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# General Accounting Office

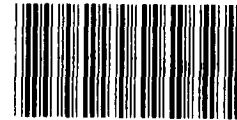
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## The Award Of Funds To The National Farm Workers Service Center, Inc. Was Poorly Managed

This report describes how the Department of Labor awarded more than \$800,000 in Comprehensive Employment and Training Act funds to the National Farm Workers Service Center, Inc. a nonprofit organization founded by the United Farm Workers of America, AFL CIO.

The funds were to operate residential farm-worker training programs and to conduct research in agricultural apprenticeship. The report describes various aspects of the programs being funded and some of the plans Labor and the center have to manage them. It also shows that

- Labor poorly managed awarding the funds, contributing significantly to delays in grant negotiations and confusion about programs to be funded and how this was to be done;
- need for the center's English language training program is unclear; and
- Labor is unable to assure that illegal aliens are not participating in its farm-worker programs.



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*Report restrict*

HRD-79-30  
JANUARY 15, 1979





UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D.C. 20548

HUMAN RESOURCES  
DIVISION

B-177486

The Honorable Clair W. Burgener  
House of Representatives

Dear Mr. Burgener:

This report is in response to a request made by the late Congressman William Ketchum, which was supported by yourself and 31 other members of the Congress, to review the Department of Labor's award of Comprehensive Employment and Training Act funds to the National Farm Workers Service Center, Inc., located in La Paz-Keene, California. The center is a private, nonprofit organization founded by the United Farm Workers of America, AFL-CIO <sup>DL400627</sup> <sub>DL400628</sub> <sup>1/</sup> to operate and/or support various social, educational, and legal services programs for farmworkers.

Congressman Ketchum raised several questions dealing generally with the process by which Labor awarded funds to the center, selected program characteristics, and the plans Labor and the center have to manage the programs. We specifically examined

- the grant and contract award processes, how Labor managed them, and the source(s) of funding;
- the center's ability to carry out the programs being funded;
- the need for the center's English language training program in light of existing programs operated by the local school system;
- selected participant characteristics;
- the issue of illegal alien participation in Labor's farmworker programs generally and the center's program in particular; and
- Labor's plans to monitor the grant.

1/The American Federation of Labor-Congress of Industrial Organizations

The Employment and Training Administration's Office of National Programs has overall management responsibility for farmworker programs. These programs are monitored by the Office's Division of Farmworker Programs. We interviewed cognizant officials in both of these offices as well as in the Employment and Training Administration's Bureau of Apprenticeship and Training, the grantee's program director, and State and local school officials in California. We also reviewed grant proposals and other pertinent documents, applicable Labor regulations, and Labor's procedures for awarding the funds.

Subsequent to your request, the Comprehensive Employment and Training Act was reauthorized by Public Law 95-524, dated October 27, 1978. The reauthorization made several changes in the act; however, because our field work was conducted between March and August 1978, references to the act are to the then-current Comprehensive Employment and Training Act of 1973, as amended (29 U.S.C. 801).

Our findings are summarized below. More detailed information is contained in appendix I.

#### BACKGROUND

As part of an overall Federal effort to stimulate the economy, the President directed Labor to implement special initiatives under the Comprehensive Employment and Training Act to provide employment-related assistance to migrant and other seasonal farmworkers. The Economic Stimulus Appropriations Act of 1977 (Public Law 95-29, May 13, 1977) provided funds which could be spent through September 30, 1978, for these initiatives.

On August 2, 1977, Labor published a notice in the Federal Register which solicited grant applications for farmworker economic stimulus program funds. These funds were available for residential skill training and training related to rural economic development.

CENTER SELECTED AS A POTENTIAL  
GRANTEE IN ACCORDANCE WITH  
LABOR PROCEDURES

The center was one of 43 organizations that applied for farmworker economic stimulus program funds to operate a residential skill training program. About \$429,000 was requested to operate a program to develop and promote economic self-sufficiency among migrant and other seasonal farmworkers in California.

Staff in the Division of Farmworker Programs designed, managed, and participated in a panel review process to select the best applicants for funding. A Department of the Interior employee with residential skill training program experience also participated as a panelist.

In the Federal Register on December 16, 1977, Labor announced the selection of the center and nine other applicants as potential grantees. Generally, Labor's selection procedures appear to have been applied appropriately. More specifically, the center's proposal was evaluated in the same way and according to the same criteria as those of other applicants. We also found no evidence to suggest that the panelists were pressured into rating the center's proposal favorably or recommending it for funding.

However, the selection process was quite subjective. Consequently, we did not attempt to determine whether the center's selection was correct. We could not ascertain how or measure the extent to which the subjective judgments of individual panelists affected the outcome of the selection process.

LABOR POORLY MANAGED  
GRANT NEGOTIATIONS

Negotiating with a potential grantee before finally executing a grant award is a routine procedure in the Division of Farmworker Programs--this is to resolve any problems Labor has with specific parts of an applicant's proposal. Negotiations between Labor and the center began in January 1978. Labor handled its negotiations with the center very poorly.

Poor communication among Labor officials and between Labor and the center during the first negotiating sessions in January contributed to producing an amended proposal that the Administrator, Office of National Programs considered unsatisfactory. Labor officials also demonstrated poor judgment during the early negotiations by holding and publicizing a grant signing ceremony on January 11, 1978, involving the Secretary of Labor and the president of the union before agreement had actually been reached on a program to be funded.

The signing ceremony created a great deal of confusion within Labor and among the general public. And the premature announcement of a grant award apparently reduced Labor's flexibility and leverage during subsequent negotiations. The Labor negotiator stated that the negotiations which took place after the ceremony and announcement were much more difficult for him because center representatives felt assured of an award. He felt he could not effect program changes by threatening to not fund the center.

NEGOTIATIONS FINALLY  
RESULT IN GRANT AWARD

Negotiations were stalled until May 1978 because the union leadership suspected that Labor was trying to renege on what the union viewed as a completed agreement. In July 1978 Labor finally awarded the center a grant in the amount of \$683,861 for residential English language and vocational skill training. The money was drawn from fiscal year 1978 CETA title III, section 301 and 303 funds. The grant provides residential English language training for 75 participants and residential vocational skill training for 16 participants.

One questionable aspect of the grant agreement appears to be the high cost of the vocational skill training segment. The Solicitation for Grant Applications indicated that the cost per training slot for the residential skill training part of the farmworker economic stimulus program should not exceed \$7,500. When reviewing proposals panelists also accepted estimates ranging from \$10,000 to \$12,000 if they felt they were justified. However, the center's average per-slot cost for 1 year of vocational skill training

is about \$21,000--far exceeding the amount specified in the grant solicitation and that which reviewers accepted during the selection process.

Labor compromised the integrity of the selection process by permitting such a high per-slot cost. Although training slot costs were only one of several criteria which affected how applicants' proposals were judged, five applicants were eliminated during the first phase of the selection process solely because their per-slot training costs exceeded the \$12,000 limit that panelists accepted.

AGRICULTURAL APPRENTICESHIP  
CONTRACT AWARDED SOLE SOURCE

In addition to the grant, the center was also awarded a contract for \$120,925 to foster agricultural apprenticeship by studying jobs and training needs in the agricultural industry and by developing new job classifications and a program of training for farmworkers. Labor's Office of National Programs awarded the contract on a sole source basis, citing a section of title 41 of the U.S. Code which permits the suspension of competition when it is considered impracticable. Fiscal year 1978 title I funds targeted for Labor's New Initiatives in Apprenticeship program were used to support the contract.

The Administrator, Office of National Programs defended Labor's decision to award the center a contract without competition by noting that Labor preferred to fund agricultural apprenticeship in California specifically in a union context. He explained that this preference is due to a belief that agricultural apprenticeship cannot be successfully established there in any other way, and he cited past failures by other organizations to develop agricultural apprenticeship as the reason for this belief. However, results from the only two projects Labor has funded in California in the last 7 years do not support Labor's position.

We have taken exception in a prior report to the Office of National Programs' practice of routinely awarding procurement

contracts on a sole source basis. 1/ We also believe that the center's contract should have been awarded under competitive procurement procedures--not on a sole source basis.

CENTER LACKS  
PROGRAM EXPERIENCE

Panelists who reviewed the center's proposal noted that the center had no experience operating a residential skill training program and relatively little experience in employment training. We visited the center in July 1978. It appeared that the center had sufficient classroom and dormitory space to conduct the English language and vocational skill training programs. However, the center did not have sufficient staff to operate these programs and planned to recruit and hire nearly all the professional staff needed.

The program director stated that the center also had neither the resources nor the staff to carry out what is required under its apprenticeship contract. The center again planned to hire staff and use consultants to do the work.

NEED FOR A RESIDENTIAL  
ENGLISH LANGUAGE TRAINING  
PROGRAM IS UNCLEAR

The program director stated that the majority of the center's participants would probably be drawn from the Kern County, California, area. Accordingly, we restricted our review of available alternative educational opportunities to this area.

1/ "Questionable Need For Some Department of Labor Training Programs," HRD-78-4, Apr. 10, 1978. This report reviewed the Office of National Programs' Apprenticeship Outreach and construction-related National On-The-Job Training programs. The Office awarded all of these contracts on a sole source basis.



State and local school officials we interviewed believed that the center's program would duplicate educational opportunities already available through the school system. The program director disagreed, emphasizing that the center's program would be more innovative and more responsive to farmworker needs than the traditional classroom training offered by the school system. ✓

The program director did not have data demonstrating the inadequacy of the school system's English language training programs to justify the need for additional or different types of courses. She also did not have evidence that the new teaching techniques the center planned to use were likely to produce better results than the school system's traditional ones. Without this data, it is unclear whether a need exists for the center's program.

Although a procedure exists for determining local program needs, Labor did not have information about these needs when the center was awarded funds for English language training. Under the Office of Management and Budget's Circular A-95 procedure, applicants for Federal assistance submit their applications to State and appropriate areawide clearinghouses to give State and local governments an opportunity to assess the relationship of the proposals to State, areawide, and local plans and programs.

The center submitted its application to California's State clearinghouse, and it was cleared. But the center did not submit its application, as was required in California, to the areawide clearinghouse serving Kern County. According to Office of Management and Budget officials, Labor should have returned the center's proposal for submission to the appropriate areawide clearinghouse before considering it for funding.

PROGRAM PARTICIPANTS ARE  
EXPECTED TO BE PRIMARILY  
SPANISH SPEAKING

When we visited the center, program participants had not been selected and procedures for recruiting and selecting participants had not been formulated. Most of the recruiting

was not expected to take place until early 1979, according to the program director. The program director also expected that individuals wishing to participate in English language training--which involves 75 of 91 slots or more than 80 percent of total program enrollment--would be required to speak Spanish and would be drawn from the Kern County area. Vocational skill trainees would probably come from the same area, but speaking Spanish would not be a requirement for selection.

If the center selects participants as the program director suggested, it would be departing from the program outlined in the grant. The center could also risk violating one of the assurances it made when accepting the grant---namely, that no person would be excluded from participation in its programs because of race, color, sex, or national origin. Labor should closely monitor the center's recruiting and selection activities to assure that eligible farmworkers are not denied the opportunity to participate in the center's English language training program solely because of their ethnic backgrounds.

LABOR CANNOT ASSURE NON-  
PARTICIPATION OF ILLEGAL  
ALIENS IN FARMWORKER PROGRAMS

Regulations governing farmworker programs do not require program sponsors to follow any particular procedures to assure that illegal aliens are not participating in their programs. As a result, Labor cannot assure that illegal aliens are being denied services under its farmworker programs. Labor had no plans to amend its regulations as of November 1978.

The center also has not established any procedures for identifying and screening out illegal aliens. The program director told us that the staff was inclined to rely on applicant self-certification. However, simply relying on applicants' assertions about their citizenship status provides little assurance that illegal aliens will be effectively prohibited from participating in the center's programs.

LABOR'S MONITORING WILL  
CONSIST OF VISITS AND REPORTS

Labor plans to visit the center at least once every quarter--a total of six visits during the 18-month grant period. The center will also be required to submit quarterly progress reports to Labor. A grant monitor from the Division of Farmworker Programs was appointed and made his first visit to the center in September. His next visit has not been scheduled.

The apprenticeship contract will be monitored separately by the contract negotiator. The center is to submit monthly narrative reports to Labor. In October 1978 the contract negotiator visited the center to assess initial progress and provide needed assistance. And Labor plans to have the Human Resources Development Institute of the AFL-CIO--funded by Labor to provide technical assistance to AFL-CIO unions operating Labor programs--provide technical assistance to the center.

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We regret the delay in reporting our findings to you. However, as you know, we were denied access to pertinent records by officials in Labor's Solicitor's Office and the Office of National Programs for more than 2 months at the outset of our work. We were also unable to begin work at the center until a grant award was finally executed in July 1978.

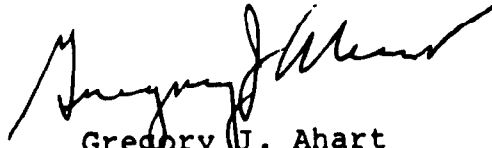
At the request of your office, we did not obtain written comments from the Department of Labor. However, the matters covered in this report were discussed with Labor officials and their comments were considered in preparing the final report.

As arranged with your office, we are today sending copies of this report to the other Congressmen who supported the original request. We are also sending copies of this

B-177486

report to the Secretary of Labor, the Director, Office of Management and Budget, and other interested parties 3 days after issuance.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Gregory J. Ahart", written in a cursive style.

Gregory J. Ahart  
Director

C o n t e n t s

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APPENDIX

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ABBREVIATIONS

CETA           Comprehensive Employment and Training Act  
                  of 1973, as amended



THE AWARD OF FUNDS TO THE  
NATIONAL FARM WORKERS SERVICE CENTER, INC.  
WAS POORLY MANAGED

BACKGROUND

As part of an overall Federal effort to stimulate the Nation's economy, the President directed the Department of Labor to implement special initiatives under the Comprehensive Employment and Training Act of 1973, as amended, (CETA) to provide additional employment-related assistance to migrant and seasonal farmworkers. The Economic Stimulus Appropriations Act of 1977 provided funds for these initiatives. In their reports on the Appropriations Act, the House and Senate Committees on Appropriations approved \$16 million for farmworker programs and specified that the money be drawn from CETA title I discretionary funds that were already available. 1/

The House Committee's report noted that farmworker economic stimulus programs were intended to "expand and improve upon existing programs and to initiate new approaches." Existing farmworker programs were authorized under CETA title III, section 303 and provided services to individuals who suffered chronic seasonal unemployment or underemployment in the agricultural industry. The primary program objectives were to provide occupational alternatives to agricultural labor and to improve the well-being of persons wishing to remain in agriculture and/or to upgrade their agricultural skills. Authorized services and activities included outreach, counseling, job placement, on-the-job training,

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1/ Report No. 95-66, House Committee on Appropriations, Mar. 10, 1977, pp. 15-20 and Report No. 95-58, Senate Committee on Appropriations, Mar. 17, 1977, pp. 13-19.

CETA title I discretionary funds were provided for under section 103(f) of the act. The act stated that these funds were first to be disbursed to maintain prime sponsor funding levels at 90 percent of the previous fiscal year. The remainder could be used according to the Secretary's discretion, taking into account the need to continue funding programs of demonstrated effectiveness.

institutional skill training, and supportive services such as health care, child care, and residential support. The new approaches the House Committee endorsed were the creation of residential skill training centers, training in conjunction with rural economic development, and rehabilitation of publicly owned farmworker housing camps.

In the Federal Register on August 2, 1977, Labor published a notice soliciting grant applications for farmworker economic stimulus program funds. In keeping with the expressed congressional intent, Labor listed residential skill training and rural economic development-related training as two program categories to be funded. Private nonprofit organizations, CETA title I prime sponsors, and other public agencies were eligible to apply. <sup>1/</sup> Also, technical and vocational institutes and other training centers, including Job Corps centers, could apply to operate residential skill training programs.

According to Labor's Solicitation for Grant Applications, projects were to be innovative and capable of being replicated. Project activities could include all types of skill training. Among the training-related services which could be provided were employability planning, testing, counseling, basic as well as vocationally related education, and placement.

CENTER SELECTED AS A  
POTENTIAL GRANTEE IN  
ACCORDANCE WITH LABOR PROCEDURES

The National Farm Workers Service Center, Inc., located in La Paz-Keene, California, is a nonprofit institution founded by the United Farm Workers of America, AFL-CIO to operate and/or support various social, educational and legal services programs for farmworkers. The center was one of 43 applicants seeking funds to provide residential skill training under Labor's farmworker economic stimulus program. Its proposal requested \$428,970 to conduct a two-part program designed to develop and promote economic self-sufficiency

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<sup>1/</sup> Generally, a prime sponsor under title I is a State or local government with a population of at least 100,000, or a combination (consortium) of local governments, one of which has a population of at least 100,000. There are currently about 460 prime sponsors.



and leadership among migrant and other seasonal farmworkers in California.

The first part of the proposal--training for job skills--was comprised of both classroom and on-the-job training intended to provide farmworkers the opportunity to upgrade their agricultural skills and/or to learn new job skills (such as building maintenance, landscaping, auto mechanics, and communications). The job skills segment also included a plan to establish apprenticeship training in agriculture. The second part--training for living skills--was designed to build leadership by providing training that would enable farmworkers to function effectively as citizens. It consisted of workshops and seminars on labor history and union organization, language and literacy training, and a variety of courses in areas such as citizenship, consumer affairs, and family health and nutrition. Direct employment and training services--job development, counseling, and placement--were planned in conjunction with the overall training program.

Staff in Labor's Division of Farmworker Programs designed, managed, and participated in a panel review process to select the best applicants for funding consideration. Because Labor officials wanted to assure that the process was as unbiased as possible, they also sought individuals from other Federal agencies to serve as panelists. A Department of Interior employee with Job Corps experience participated as a panelist in evaluating residential skill training program proposals.

The process consisted of three phases. In the first phase, farmworker program staff screened the proposals by determining whether they adhered to criteria set forth in the Solicitation for Grant Applications. These criteria included whether (1) the proposal actually provided for residential skill training, (2) the applicant was eligible, (3) the program proposed was restricted to the grant period, (4) the total cost did not exceed \$500,000, and (5) the cost per training unit or slot did not exceed \$7,500. Twenty proposals were eliminated during this phase.

During the second phase, two farmworker program staff members rated the proposals on the extent that they addressed factors related to job placement, past experience, cost, goals and objectives, and administration. Three more proposals were eliminated in this phase. The remaining 20 proposals were then evaluated in depth by two panels, each consisting of

two persons, including farmworker program staff and a Department of the Interior representative. The following criteria were used:

- The existence of established relationships or firm commitments with other organizations.
- The applicant's proven ability to operate all facets of the residential skill training program.
- The overall cost effectiveness.
- The applicant's potential ability to provide timely, effective services.
- The extent of staff experience in and knowledge of residential skill training activities.

A total of 110 points was possible in the third phase. The center received 85-1/2 points and ranked third. The panel recommended the center's proposal for funding to the Administrator, Office of National Programs, who was responsible for making the final selection. On December 16, 1977, Labor announced in the Federal Register that the center, along with nine other applicants, had been selected to participate in negotiations with Labor leading ultimately--if both parties agreed on terms--to a grant award.

We examined the screening and evaluation documents generated during the review process for each applicant to determine whether Labor's selection procedures were properly applied. We also interviewed panelists on the methods they used to determine the adequacy of proposals they reviewed.

We found that generally procedures were applied appropriately throughout the selection process. More specifically, the center's proposal was evaluated in the same way and according to the same criteria as those of other applicants. We also did not find any evidence to suggest that the panelists who reviewed the center's proposal were pressured into rating it favorably or recommending it for funding.

However, all of the panelists we interviewed noted that the selection process was quite subjective. Our review

of the screening and evaluation documents verified their position. It indicated that many subjective judgments were made about how to apply certain criteria and how to assign points for meeting criteria. Because the selection process was quite subjective, we did not attempt to determine whether the center's selection was correct. We could not ascertain how or measure the extent to which the subjective judgments of individual panelists affected the outcome of the selection process.

LABOR POORLY MANAGED  
GRANT NEGOTIATIONS

Labor's selection of the center as a potential grantee in December 1977 did not constitute a funding commitment. There were several items to be negotiated, and if negotiations did not result in an acceptable proposal, Labor could reject the proposal. According to Labor officials the center also was under no obligation to accept funding if Labor's requirements did not complement its needs.

The first negotiating session between Labor and the center took place at Labor headquarters early in January 1978. By early February negotiations had broken off and did not resume until early May, when agreement was reached on programs to be funded. Our analysis of the proceedings in January indicates that Labor poorly managed the negotiations, which contributed significantly to their initial failure, the general confusion about them, and a weakening of Labor's bargaining position. The negotiations suffered from a lack of direction, poor communication, and poor decisionmaking.

Poor communication leads  
to unsatisfactory results

Labor had several problems with the center's proposal which were outlined in a telegram to the center on December 12, 1977. The telegram listed 12 items requiring negotiation. Among other things, Labor pointed out that (1) staff salaries and trainee allowances had not been computed according to CETA regulations, (2) the proposal, by focusing on the Chicano farmworker population in Kern County, seemed to emphasize Chicano farmworkers to the exclusion of other eligible farmworkers, (3) on-the-job training activities that could result in the center contracting with itself were not allowable, and (4) the proposal should list other potential employers of the participants besides the union.

According to Labor's negotiator, the center recognized the weaknesses outlined in the telegram and agreed to come to the negotiations prepared to make whatever changes were necessary to improve the proposal. Present at the first negotiating session in Washington were staff from the Division of Farmworker Programs and representatives from the center, union, and Human Resources Development Institute, AFL-CIO. Institute representatives attended because it is funded by Labor to provide technical assistance to AFL-CIO unions in preparing proposals for funding by Labor and operating Labor programs. Staff from the Institute assisted the center in preparing its proposal and were available at the negotiating session to provide further technical assistance.

During the first day of negotiations, the Administrator, Office of National Programs decided to have the agricultural apprenticeship segment of the proposal negotiated and funded separately. In this segment, the center described plans to perform research, which would culminate in the establishment of apprenticeship in agriculture. In discussions with us, the Administrator indicated that he made this decision because no one in the Division of Farmworker Programs had expertise in apprenticeship programs. To carry out the apprenticeship negotiations, the Administrator appointed a member of his staff who regularly handled apprenticeship training contracts and who had worked previously in Labor's Bureau of Apprenticeship and Training.

Labor's grant negotiator was unprepared for the Administrator's decision. He understood it to mean that all employment and training activities, such as training in industrial and service occupations, as well as the apprenticeship segment were being removed from consideration. Believing that eliminating the employment and training portion of the proposal left little of substance to be funded, the negotiator opposed the Administrator's decision. Our analysis of the center's proposal supports the negotiator's view.

In particular, Labor's negotiator and other staff in the Division of Farmworker Programs were concerned about funding activities that appeared to primarily support union interests. At the request of the Director, Division of Farmworker Programs, the negotiator had analyzed the center's proposal in detail before negotiations began. He concluded that funding the proposal would mean providing a heavy, direct subsidy to the union by training union staff, completing the union's communications system, and constructing buildings for

the union. Once the employment and training activities were omitted, most of what remained were English language training and activities which, based on an analysis of the proposal, also appeared to promote union interests. These included special courses, workshops, seminars and conferences on leadership training for union staff, union contract implementation, union structure and administration, and grievance procedures.

The Administrator, Office of National Programs, had been informed of staff concerns about union subsidization from his subordinate, the Director, Division of Farmworker Programs, before the center was selected in December as a potential grantee. When the Director forwarded the panels' recommendations for funding to the Administrator for final action, he did not give his unqualified support to the center's proposal because of "presumed unionization objectives." In another memorandum to the Administrator he further expressed his concern about "activities proposed related directly to supporting unionization efforts." In his opinion, the proposal would set a precedent for the direct funding of union activities. Moreover, he was convinced that, regardless of what would ultimately be funded, it would be impossible for Labor to determine through some monitoring activity whether unionization activities or union-related indoctrination was actually occurring during the program.

A representative of Labor's Solicitor's Office who worked in the farmworker program area stated before the grant was finally executed that he was not aware of any CETA provisions that prohibited using funds to support union activities. <sup>1/</sup> However, he believed that it was important for Labor's top management to know exactly what was being funded. Some of the same farmworker program staff who were concerned about supporting union interests also did not believe such support was necessarily illegal or improper, and pointed to the apprenticeship training grants Labor has awarded to other

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<sup>1/</sup>The Comprehensive Employment and Training Act Amendments of 1978 (Public Law 95-524, Oct. 27, 1978) prohibit the use of funds to assist or promote union organizing and specify that no individual may be required to join a union as a condition of enrolling in a program supported under the act.

unions as examples of subsidization. <sup>1/</sup> What they all said they generally feared, however, was that several activities would be considered improper by outside parties. The Administrator, Office of National Programs said that he dismissed the concerns of the Director, Division of Farmworker Programs as mere efforts to protect himself in case the grant came under heavy political fire because of the grantee's identity.

The Administrator, Office of National Programs stated that he intended to withdraw only agricultural apprenticeship for special consideration and funding--not all of the employment and training portion of the proposal. However, neither the negotiator nor the center's representatives understood this to be the case. The result was confusion and unsuccessful negotiations. The negotiator, opposing the Administrator's decision, continued to press for some type of vocational skill training to be included among the programs funded. However, the center's representatives rejected the negotiator's suggestions because they believed that they would already be operating an employment and training program under the agricultural apprenticeship contract to which the Administrator had agreed.

Negotiations in Washington terminated on January 11, 1978, before agreement was reached on programs to be funded. The Administrator, Office of National Programs sent his negotiator to La Paz-Keene, California, the following week to complete negotiations. The negotiator returned with an amended proposal that lacked a vocational skill training component for the reasons cited above. After discussing the amended proposal with the negotiator, the Administrator became concerned about its cost effectiveness and asked the Director, Division of Farmworker Programs to perform a cost analysis. Specifically, the amended proposal requested about \$500,000 to provide

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<sup>1/</sup>Our report, "Questionable Need for Some Department of Labor Training Programs," HRD-78-4, Apr. 10, 1978, stated that national on-the-job training funds--administered by Labor's Office of National Programs and intended to increase chances for disadvantaged persons to enter skilled occupations--were subsidizing the regular apprenticeship system at the local level. Federal funds were replacing local apprenticeship funds (e.g., union funds) to support apprenticeship training.

- English language training to 30 farmworkers;
- instruction of an unspecified length to 30 union staff members to upgrade their skills in providing community resource and personal counseling to farmworkers and in teaching those counseling skills to farmworkers; and
- instruction in 2-day seminars and conferences to 1,200 farmworkers to improve their ability to "deal with their individual problems."

The Director, Division of Farmworker Programs concluded in a February 1, 1978 memorandum to the Administrator that at best the amended proposal should only be funded for about \$50,000 to \$75,000 for English language training. He noted that, although 1,260 participants would receive some kind of service under the amended proposal, 95 percent would receive only 2 days of service. So the heart of the proposal from a training perspective was providing 30 participants English language training for \$500,000--an expenditure he could not justify. Furthermore, he reasoned that the amended proposal was not, in fact, a skill training proposal that would result in the acquisition of any identifiable, employable vocational skill, because the "guts" of the original proposal--job skill training--had been eliminated.

Based on the cost analysis, the Administrator, Office of National Programs determined that the amended proposal was unacceptable and that further negotiations would be necessary before a final grant could be executed. However, by that time the union had begun to suspect Labor of trying to back out of the grant and broke off further negotiations. Although farmworker program officials tried repeatedly, they were unable to reopen negotiations for about 3 months.

#### Grant signing ceremony contributes to confusion

The Secretary of Labor held a signing ceremony with the president of the United Farm Workers to announce a grant award before the grant had been finally executed. This action contributed significantly to the general confusion about the funding process and made it even more difficult to successfully complete negotiations.

The signing ceremony was held at Labor's request specifically on January 11, because the Secretary was scheduled to leave town on that day and he wished to demonstrate his concern for the welfare of farmworkers. The Office of National Programs Administrator, Labor staff involved in the negotiations, and other Labor officials we talked with all agreed that it was not Labor's practice to hold such a ceremony before a grant was actually executed. However, they also agreed that those present fully expected negotiations to be concluded on January 11 or very shortly thereafter. The announcement appeared in a January 11 Labor news bulletin.

The union president believed that the Secretary had committed Labor to a \$500,000 grant at the ceremony when he signed a grant signature sheet to that effect. When Labor continued to seek further negotiations, the union interpreted the effort as an attempt to renege on a completed agreement. According to the Administrator, Office of National Programs, the union's view was further reinforced by adverse publicity about the grant. The publicity was generated, in turn, by Labor's announcement of a completed grant award.

Farmworker program officials were unable to locate the grant signature sheet the Secretary reportedly signed on January 11, so we could not independently determine how binding it was. However, it did not appear that Labor was trying to withdraw its offer of a grant. Although a representative from Labor's Solicitor's Office stated that the signature sheet the Secretary signed was not legally binding because no proposal was attached, he stressed that it nevertheless indicated a moral obligation to carry through on the grant award if at all possible. The Administrator, Office of National Programs stated that in his view the signature sheet was binding.

Labor received an estimated 200 letters and inquiries about the award as a result of the announcement. However, since negotiations had reached a standstill, Labor officials did not know what type of grant they were awarding, or for how much, or even if they would be awarding a grant at all. Labor's inability to respond adequately to these inquiries added to the confusion about the grant.

There was also some confusion about who was responsible for handling the grant in Labor. It was clear that the Administrator, Office of National Programs had overall management responsibility but there was some question about



which of two subordinate directors had the direct, day-to-day program responsibility. In the beginning--during the panel reviews--the Director, Division of Farmworker Programs was responsible. However, in light of the amended proposal, the Director, Division of Farmworker Programs became uncertain about whether he or the Director, Division of National Training Programs--who handled English-as-a-second language training programs--was responsible. The Director, Division of National Training Programs assumed responsibility for a very brief time after the unsuccessful La Paz negotiations in January. However, the Administrator decided to handle the matter himself as public controversy about the grant increased during the hiatus in negotiations that followed. When the grant was finally executed in July, the Administrator turned direct management responsibility over to the Director, Division of Farmworker Programs once again.

We believe that Labor officials demonstrated poor judgment by holding a signing ceremony before agreement was actually reached on programs to be funded. Even if the publicity which ensued had not occurred, it was poor management practice for Labor to have committed itself publicly to a grant when the terms of the grant had not even been set. The Labor negotiator stated that the negotiations which took place in La Paz after the signing ceremony were much more difficult for him because the center representatives felt assured of an award. He felt that he could not successfully effect program changes by threatening to not fund the center.

By announcing the grant prematurely, Labor contributed significantly to the controversy about the grant and to the failure of the early negotiations to produce a program both parties could agree to. In addition, the announcement apparently reduced Labor's flexibility and leverage during subsequent negotiations.

#### NEGOTIATIONS FINALLY RESULT IN GRANT AWARD

After a considerable delay, the Administrator, Office of National Programs sent a telegram dated April 21, 1978, to the union president, which requested written notification of his continued interest in an economic stimulus program grant by April 28, 1978. Labor would assume that he was no longer interested if he did not respond by that date. The result of the telegram was that negotiations resumed in early May in La Paz. The Administrator appointed a new negotiator

from the Division of Farmworker Programs who went to La Paz with specific instructions to add vocational skill training to the amended proposal and increase the proposed number of participants in English language training. The negotiator achieved these objectives, and the parties agreed to a grant in the amount of \$683,861 for residential English language and vocational skill training.

The Economic Stimulus Appropriations Act of 1977 provided the funds for which the center originally applied. However, the funds had been spent by the time Labor was ready to award the center's grant. Consequently, Labor tapped two other sources to fund the grant. The center received \$347,529 for English language training. The money was drawn from fiscal year 1978 CETA title III section 301 funds intended, among other things, to provide employment and training services and other services such as language training to persons with limited English-speaking ability.

Labor supported vocational skill training with \$336,332 drawn from fiscal year 1978 CETA title III section 303 funds earmarked for new initiatives (including economic stimulus) in farmworker programs. These funds were provided by Labor's fiscal year 1978 appropriation (continuing joint resolution, Public Law 95-205, Dec. 9, 1977).

The grant provides vocational skill training for 16 participants and English language training for 75 participants. Nearly the entire living skills segment of the original proposal--which contained many of the courses thought to be too strongly union oriented--was eliminated. The job skills segment was also reduced because training was limited to only 4 occupations instead of 10; agricultural apprenticeship was removed and funded separately as planned during the first negotiating session. (See p. 6.)

The American Farm Bureau--a federation of county farm bureaus headquartered in Park Ridge, Illinois--has charged that the vocational skill training courses to be offered under the grant will act as union subsidies because the union will benefit from them. The Farm Bureau contends that vocational skill trainees will staff the union's statewide microwave communications relay system, work in the union's publications department, and do maintenance and landscaping work at the union's headquarters facilities in La Paz.

Based on the center's grant agreement and a discussion with the program director, it appears that the union will benefit to some degree. The grant agreement, for example, indicates that trainees in printing will spend some time in the union's print shop as part of their training, and it implies that maintenance and landscaping trainees will work on union buildings and grounds. The program director further confirmed that trainees will generally practice their skills on union property, facilities, and equipment.

We know of no provisions in the CETA legislation or regulations that prohibit grantees from benefiting incidentally from the training they provide. However, since the center's vocational skill training program had not begun while our field work was under way, we could not determine the extent to which the center would actually benefit from the training program it would operate.

It appears, after reviewing the grant agreement, that one questionable aspect is the high cost of the vocational skill training segment. The Solicitation for Grant Applications Labor published for the residential skill training part of the farmworker economic stimulus program stipulated that the cost per training slot should not exceed \$7,500. When reviewing proposals, panelists also accepted estimates ranging between \$10,000 and \$12,000 when they felt they were justified. According to the grant agreement, CETA title III economic stimulus funds are supporting residential vocational skill training only. Therefore, \$336,332 is financing 16 training slots for 48 weeks, or about 1 year, resulting in an average cost per slot of about \$21,000. <sup>1/</sup> This far exceeds the amount specified in the grant solicitation and that which reviewers considered acceptable during the selection process.

Labor compromised the integrity of its selection process by permitting such a high per-slot cost. Although training slot costs were only one of several criteria which affected how applicants' proposals were judged, it should be noted that five applicants were eliminated during the first phase of the selection process solely because their per-slot training costs exceeded the acceptable limit.

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<sup>1/</sup>The cost per training slot was determined by dividing the total planned enrollment in vocational skill training into the total amount of funds allocated to support the training.

In four of the five cases, the slot costs were lower than what Labor has permitted under the center's grant.

The English language training segment--with a training slot cost of about \$4,600--easily meets the limit Labor suggested for its farmworker economic stimulus program. However, the grant agreement provides for a maximum of 12 weeks of English language training per participant--versus 48 weeks of vocational skill training per participant. Also, according to the grant agreement, nearly 40 percent of the money supporting English language training will be used for curriculum development and the rental, lease, and/or purchase of equipment.

We discussed the center's funding with the Administrator, Office of National Programs, who stated that Labor was in a difficult position trying to mesh the center's program wishes and needs with something Labor considered acceptable. The amended proposal, which essentially only provided English language training to 30 persons, was unacceptable because it was not economical and did not contain a vocational skill training component. At the same time, Labor felt morally obligated to try to negotiate some type of acceptable grant with the center in view of the signing ceremony that was held in January.

The Administrator concluded that he regretted having tried to fund the center through open bidding and a panel selection process, stating that Labor could have awarded the grant on a sole source basis--without advertising or soliciting applications--and probably should have. While we agree that Labor was not required to solicit applications either for farmworker economic stimulus program funds or for funds to operate programs for people of limited English-speaking ability, we strongly disagree with the Administrator's view that Labor should not have done so. Clearly, the center was not the only provider of services since more than 40 other organizations applied, indicating significant interest; and 9 were selected in addition to the center, indicating the availability of expertise. Labor has also awarded English language training funds in the past through advertising and solicitation of applications, which shows that organizations exist with experience in this area as well.

We also do not agree that it was the selection process, as the Administrator implied, that caused the difficulties Labor experienced awarding this grant. Rather, as was demonstrated

in the previous section, Labor's poor management of the negotiations caused the problems encountered in finalizing the center's grant.

AGRICULTURAL APPRENTICESHIP  
CONTRACT AWARDED SOLE SOURCE

Labor also awarded the center a \$120,925 agricultural apprenticeship contract in July 1978. The funds were drawn from fiscal year 1978 CETA title I funds targeted for its New Initiatives in Apprenticeship program. The program is to foster apprenticeship training in industries where such training has not been used. In addition, it has been one of the Secretary of Labor's goals to develop apprenticeable jobs in agriculture as a means of improving the well-being of farmworkers and the rural poor. The center's project is consistent with these objectives. Its purpose is to develop and maintain a fair system by which farmworkers will have opportunities to acquire job skills that will enable them to progress upward via skill ladders built on increased responsibilities and a variety of skills.

It appears that Labor has wanted to fund or in some way assist the union in apprenticeship for some time. The Secretary of Labor met with the president and other members of the union at a March 1977 meeting of the Federal Committee on Apprenticeship, which administers skill training programs in all industries and is composed of labor, management, and Government representatives at the national level. This meeting produced an understanding that Labor would be willing to work with the president or someone named by him to further explore the idea of apprenticeship in agriculture. The Secretary publicly acknowledged this understanding in a speech delivered before the union's Third Constitutional Convention on August 27, 1977, in Fresno, California.

Labor awarded the center's apprenticeship contract on a sole source basis. It was negotiated pursuant to title 41, section 252(c)(10) of the U.S. Code, which permits suspension of competition when it is considered impracticable. The Administrator, Office of National Programs defended the use of this exemption by noting that Labor preferred to fund agricultural apprenticeship in California specifically in a union context because he believed that it cannot be successfully established there in any other way. Competition was considered unnecessary because the United Farm Workers is the only agricultural union in California.

The Administrator cited past failures by other organizations funded to develop agricultural apprenticeship in California as the reason for Labor's belief in the necessity of funding the union. However, Labor has only funded two agricultural apprenticeship projects in California in the last 7 years. Both contracts were awarded on a sole source basis, and the project results do not support the position that organizations other than the union cannot successfully develop agricultural apprenticeship in California.

One contract funded a research and development project which was to develop a career ladder for farmworkers. A Labor official familiar with the project stated that it was generally considered a success. He added that, although Labor officials could not persuade the State to continue funding the project, concepts about career ladders developed under the contract will be pursued under the center's apprenticeship contract.

The second contract was awarded in November 1977 to the California Department of Industrial Relations, Division of Apprenticeship Standards. Under this contract, the Division was to develop apprenticeship standards, work processes, and related instructional outlines in agriculture and to eventually register 150 to 200 apprentices. The contract also included a provision requiring that the United Farm Workers be involved in and agree with the Division's activities under the contract. The Deputy Administrator of Labor's Bureau of Apprenticeship and Training said that Labor favored union involvement in the contract because of the Secretary's understanding with the union's president. In addition, the Bureau's Deputy Regional Administrator in charge of overseeing the contract stated that the Governor's Office in California also wanted to assure the union's participation.

The Division did not fulfill the terms of its contract because staff were unable to gain the United Farm Workers cooperation in the project. United Farm Workers representatives only began to participate after the center received its apprenticeship contract in July 1978.

In a report on Labor's Apprenticeship Outreach and National On-The-Job Training programs entitled "Questionable Need for Some Department of Labor Training Programs" (HRD-78-4, Apr. 10, 1978), we took exception to the Office

of National Programs' practice of routinely awarding procurement contracts on a sole source basis. We recommended that the Secretary of Labor require the Office to use competitive procurement procedures whenever awarding these contracts because Federal Procurement Regulations encouraged it and Office officials could not support their belief that competition could not be obtained. They had never tried to solicit proposals from the general public. Labor disagreed with our recommendation, maintaining that the Office's transactions were not subject to Federal Procurement Regulations because they did not actually procure services but merely provided financial assistance to organizations that offered the services.

Labor's written agreement with the center is clearly identified on its face as a procurement contract, as were the agreements discussed in our previous report. Also, Labor officials could not adequately defend their belief that competition was impractical in the center's case; past experience with awarding agricultural apprenticeship contracts did not support this idea. Nor had Labor ever tried to solicit bids in the area of agricultural apprenticeship. Therefore, we believe that the center's contract should have been awarded under competitive procurement procedures and not negotiated on a sole source basis.

#### CENTER LACKS PROGRAM EXPERIENCE

Experience was one of five factors that were evaluated by panelists during the third phase of the farmworker economic stimulus program selection process. Of a possible 20 total points, the center scored a relatively low 13.5 because of the mixed picture of past experience it presented in its proposal. The panelists who reviewed the center's proposal noted in panel review documents that the center had no experience operating a residential skill training facility and relatively little experience with employment training. On the positive side, they also noted that the center had considerable experience operating farmworker programs generally and a strong technical assistance linkage with the Human Resources Development Institute. (See p. 6.)

We visited the center in July 1978. One of our purposes was to generally assess the center's ability to undertake the programs for which it had been funded. We were specifically interested in the qualifications of the professional

staff and the adequacy of the center's facilities. Because only the program director had been appointed at the time of our visit, we could not review professional staff qualifications. However, it appears that the center does have adequate physical facilities to conduct both the English language and vocational skill training programs.

The program director is responsible for administering both the grant and the contract, and she serves as the director designee for the Farm Workers Institute for Educational Leadership--a new entity being established by the union to handle all of its grants. According to the center's proposal, the Institute is being incorporated as a nonprofit organization entirely separate from the union and the center and will administer the CETA grant and contract under discussion here. Grant funds will support the Institute's entire administrative staff in addition to any needed program staff. As of mid-July, however, the Institute had not been established.

The program director stated that her past experience included working with the Office of Economic Opportunity, planning and supervising the construction of a union retirement center, and administering a volunteer tutorial program. She also administered a CETA title III farmworker program grant in 1975 and 1976.

We discussed the program director's past performance on this last assignment with two staff members from the Division of Farmworker Programs who were closely involved with the grant she administered. One monitored the grant and the other was responsible for overseeing farmworker program grants in the western United States. The grant monitor stated that the program suffered from poor program direction and that it lost its funding in 1977 because of overall poor performance. Both indicated that in their opinion the program director was not a good administrator. Apparently, questions about the program director's ability to adequately administer the center's grant and contract were not raised during negotiations because Labor officials believed that another center employee--one thought to be very competent--would be directing the CETA programs.

In response to questions about her past CETA experience, the program director stated that she had not been solely in charge of the grant. There also was an Executive Director and a Board of Directors that provided no program planning assistance to which she was responsible. She added that,



in her present capacity with the Farm Workers Institute for Educational Leadership, she expected strong, expert management support from the Institute's Board of Directors.

The center plans to hire several other professionals to operate the CETA programs. According to the center's grant agreement, English language training courses will require hiring one training coordinator and four instructors, and the vocational skill training courses will require hiring one training coordinator and five instructors. The center also plans to hire consultants to train English language instructors and help develop the English language curriculum.

The program director described her plans for hiring staff and the roles they would fulfill. The center would have to hire people to fill all of the positions listed in the grant agreement except for the communications, and building maintenance and landscaping instructors. She indicated that the center already had qualified staff in house for these two courses, but it lacked staff to teach English language as well as vocational courses in printing and auto/diesel mechanics.

The center would begin advertising for English language and vocational skill training instructors once grant funds were received. Interview committees would also be established to review applications and recommend candidates to the program director for approval and appointment. Instructors, the program director, and credentialed center staff would develop the English language curriculum. The consultants would also participate in monitoring the instruction in process and evaluating the program's effectiveness by following up on students who complete the course.

According to the program director, neither the union nor the center had the resources or expertise available in house to carry out the work required under the agricultural apprenticeship contract. She planned to hire staff and use consultants to carry out the program and to seek help from universities and labor relations schools in finding staff. The center would also work closely on the project with the California Department of Industrial Relations, Division of Apprenticeship Standards. The Division is responsible for registering apprenticeship training in California.

The program director indicated that all training would probably be conducted on the center's property at La Paz,

with the exception of auto/diesel mechanics training, which would be held at the center's garage in Delano, California. We inspected the facility where the center plans to hold CETA classes and found that, although part of it was already being used for classes, there were many unused rooms and additional space available for other classes. The center also had dormitory space available for CETA participants. Labor negotiators, while visiting La Paz in January and May 1978 before a final award was made, also checked the facilities and found them to be generally adequate.

NEED FOR A RESIDENTIAL  
ENGLISH LANGUAGE TRAINING  
PROGRAM IS UNCLEAR

Although the center's grant agreement places no geographical restrictions on recruiting participants within California, the program director stated that the majority of the center's participants would probably be drawn from Kern County, California. Accordingly, we reviewed alternative educational opportunities available in that area.

The Adult Education Consultant for the California State Department of Education, whose geographic area of responsibility includes Kern County, stated that the majority of adult basic education courses taught in the county area are English language courses for persons of limited English-speaking ability--some of which are supported by Department of Health, Education, and Welfare funds. The English language courses are predominantly Spanish/English and, except in metropolitan areas, are attended by farmworkers. They are generally held at existing school facilities; however, for groups of 20 or more students, courses can be offered at farmworker locations such as large corporate farms or work camps where facilities are available.

Statistics for the school year ended June 30, 1977, show that 7 of 10 schools holding adult basic education classes in the county offered English language courses. Total enrollment in English language courses was approximately 2,300 students. According to the consultant, the number of courses offered is determined by the number of persons interested in participating. Therefore, all interested persons have a chance to attend courses with very rare exceptions.

Officials of the Bakersfield Adult School--serving about two-thirds of Kern County--indicated that the English language

courses being offered attempt to address community needs. For example, classes would be scheduled in the evening in the case of farmworkers to accommodate their work hours. The English language courses also try to meet students' practical needs. For example, a course segment might be devoted to learning how to complete a medical form.

State and local school officials we spoke with believed that the center's grant duplicated educational opportunities already available through the school system. CETA staff we interviewed, affiliated with the CETA Program Department in Kern County and the CETA Planning Council, also shared the same view. However, the program director disagreed, emphasizing that the center's residential program will be more innovative and more responsive to farmworker needs than the traditional classroom training offered by the school system. According to the program director the center's program will be more innovative because it will focus on the special language needs of farmworkers and will employ new language teaching techniques, and will be more responsive because it will eliminate the problem of transportation to courses and evening courses for which farmworkers are often too tired.

Although the program director, based on discussions with farmworkers, was convinced that the school system's English language courses were unsuccessful, she did not have data demonstrating their inadequacy, in order to justify the need for additional or different types of courses. She also did not have evidence indicating that the new techniques the center planned to use were likely to produce better results than the school system's traditional ones. It is unclear whether a need exists for the center's program without this kind of data. Clearly, English language training is already available through the school system and since school officials have stated that as a rule it is available on demand it appears to meet the expressed need for such training.

Although a procedure exists for determining local program needs, Labor did not have such information when it awarded the center funds for English language training. The Office of Management and Budget's Circular No. A-95 is concerned with achieving the most effective and efficient utilization of Federal assistance resources through coordination and the elimination of conflict and duplication. It establishes procedures whereby Federal agencies and applicants for Federal assistance must give State and local

governments, through State and areawide clearinghouses, an opportunity to assess the relationship of their proposals to State, areawide, and local plans and programs. Federal agencies must consider these assessments, which are advisory, when deciding whether or not to proceed with the proposed project.

The farmworker economic stimulus program solicitation required interested parties to submit their applications to Labor as well as to State and/or appropriate areawide clearinghouses at the same time. An official in the Division of Farmworker Programs explained that the "and/or" option was used to account for every possible State situation. Procedures vary among States so that submission to the State or areawide clearinghouse, or both, may be required depending on the State.

The center submitted its application to the State clearinghouse in California, and the clearinghouse routinely circulated it among State agencies for comment. No comments were received, and the center's application was cleared. However, the center did not submit its application, as required in California, to the appropriate areawide clearinghouse. According to a State clearinghouse representative, the State does not forward applications it receives to areawide clearinghouses for comment. Therefore, a nonresponse from the State represents only the State's view.

The Kern County Council of Governments is the local clearinghouse which serves Kern County and 11 incorporated cities. The Council protested the center's failure to comply with A-95 procedures to the Secretary of Labor in a letter dated March 3, 1978. We discussed the center's situation with the Council's Executive Director. She explained that had the center complied, the council probably would have requested that a center representative explain the proposal in greater detail before deciding whether or not to comment. This is commonly done when proposals are controversial in some respect. Although the clearinghouse may still have commented negatively on the center's proposal, the Executive Director felt that, at the very least, some of the local community's objections might not have arisen because correct information would have been available about the proposed program.

Labor officials in the Division of Farmworker Programs stated that they assumed that the center had complied fully

with A-95 procedures because the center had correctly indicated on its application for funding that it had received no response from the State clearinghouse. The officials further stated that in their view it was the applicant's responsibility to comply with the provisions of Circular A-95. We discussed the matter with two Office of Management and Budget officials. One noted that the language Labor used in its solicitation may have prompted applicants to incorrectly believe that submission to the State or areawide clearinghouse would be acceptable when in fact requirements vary from State to State. Both stated that Labor acted incorrectly by assuming State clearance was sufficient. Since the center's application did not indicate that it had been forwarded to the appropriate areawide clearinghouse as required, Labor should have returned the center's application for review by the areawide clearinghouse before considering it for funding.

PROGRAM PARTICIPANTS ARE EXPECTED  
TO BE PRIMARILY SPANISH SPEAKING

When we visited the center, program participants had not been selected and criteria and procedures for recruiting and selecting the participants had not been formulated. According to the grant agreement and the program director, the first 4 to 6 months of the 18-month grant period would be devoted to hiring and training staff and developing curricula. Consequently, most participant recruitment was not expected to take place until early 1979.

The program director stated that she expected recruitment and selection criteria and procedures to be developed at an upcoming planning conference. She also expected a screening committee (possibly including farmworkers) to review and recommend participants for her approval. According to the center's grant agreement, the union's Campesino Centers--which are staffed by farmworkers who provide information and assistance to both union and nonunion farmworkers about local services (such as housing and transportation) will handle recruitment. The program director indicated that the center may also advertise for participants through the California Employment Development Department.

CETA regulations governing the center's English language training program stipulate that only persons who are economically disadvantaged, unemployed, or underemployed may participate. The program director noted that general requirements probably would include a desire, need, and commitment

to undertake training. She also expected that individuals wishing to participate in English language training--which involves 75 of 91 slots or more than 80 percent of total program enrollment--would be required to speak Spanish. She also expected them to be drawn from the Kern County area.

According to the program director, vocational skill trainees would probably come from the same area, but speaking Spanish would not be a requirement for their selection. She indicated that the center hopes to continue English language training once it has been set up and that other language groups might be included at that time.

If the center does select participants as the program director suggested, it would be departing from the program outlined in the grant agreement. The agreement states that both types of training will serve farmworkers--without any ethnic restriction. The center also could risk violating one of the assurances it made when accepting the grant--that no person would be excluded from participation in its programs on the grounds of race, color, sex, or national origin. Although the center submitted figures in its original proposal showing that persons speaking Spanish or having Spanish surnames were the largest group in Kern County that might require English language training, the figures also showed a small representation of other ethnic groups as well. Labor should closely monitor the center's recruiting and selection activities to assure that eligible farmworkers are not denied the opportunity to participate in the center's English language program solely because of their ethnic backgrounds.

As was mentioned previously, the grant agreement also does not restrict the center's recruiting to the Kern County area, although the program director indicated that this might be the case. We discussed this point with Labor officials; they indicated that their understanding is that the grant serves the entire State. Labor should also clarify this issue with the center before participants are recruited and selected.

LABOR CANNOT ASSURE NON-  
PARTICIPATION OF ILLEGAL  
ALIENS IN FARMWORKER PROGRAMS

Illegal aliens are persons of foreign origin who have entered the United States unlawfully or who, after legal entry, have violated the terms of their admission, generally

by overstaying and/or accepting unauthorized employment. CETA regulations governing farmworker programs and programs for persons of limited English-speaking ability generally limit participation to U.S. nationals and aliens who have been allowed to reside in the United States as permanent residents or are otherwise legally available for work in the United States. However, the regulations do not require program sponsors to follow any particular procedures to assure that illegal aliens are not participating in their programs; and, as of November 1978, Labor had no plans to amend the regulations to include such a requirement.

Officials in the Division of Farmworker Programs and the Office of National Programs believe that requiring proof of citizenship or alien status in order to participate in farmworker programs might result in legal action against Labor on the grounds that such a requirement would discriminate against certain groups or would in some other way violate an individual's civil rights. We also discussed the issue with two representatives from Labor's Solicitor's Office, who stated that the Office does not have an official, documented position or policy on the matter. They agreed that there are some civil liberties questions involved in requiring proof of citizenship or alien status, but they did not both agree that these questions have merit. One of the representatives and another Labor official stated that Labor has chosen not to formulate administrative rules because the Congress has not addressed the matter legislatively. And the other representative indicated that the basic reason for Labor's decision not to require proof of citizenship is that it would be too difficult and time consuming for citizens. Since the United States does not have a national identification card or some other documentary proof which citizens routinely carry with them, such a requirement would place an unreasonable burden on them.

Despite differences in opinion, however, program officials and legal representatives agreed that, under the present circumstances, Labor cannot be certain that illegal aliens are not participating in its farmworker programs. However, if Labor could prove that a grantee was knowingly admitting illegal aliens into its programs, Labor's ultimate recourse, according to the Director, Division of Farmworker Programs, would be to withdraw funding.

The center has not established any procedures for screening out illegal aliens. The program director stated that the

center preferred to rely on self-certification in order to avoid possible legal problems which have arisen in the past when requiring proof of citizenship or alien status. These problems generally involved discrimination complaints by selected groups. However, simply relying on applicants' assertions about their citizenship status provides little assurance that illegal aliens will be effectively prohibited from participating in the center's programs.

LABOR'S MONITORING WILL  
CONSIST OF VISITS AND REPORTS

Labor plans to visit the center at least once every quarter for a total of six visits during the grant period. A staff member in the Division of Farmworker Programs has been assigned to monitor the grant. He stated that the visiting schedule does not apply to farmworker economic stimulus program grantees generally, but only to the center because of the controversy and publicity concerning its grant. He added that the center, like the other grantees, will also be required to submit quarterly progress reports to Labor.

The monitor made his first visit to the center on September 27 and 28. Among other things, he said that he reviewed the terms and conditions of the grant with the program director, inspected housing areas, discussed property management, equipment requirements, and methods of recruiting staff, and determined the amount and type of technical assistance the center appeared to require. He stated that he planned to recommend technical assistance in financial management, management information systems, and general program operation. He added that it was not unusual for Labor to contract with firms to provide technical assistance to grantees, especially new ones.

By early December some staff had been hired and some participants had been recruited. However, no training had taken place. The monitor also had not scheduled a return visit to the center.

The apprenticeship contract will be monitored separately by the contract negotiator. He stated that his monitoring program was three-pronged. First, he notified the center that monthly narrative reports were required within 10 days following the end of each month. These reports are to include information on persons hired



under the contract, cooperative arrangements with other organizations having similar goals, contacts with employers to participate in the study, and information on general progress and developments, including problems.

Second, he visited the center on October 18 and 19 to assess progress and provide any needed assistance. In a November 13, 1978, report to the Administrator, Office of National Programs, he stated that the contract was behind schedule because the center was having problems finding staff to administer the project. He also noted that no funds had been drawn to date.

Third, Labor plans to have the Human Resources Development Institute provide technical assistance to the center on a more regular basis from an office to be opened for this purpose in Bakersfield, California. CETA funds provided under an existing contract with the Institute will finance the Bakersfield office.



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