administrators to jointly plan and coordinate assistance. For example, the nine programs that target the economically disadvantaged have three different operating cycles. The JOBS program, the Food Stamp E&T program, and the Family Self-Sufficiency program operating cycles start on October 1. The three JTPA II-A programs and the Vocational Education Basic State programs operating cycles start on July 1. And the Educational Opportunity Centers' and Student Literacy Corps programs' operating cycles start September 1. (See app. V.)

These differences make it difficult for administrators, attempting to coordinate their programs, to match available funding with estimates of the number of those seeking assistance. To accomplish joint planning, agencies must resort to setting low estimates of the number of clients from other programs they can serve, committing only resources they know will be available, or making commitments contingent on expected funding. Unfortunately, these methods can result in the underutilization of available resources or crisis planning when resources finally are available.

Special arrangements to coordinate services among overlapping programs may be more efficient than operating programs separately or in competition with one another. However, such arrangements can actually increase the overall costs of operating these programs.

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<sup>10</sup>Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

For example, we identified 14 separate federal committees or councils with responsibilities for interprogram coordination. Many of these councils operate with their own staffs and expense accounts. However, a recent survey of state officials found that less than half thought that such efforts actually improved coordination.<sup>11</sup>

The federal government also uses set-aside programs and demonstration projects to look for ways to enhance coordination among programs. For example, to determine whether the JTPA, JOBS, and Food Stamp E&T programs can be better integrated, the federal government is sponsoring a 4-year demonstration project, costing up to \$3 million, to test the feasibility and cost of greater coordination and consistency between these programs. In addition, the JTPA State Education Coordination and Grants program--with \$84 million in funding appropriated for fiscal year 1995--was designed, in part, to ". . . facilitate coordination of education and training services." However, a study by the National Commission for Employment Policy reported that the track record of such set-asides in improving coordination has been mixed.<sup>12</sup>

#### MOST AGENCIES DO NOT KNOW IF THEIR PROGRAMS ARE WORKING EFFECTIVELY

Despite spending billions of dollars each year on employment training assistance, most agencies do not know if their programs are really helping people find jobs. From the study that we performed last year<sup>13</sup> and our subsequent review of program data obtained by the Senate Committee on Labor and Human Resources, last summer,<sup>14</sup> a common theme has emerged--most agencies lack very basic information needed to manage their programs.

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<sup>11</sup>Edward T. Jennings, Jr., "Building Bridges in the Intergovernmental Arena: Coordinating Employment and Training Programs in the American States," Public Administration Review, Vol. 54, No. 11 (1994).

<sup>12</sup>Coordinating Federal Assistance Programs for the Economically Disadvantaged: Recommendations and Background Materials, National Commission for Employment Policy (Washington, D.C.: 1991).

<sup>13</sup>Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

<sup>14</sup>Multiple Employment Training Programs: Basic Program Data Often Missing (GAO/T-HEHS-94-239, Sept. 28, 1994).

We found that almost 40 percent of the programs could not accurately tell us how many people were served each year. And a number of programs provided data that were estimates, were not current, or were incomplete. For example, the JOBS program, which spends \$1.3 billion annually, does not collect data on the number of people served each year but relies on monthly participation estimates. However, findings from our 1993 report on the JOBS programs showed that, because of inaccuracies in these participation estimates, state-reported data could not be used to assess state efforts to serve AFDC recipients.

Programs also lack outcome data. Less than 50 percent of the programs collected data on whether or not participants obtained jobs after they received services. Only 26 percent collected data on wages earned. We found that large programs with annual budgets over \$100 million were no more likely to have collected data on participant outcomes than smaller programs with budgets under \$50 million. For example, neither the Food Stamp E&T program nor the NAFTA Trade Adjustment Assistance program collect placement data on their participants. Without this information, programs will have difficulty knowing if they are training participants for real job opportunities and whether participants have the skills employers need.

We also found that two-thirds of the programs do not link outcome data to services provided or participant characteristics. By linking demographic characteristics of participants to training provided and job outcomes, program administrators should know whether their programs are more successful for some participants (for example, men) than others (for example, women). Officials can also determine whether there are disparities in who receives what type of training, such as giving training to women in lower paying occupations than men.

Only a relative handful of programs know whether participants would likely have achieved the same job placement outcomes without the program. In our review of 62 programs, program administrators only identified 7 programs that had been studied, during the 10-year period ending December 1993, using a comparison of participant outcomes with the outcomes of similar nonparticipants.

For programs that were studied using a comparison of participant and nonparticipant outcomes, the results have not been encouraging. Gains have been modest at best, as shown in the following examples:

- A study by Abt Associates, Inc., raised questions about the effectiveness of JTPA.<sup>15</sup> The study showed that while comparisons between program participants--adult women and men--had generally positive effects on earnings and employment compared with their counterparts in the control group, the JTPA program had little or no effect on female youths who participated, and male youths participating in JTPA had lower earnings than their counterparts in the control group.
- A study of the Food Stamp E&T program<sup>16</sup> concluded that the program was not meeting its intended objectives of increasing participants' employment and earnings and decreasing their dependence on public assistance. The study found that program participation had no discernable effect on the participants' aggregate earnings, probability of finding work, amount of time worked, or average wages.
- A 1993 evaluation of the Trade Adjustment Assistance (TAA) program by Mathematica Policy Research, Inc.,<sup>17</sup> found that participating in training did not have a significant impact on the estimated employment and earning differences between TAA trainees and other Trade Readjustment Allowances (TRA) recipients, nor did the training have a substantial positive effect on employment and earnings when compared with persons from manufacturing industries who did not receive TRA.

#### CREATING A MORE EFFICIENT, CUSTOMER-DRIVEN SYSTEM

As the Congress addresses the problems in the nation's employment training system, our work, as well as that of numerous researchers, suggests several ways to facilitate the creation of a more efficient, customer-driven system. These guideposts can provide a framework for designing the new system's structure.

First, the system must be streamlined by reducing the number of programs. The remaining programs need to be easily accessible by all who seek assistance, including clients seeking jobs and employers seeking workers. The system needs clear points of entry and clearer pathways between programs.

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<sup>15</sup>National JTPA Study: Title II-A Impacts on Earnings and Employment at 18 Months, Abt Associates, Inc. (Jan. 1993).

<sup>16</sup>Evaluation of the Food Stamp Program, Abt Associates, Inc. (June 1990).

<sup>17</sup>International Trade and Worker Dislocation: Evaluation of the Trade Adjustment Assistance Programs, Mathematica Policy Research, Inc. (Apr. 1993).

Second, the system's structure should simplify program implementation by eliminating conflicting requirements and administrative procedures. The system should also encourage the efficient use of resources by eliminating redundant federal bureaucracies and encouraging efficient resource management at the state and local levels.

Third, the new system should provide a wide array of employment training services to meet the varied needs of those seeking assistance. A "one-size-fits-all" approach does not work. Services should include independent career counseling and skill assessments, basic skills and occupational training, support services, and job placement assistance. In addition, service delivery strategies must be developed in partnership with employers so that training adequately prepares workers to meet employers' skill needs.

Last but not least is the need to hold program administrators accountable for results while allowing states and local agencies the flexibility to determine how best to meet the needs of their communities. This would require the development of a data collection system that could track participants across program lines and track program performance across states. It also would require the development of practical strategies for evaluating the system's effectiveness. Clearly defined goals and performance standards are the cornerstones of such a strategy.

## CONCLUSIONS

In our view, the need for an effective and efficient employment training system has never been greater. However, the current "system" of federal employment training programs is fraught with so many problems it is difficult to know what has been accomplished. Clearly, though, the current conglomeration of narrowly focused programs incurs unnecessary administrative costs and confuses and frustrates workers, employers, and administrators. And despite spending billions of dollars each year on employment training assistance, most agencies do not know whether their programs are really helping people find jobs.

We remain convinced that a major overhaul and significant consolidation of the existing 163 programs is needed to create a more efficient, customer-driven system that (1) provides easy access to services; (2) encourages the efficient use of resources; (3) offers a variety of employment training services; and (4) holds program administrators accountable for results, but allows state and local agencies the flexibility to determine how best to meet their community needs.

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Mr. Chairman, that concludes my prepared statement. At this time I will be happy to answer any questions you or other members of the Subcommittee may have.

For more information on this testimony, please call Robert T. Rogers, Assistant Director, at (313) 256-8011 or Barbara Moroski-Browne, Senior Evaluator, at (313) 256-8147.

RELATED GAO PRODUCTSMultiple Employment Training Programs: Basic Program Data Often Missing (GAO/T-HEHS-94-239, Sept. 28, 1994).

The federal government has invested considerable effort in helping people transition into the work force. To get the most from this investment, administrators need to know how well these programs are working. However, agencies lack the information needed to adequately track who is served or determine program results. Most agencies do not collect information on participant outcomes nor do they conduct studies of program effectiveness or impact. Therefore, it is difficult to assess whether their programs are providing assistance that helps participants get jobs or whether the participants would likely have found the same types of jobs without federal assistance. Further, GAO also found that agencies often lacked such basic data as the number of participants served or their demographic characteristics.

Multiple Employment Training Programs: How Legislative Proposals Address Concerns (GAO/T-HEHS-94-221, Aug. 4, 1994).

More than 150 federal programs provide employment training assistance to adults and out-of-school youth. During the past year, Members of Congress introduced 13 bills to restructure parts of the federal employment training system. This testimony describes some of the more significant aspects of those proposals.

Multiple Employment Training Programs: Overlap Among Programs Raises Questions About Efficiency (GAO/HEHS-94-193, July 11, 1994).

GAO found that many existing federal employment training programs targeting the economically disadvantaged, dislocated workers, older workers, and youth overlap considerably in their goals, clients, services, and service delivery mechanisms. These redundancies foster inefficiencies and make it hard to determine the effectiveness of specific programs or the system as a whole. This report identifies the extent of similarity among programs serving the economically disadvantaged, dislocated workers, older workers, and youth.



Multiple Employment Training Programs: Conflicting Requirements Underscore Need for Change (GAO/T-HEHS-94-120, Mar. 10, 1994).

Conflicting eligibility requirements and differences in annual operating cycles are hampering the ability of the programs to provide participants needed services. Six different standards for defining "low income," five definitions of family or household, and five definitions of what is included in income make determining who is "economically disadvantaged" a complex process. Similarly, differences in age criteria for older worker and youth programs turn coordination into a "jigsaw puzzle."

Multiple Employment Training Programs: Major Overhaul Is Needed (GAO/T-HEHS-94-109, Mar. 3, 1994).

At least 154 programs run by 14 federal agencies provide employment training assistance. Although well intended, these programs, when taken collectively, tend to confuse and frustrate their clients and administrators, hamper the delivery of services to those in need, and potentially duplicate efforts and run up unnecessary costs. In addition, some programs lack basic training and monitoring systems needed to ensure efficient and effective service. A major structural overhaul of employment training programs is needed. The goal should be a customer-driven employment system guided by four principles: simplicity, tailored services, administrative efficiency, and accountability.

Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

Federal agencies closely monitor their expenditure of billions of dollars for employment training assistance for the economically disadvantaged. However, most agencies do not collect information on participant outcomes, nor do they conduct studies of program effectiveness. For about half the programs in our analysis, agencies did not collect data on what happened to program participants after they completed a particular program (i.e., whether they obtained jobs or what wages they earned). Only about a third of the training programs in our analysis used oversight and monitoring to assess participant outcomes. Only a handful of federal agencies responsible for these programs have conducted studies that measure program effectiveness or impact--whether programs really helped participants find a job, or would they have found similar jobs without federal assistance.

Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

In the current fragmented system of federal job training programs, many programs are targeting the same populations. This overlap in client groups raises questions about duplicated effort and wasted government resources. GAO's analysis of nine programs that target the economically disadvantaged showed that the programs had similar goals, often served the same kinds of people, and provided many of the same services using separate, yet parallel, delivery structures. The overlap can add unnecessary administrative costs at each level of government--federal, state, and local.

Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

Conflicting eligibility requirements and differences in annual operating cycles are hampering federal employment training programs from helping people in need of services. Differences in eligibility criteria, such as income level, family or household definitions, and age, make determining who is eligible for which program a complex process that confuses clients and frustrates administrators. Within each target group, differences in annual operating cycles also hinder the ability of program administrators to cooperate to ensure that participants receive the services they need.

Multiple Employment Training Programs: National Employment Strategy Needed (GAO/T-HRD-93-27, June 18, 1993).

For many years, people seeking help in finding jobs have had to contend with a vast number of federal programs offering employment training assistance. Some states have tried to coordinate the programs, but these efforts have not always been successful. To bring some order to the current fragmented "system" of more than 150 different federal employment training assistance programs, local, state, and federal leaders need to work together to set common goals for programs yet allow communities the flexibility to develop service-delivery mechanisms tailored to local needs. This testimony discusses (1) problems created by the myriad employment training programs, (2) state and local efforts to coordinate these programs, and (3) the need for a national employment training strategy.

Multiple Employment Programs (GAO/HRD-93-26R, June 15, 1993).

GAO discussed federal employment training programs and the difficulty in coordinating client services with federal, state, and local administrators. GAO found that (1) the fragmented federal employment training system creates problems for job seekers, employers, and administrators; (2) the lack of access to information about what services programs offer can create confusion for job seekers about which program best meets their needs; (3) some needs assessments are performed by service providers who have a vested interest in which services participants receive; (4) duplicative assessment processes and placement activities waste resources and cause frustration for job seekers; (5) efforts to monitor program performance and outcomes are difficult because programs do not track participant progress; and (6) several states have taken initiatives to reorganize their service delivery system to better coordinate services at the local level.

The Job Training Partnership Act: Potential for Program Improvements but National Job Training Strategy Needed (GAO/T-HRD-93-18, Apr. 29, 1993).

Title II-A of the Job Training Partnership Act provides job training and employment-seeking skills to help the economically disadvantaged find jobs. Although the act has been viewed as relatively successful in placing participants in jobs, a recent study raises questions about whether it is as effective as it could be. GAO testified that effective implementation of the 1992 amendments to the act, coupled with more emphasis on program evaluation and a national strategy to eliminate confusion and duplication among the myriad training programs, could make a substantial improvement.

Multiple Employment Programs (GAO/HRD-92-39R, July 24, 1992).

GAO identified federally supported employment and training assistance programs available to out-of-school youths or adults not enrolled in advanced degree programs. GAO found that (1) 125 federal programs provide various forms of employment and training assistance totaling \$16.3 billion; (2) programs are administered by many federal agencies; (3) the Department of Education administers 49 programs, totaling \$8.1 billion, and the Department of Labor administers 30 programs, totaling \$5.7 billion; (4) many programs target the same populations and provide similar services; and (5) reducing overlapping services and confusion requires coordination and integration of program services, modifying target group, reducing differing definitions in administrative rules, and eliminating competition between programs.

LIST OF FEDERAL PROGRAMS THAT PROVIDE EMPLOYMENT TRAINING  
ASSISTANCE, WITH FISCAL YEAR 1995 APPROPRIATIONS

<b>Agency/program</b>	<b>FY 1995 Appropriation (in millions)</b>
<b>Department of Agriculture</b>	
Food Stamp Employment and Training	\$165.0
Subtotal (1 program)	165.0
<b>Appalachian Regional Commission</b>	
Appalachian Vocational and Other Education Facilities and Operations	7.0
Subtotal (1 program)	7.0
<b>Department of Commerce</b>	
Minority Business Development Centers	19.7
American Indian Program	1.5
Economic Development-Grants for Public Works and Development Facilities	202.4 a
Economic Development-Public Works Impact Program	b
Economic Development-Support for Planning Organizations	26.4
Economic Development-Technical Assistance	10.9
Economic Development-State and Local Economic Development Planning	26.6
Special Economic Development and Adjustment Assistance Program-Sudden and Severe Economic Dislocation and Long-Term Economic Deterioration	45.0
Community Economic Adjustment	119.8
Subtotal (9 programs)	452.3
<b>Corporation for National Service</b>	
Literacy Corps	5.0
Foster Grandparent Program	67.8
Senior Companion Program	31.2
Subtotal (3 programs)	104.0
<b>Department of Defense</b>	
Military Base Reuse Studies and Community Planning Assistance	39.1
Transition Assistance Program	72.4
Subtotal (2 programs)	111.5
<b>Department of Education</b>	
Even Start-State Educational Agencies	99.1 c
Even Start-Migrant Education	2.9 c
Women's Educational Equity	4.0 c
Indian Education-Adult Education	5.4
Migrant Education-High School Equivalency Program	8.1
Migrant Education-College Assistance Migrant Program	2.2 c
School Dropout Demonstration Assistance	28.0 c
Adult Education-State Administered Basic Grant Program	252.3
Adult Education for the Homeless	9.5
Adult Education National Programs	8.8
Vocational Education-Demonstration Projects for the Integration of Vocational and Academic Learning	10.0 c

## APPENDIX II

## APPENDIX II

<u>Agency/program</u>	<u>FY 1995 Appropriation (in millions)</u>
Vocational Education-Educational Programs for Federal Correctional Institutions	0.0
Vocational Education-Comprehensive Career Guidance and Counseling	d
Vocational Education-Blue Ribbon Vocational Educational Programs	0.0
Vocational Education-Model Programs for Regional Training for Skilled Trades	0.0
Vocational Education-Business/Education/Labor Partnerships	d
Vocational Education-Tribally Controlled Postsecondary Vocational Institutions	2.9
Tribal Economic Development	e
Vocational Education-Basic State Programs	764.5 c
Vocational Education-State Programs and Activities	81.2 c
Vocational Education-Single Parents, Displaced Homemakers, and Single Pregnant Women	71.7
Vocational Education for Sex Equity	28.7 c
Vocational Education-Programs for Criminal Offenders	9.5
Vocational Education-Cooperative Demonstration	10.7 c
Vocational Education-Indian and Hawaiian Natives	15.1 c
Vocational Education-Community Based Organizations	9.5 c
Vocational Education-Bilingual Vocational Training	0.0
Vocational Education-Demonstration Centers for the Training of Dislocated Workers	0.0
Vocational Education-Consumer and Homemaking Education	34.4 c
Vocational Education-TechPrep Education	108.0 c
National Workplace Literacy Program	18.7
Literacy for Incarcerated Adults	5.1
National Center for Deaf-Blind Youth and Adults	6.9 c
State Literacy Resource Centers	7.8 c
Student Literacy Corps and Student Mentoring Corps	0.0
Federal Pell Grant Program	2,917.3 f
Federal Family Education Loans	1,277.9 g
Federal Supplemental Education Opportunity Grants	150.5 h
Upward Bound	172.0 c
Talent Search	78.0 c
Federal Work Study Program	111.0 h
Federal Perkins Loan Program-Capital Contributions	13.7 h
State Student Incentive Grants	10.0 i
Educational Opportunity Centers	26.0
Student Support Services	145.0
Postsecondary Education Programs for Persons With Disabilities	8.8

<b>Agency/program</b>	<b>FY 1995 Appropriation (in millions)</b>
Vocational Rehabilitation Services Basic Support-Grants to States	2,043.9 j
Vocational Rehabilitation Services Basic Support-Grants for Indians	10.3 j
Vocational Rehabilitation Services Service Projects-Handicapped Migratory and Seasonal Farm Workers	1.4 j
Vocational Rehabilitation Services Service Projects-Special Project Demonstrations for Providing Vocational Rehabilitation Services to Individuals With Severe Disabilities	19.9 j
Vocational Rehabilitation Services Service Projects-Supported Employment Projects With Industry Programs	10.6 j
Supported Employment Services for Individuals With Severe Disabilities	22.1
Comprehensive Services for Independent Living	36.5
Library Literacy	62.4 c
Public Library Services	8.0
Federal Direct Student Loan Program	83.2 c
Workplace Transition Training for Incarcerated Youth Offenders	171.1 x
Native Hawaiian Education- Community-Based Education Learning Centers	1
Community School Partnerships	m
21st Century Community Learning Centers	1
Subtotal (61 programs)	0.8 n
	8,985.4
<b>Department of Health and Human Services</b>	
Job Opportunities and Basic Skills Training Program	1,300.0
Community Services Block Grant	391.5 c
Community Services Block Grant-Discretionary Award	26.8 a
Community Services Block Grant Discretionary Awards-Demonstration Partnership	8.0
Refugee and Entrant Assistance-Discretionary Grants	9.4 a
Refugee and Entrant Assistance-State Administered Programs	80.0 a
Refugee and Entrant Assistance-Voluntary Agency Programs	15.6 a
Family Support Centers and Gateway Demonstration Program	2.0 a
State Legalization Impact Assistance Grants	4.0 a
Transitional Living for Runaway and Homeless Youth	o
Independent Living	70.0
Scholarships for Health Professions Students From Disadvantaged Backgrounds	2.1 a
Health Careers Opportunity Program	9.5 a
Subtotal (13 programs)	1,918.9
<b>Department of Housing and Urban Development</b>	
Emergency Shelter Grants Program	o
Supportive Housing Program	o
Youthbuild	50.0

## APPENDIX II

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<b>Agency/program</b>	<b>FY 1995 Appropriation (in millions)</b>
Family Self-Sufficiency Program	17.3 p
Service Coordinators	30.0 q
Empowerment Zone and Enterprise Community Program	640.0 r
Subtotal (6 programs)	737.3
<b>Department of the Interior</b>	
Indian Employment Assistance	17.7 s
Indian Grants-Economic Development	4.1
Subtotal (2 programs)	21.8
<b>Department of Justice</b>	
Ounce of Prevention Grant Program	t
Local Crime Prevention Block Grant Program	u
Assistance for Delinquent and At-Risk Youth	u
Police Recruitment	u
Local Partnership Act	u
National Community Economic Partnership	u
Substance Abuse Treatment in Federal Prisons	u
Subtotal (7 programs)	0.0
<b>Department of Labor</b>	
JTPA IIA Training Services for the Disadvantaged-Adult	810.2
JTPA IIA State Education and Coordination	84.2
JTPA IIA Incentive Grants	52.6
JTPA IIA Training Programs for Older Individuals	52.6
JTPA IIC Disadvantaged Youth	244.9
JTPA IIC Disadvantaged Youth-Incentive Grants	15.0
JTPA IIC Disadvantaged Youth-State Education Programs	o
JTPA IIB Training Services for the Disadvantaged-Summer Youth Employment and Training Program (Regular)	1,040.2
JTPA IIB Summer Youth Employment and Training Program (Native American)	16.1
JTPA EDWAA-Dislocated Workers (Substate Allotment)	518.4
JTPA EDWAA-Dislocated Workers (Governor's Discretionary)	518.4
JTPA EDWAA-Dislocated Workers (Secretary's Discretionary)	259.2
JTPA Defense Conversion Adjustment Program	4.0 v
JTPA Defense Diversification	0.0 w
JTPA Clean Air Employment Transition Assistance	0.0 x
JTPA-Migrant and Seasonal Farmworkers	85.7
JTPA-Employment and Training Research and Development Projects	11.9 y
JTPA Employment Services and Job Training-Pilot and Demonstration Programs	35.5
JTPA-Native American Employment and Training Programs	64.1
JTPA Job Corps	1,099.5

<b>Agency/program</b>	<b>FY 1995 Appropriation (in millions)</b>
Federal Bonding Program	0.3
Senior Community Service Employment Program	410.5
Apprenticeship Training	17.1
Trade Adjustment Assistance-Workers	231.0
Targeted Jobs Tax Credit	10.3 <sup>z</sup>
Employment Service-Wagner Peyser State Grants (7a)	761.3
Employment Service-Wagner Peyser Governor's Discretionary Funds (7b)	84.6
Labor Certification for Alien Workers	51.1
Interstate Job Bank	2.0
Youth Fair Chance	24.8
One-Stop Career Centers	120.0
Veterans Employment Program	8.9
Disabled Veterans Outreach Program	83.6
Local Veterans Employment Representative Program	77.6
Homeless Veterans Reintegration Project	5.0
Job Training for the Homeless Demonstration Project	0.0
NAFTA-Transitional Adjustment Assistance	43.4 <sup>aa</sup>
Subtotal (37 programs)	6,844.0
<b>Office of Personnel Management</b>	
Federal Employment for Disadvantaged Youth-Summer	<sup>bb</sup>
Subtotal (1 program)	<sup>bb</sup>
<b>Small Business Administration</b>	
Management and Technical Assistance for Socially and Economically Disadvantaged Businesses	8.1
Small Business Development Center	74.0
Women's Business Ownership Assistance	4.0
Veteran Entrepreneurial Training and Counseling	0.4
Service Corps of Retired Executives Association	3.3
Business Development Assistance to Small Business	21.9
Procurement Assistance to Small Business	34.1
Minority Business Development	4.1
Subtotal (8 programs)	149.9
<b>Department of Transportation</b>	
Transit Planning and Research Program	0.6 <sup>cc</sup>
Subtotal (1 programs)	0.6
<b>Department of Veterans Affairs</b>	
All-Volunteer Force Educational Assistance	501.9 <sup>a</sup>
Selected Reserve Educational Assistance Program	42.0 <sup>a</sup>
Survivors' and Dependents' Educational Assistance	48.5 <sup>a</sup>
Vocational Rehabilitation for Disabled Veterans	297.0



## APPENDIX II

## APPENDIX II

<b>Agency/program</b>	<b>FY 1995 Appropriation (in millions)</b>
Post-Vietnam Era Veterans Educational Assistance	14.1 <sup>a</sup>
Vocational Training for Certain Veterans Receiving VA Pensions	5.0
Vocational and Educational Counseling for Servicemembers and Veterans	<sup>dd</sup>
Service Members Occupational Conversion and Training	7.7 <sup>ee</sup>
Health Care for Homeless Veterans	<sup>o</sup>
Domiciliary Care for Homeless Veterans	<sup>o</sup>
Housing and Urban Development/Veterans Affairs-Supported Housing	<sup>o</sup>
Subtotal (11 programs)	916.2
<b>Grand Total (163 programs)</b>	<b>\$20,413.9</b>

Note: Listed programs provide employment training assistance to (1) help the unemployed find jobs, (2) create job opportunities, and (3) enhance skill levels of adults and out-of-school youth not enrolled in advanced-degree programs. Fiscal year (FY) 1995 appropriations were based on information obtained from the Office of Management and Budget and other federal departments. When appropriate, and unless otherwise noted, we excluded estimated funds that would provide assistance for in-school youth, advanced degree or services unrelated to employment training assistance. Programs without funding are authorized, but funds were not appropriated in FY 1995.

<sup>a</sup>Amount shown is less than total FY 1995 appropriations for this program. We excluded funds that provide assistance for in-school youth, advanced degree, or services unrelated to employment training assistance.

<sup>b</sup>Economic Development-Public Works Impact Program funds were included in Economic Development-Grants for Public Works and Development Facilities.

<sup>c</sup>No estimate was available to exclude funds for in-school youth, advanced degrees, or services unrelated to employment training assistance.

<sup>d</sup>Vocational Education-Business/Education/Labor Partnerships and Comprehensive Career Guidance and Counseling programs were authorized for appropriations only when the appropriation for the Vocational Education Basic State Program exceeds \$1 billion.

<sup>e</sup>Data were not available at this time.

<sup>f</sup>Pell Grant Program funding shown here is an estimate for adults and out-of-school youths not enrolled in advanced degree programs, including funds appropriated for participants in Operation Desert Storm/Desert Shield (P.L. 102-25). The calculation is based on 1989-90 award period distribution of funds (47 percent) at institutions of higher education and proprietary schools with terms of study of 2 years but less than 3 years. More recent award period data are unavailable at this time.

<sup>g</sup>Federal Family Education Loan amount shown is an estimate for adults and out-of-school youth not enrolled in advanced degree programs. FY 1995 appropriation includes funds for administrative costs, interest subsidies for the Stafford Loan Program, and costs associated with loan defaults. We also included the FY 1995 appropriations for the liquidating account for loans made prior to FY 1992. For administrative costs and interest subsidies, the calculation is based on FY 1992 loan program data on the distribution of funds (29 percent) for borrowers in 2-year public

and private nonprofit institutions of higher education and proprietary schools. For default costs, the calculation is based on FY 1995 budget estimates, estimated default rates by institution and distribution of default costs (53 percent) for borrowers from those institutions. More recent data are unavailable at this time.

<sup>b</sup>Federal Supplemental Educational Opportunity Grant, Federal Work-Study, and Federal Perkins Loans funding shown are estimated for adults and out-of-school youth not enrolled in advanced degree programs, based on FY 1995 appropriations. The calculation is based on the 1992-93 award period distribution of funds to two-year public and private nonprofit institutions of higher education and proprietary schools. Distributions vary by program. More recent award period data are unavailable at this time.

<sup>i</sup>State Student Incentive Grants funding is estimated for adults and out-of-school youth not enrolled in advanced degree programs. The calculation is based on the average percentage of funds distributed in award periods 1983-84 to 1987-88 to 2-year public and private nonprofit institutions of higher education and propriety schools. More recent data are unavailable at this time.

<sup>j</sup>Vocational Rehabilitation programs funds generally used for supportive services to help participants prepare for and engage in gainful employment.

<sup>k</sup>Federal Direct Student Loan Program is a new program authorized under the Student Loan Reform Act, which was included as part of the Omnibus Budget Reconciliation Act of 1993 and replaces the Federal Direct Loan Demonstration Program, which was authorized under the Higher Education Act amendments of 1992. This program is being phased in gradually beginning with the 1994-95 school year. The calculation is based on FY 1992 Federal Family Education Loan program data on the distribution of funds (29 percent) for borrowers in 2-year public and private nonprofit institutions of higher education and proprietary schools.

<sup>l</sup>New program was authorized under the Improving America's School Act (P.L. 103-382). No funds were appropriated for FY 1995.

<sup>m</sup>New program authorized under the Improving America's School Act (P.L. 103-382). Appropriation data were not available at this time.

<sup>n</sup>New program was authorized under the Improving America's School Act (P.L. 103-382). No estimate was available to exclude funds for in-school youth or services unrelated to employment training assistance.

<sup>o</sup>Only a small portion of program funding is used for employment training assistance for adults and out-of-school youth. However, no estimate was available to include these funds.

<sup>p</sup>Family Self-Sufficiency Program includes job training, education, and support services paid for by other programs such as JOBS and JTPA. Federal funds were appropriated to cover local administrative costs.

<sup>q</sup>Service Coordinators is a new program, appropriations began in FY 1994. Amount shown includes funds for public housing, senior citizens, and tenant-based service coordinators.

<sup>r</sup>Empowerment Zone and Enterprise Community Program is a new program authorized under the Omnibus Budget Reconciliation Act of 1993 (P.L. 103-66). Amount shown is the FY 1995 appropriation for the increase to Title XX Social Services Block Grants. The program is jointly administered by the Departments of Housing and Urban Development, Agriculture, and Health and Human Services. No estimate was available to exclude funds unrelated to employment training assistance.

<sup>s</sup>Indian Employment Assistance funding includes two programs--Direct Employment Assistance (\$2.0 million) and Adult Vocational Training (\$15.7 million).

<sup>t</sup>Ounce of Prevention Grant Program is a new program authorized under the Violent Crime Control and Law Enforcement Act of 1994.

<sup>u</sup>New program was authorized under the Violent Crime Control and Law Enforcement Act of 1994. Authorization for appropriations begins in FY 1996.

<sup>v</sup>JTPA Defense Conversion Adjustment Program funding shown represents carryover funds remaining from FY 1991 appropriation.

<sup>w</sup>JTPA Defense Diversification Program had no funds appropriated for FY 1995, and no carry-over funds remain from amount appropriated in FY 1993.

<sup>x</sup>JTPA Clean Air Employment Transition Assistance Program had no funds appropriated for FY 1995, and no carry-over funds remain from amount appropriated in FY 1991.

<sup>y</sup>JTPA-Employment and Training Research and Development Projects funding shown excludes funds for the Federal Bonding Program.

<sup>z</sup>Targeted Jobs Tax Credit program expired December 31, 1994.

<sup>aa</sup>NAFTA Transitional Adjustment Assistance Program is a new program authorized in 1994 under the Worker Security Act (P.L. 103-182).

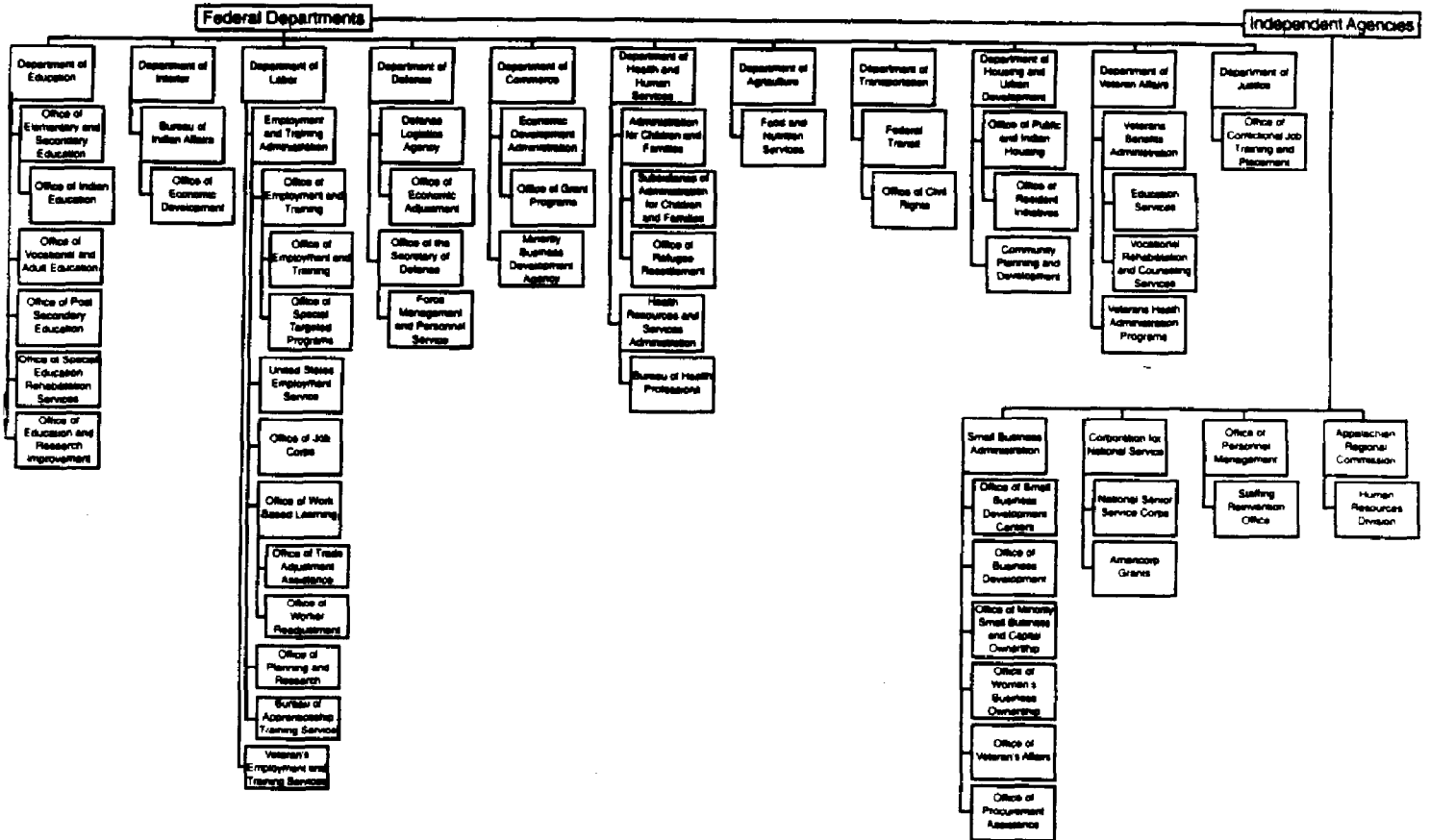
<sup>bb</sup>Federal Employment for Disadvantaged Youth-Summer Program is coordinated by the Office of Personnel Management but carried out by numerous federal agencies. Obligations devoted to administration are not separately identifiable.

<sup>cc</sup>Formerly listed as the Human Resource Program. Funds were shifted to Transit Planning and Research Program. Amount shown is less than the total appropriation (\$34 million) for this program. We excluded funds unrelated to employment and training assistance.

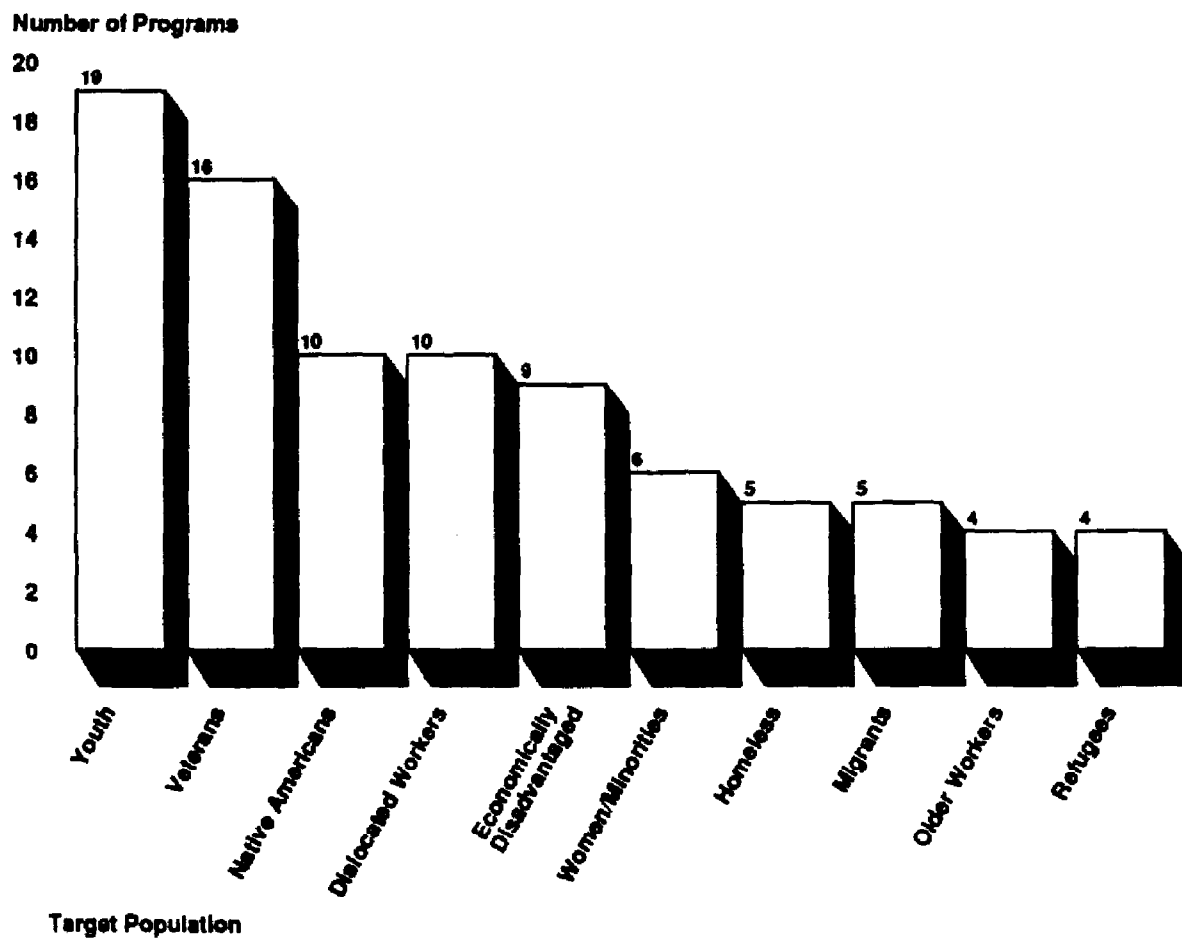
<sup>dd</sup>Vocational and Educational Counseling for Service members and Veterans funds were included in other veterans programs, such as the All-Volunteer Force Educational Assistance Program.

<sup>ee</sup>Service Members Occupational Conversion and Training funding shown represents carryover funds remaining.

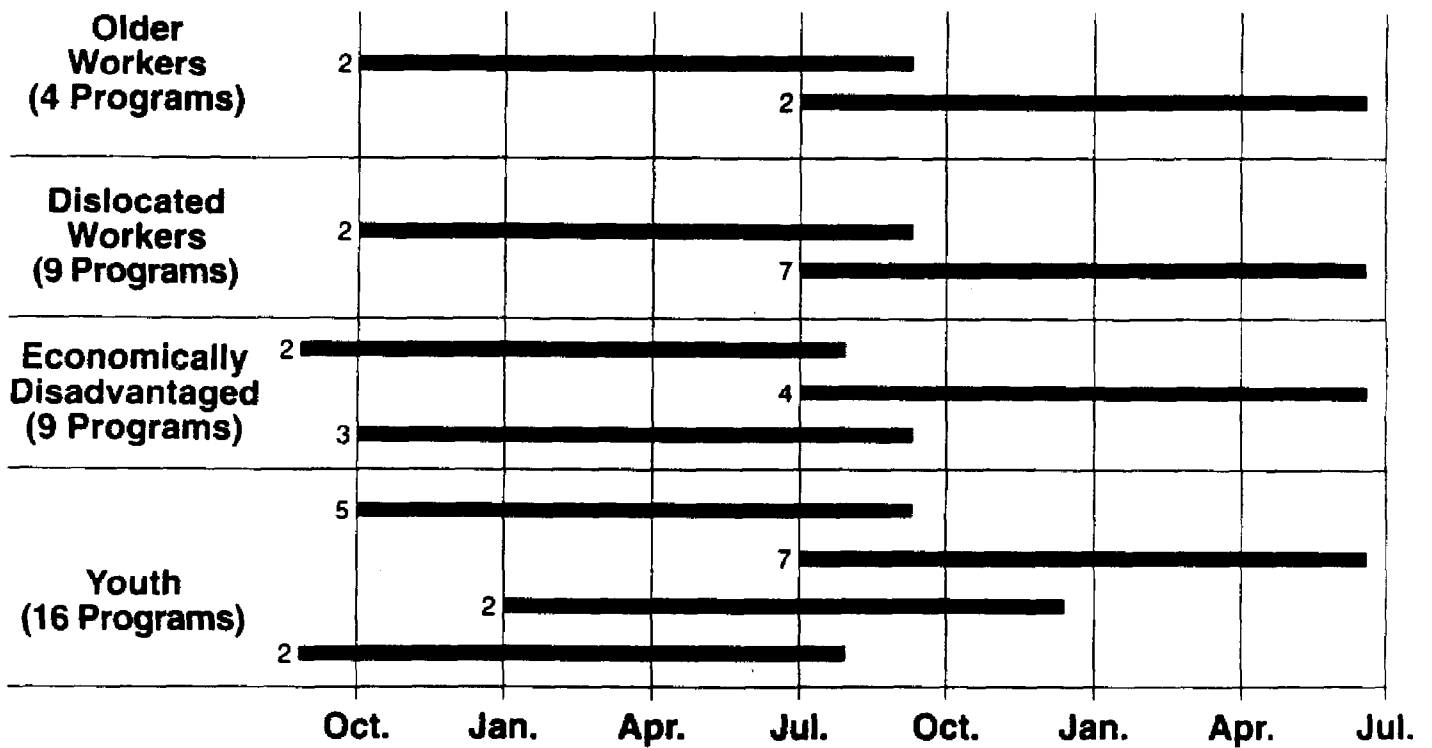
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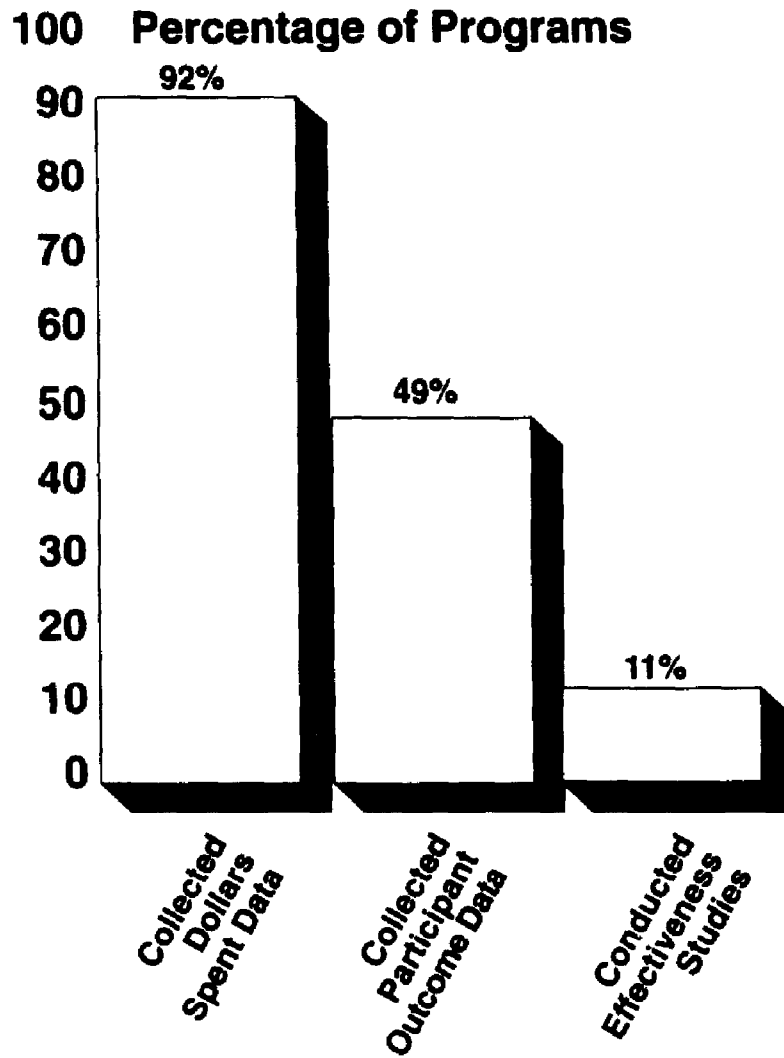


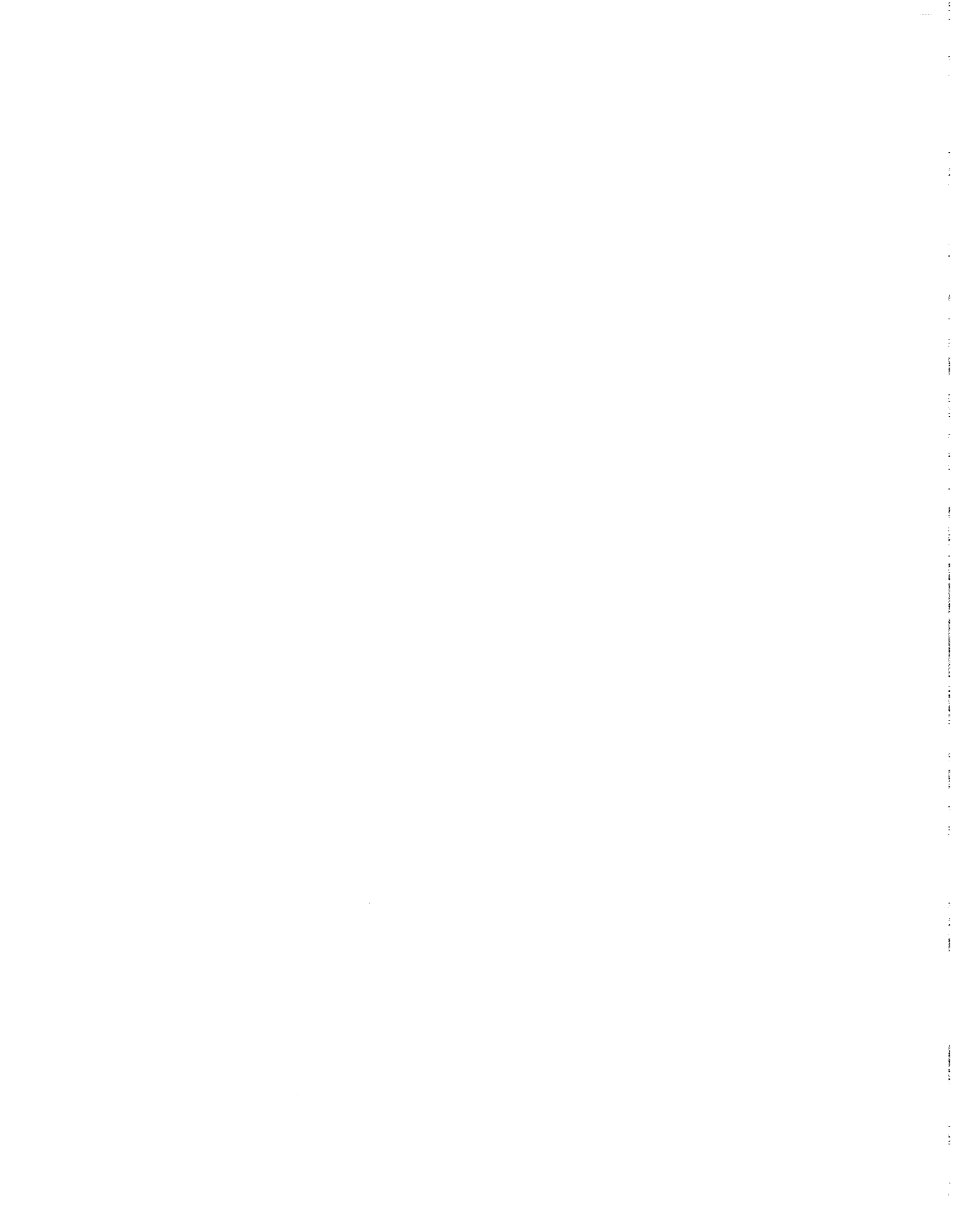
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