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United States General Accounting Office
Washington, DC 20548

Human Resources
Division

RELEASED

B-197310

FEBRUARY 5, 1980

The Honorable Edmund S. Muskie
Chairman, Committee on the Budget
United States Senate

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Dear Mr. Chairman:

DOE OFF. of Youth Programs

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Subject: Department of Labor's Efforts to Improve
the Quality of the 1979 Summer Youth
Employment Program (HRD-80-39)

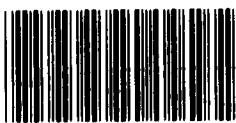
(DOE AGC00009)

In response to your July 30, 1979, request and later meetings with your office, we reviewed the Department of Labor's actions to improve the management of the 1979 Summer Youth Employment Program (SYEP). We previously issued a report on the 1978 program, "More Effective Management Is Needed To Improve The Quality Of The Summer Youth Employment Program" (HRD-79-45, Feb. 20, 1979). We directed our review primarily to Labor's efforts to more effectively administer the summer youth program, particularly to strengthen the supervision and monitoring efforts and to eliminate inadequate worksites. ID

For the 1979 SYEP, Labor provided sponsors with guidance on how to assess the quality of worksite experiences (including models of work settings that provide the opportunity to develop good work habits) and identified some activities that did not represent work situations. Also, Labor took actions to improve Federal monitoring of the program. Regional office monitoring was intensified, and procedures were established for documenting this effort. Additional monitoring was conducted by the Labor Inspector General and an Office of Youth Programs Special Monitoring Group. Labor's reported monitoring results indicated that most of the worksites visited were satisfactory. Consequently, few worksites were closed during the 1979 summer program. However, where problems were identified, Labor monitors generally did not take all steps necessary to assure that sponsors took corrective action before completion of the 1979 SYEP.

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The Department of Labor's Administrator of the Office of Youth Programs, Employment and Training Administration, generally agreed with our findings. However, in his opinion, our report does not fully show the scale of Labor's actions to improve the 1979 SYEP. He believes that Labor made a good-faith effort to implement our earlier recommendations and that all corrective actions possible were taken (considering the limited time between the issuance of our prior report and the operation of the 1979 SYEP).

SCOPE AND LIMITATIONS

Our review had major constraints. Time allowed for the fieldwork was limited. In addition, the timing of our work was less than ideal; that is, the summer was over and worksites were closed. Labor was in the process of gathering data and preparing prime sponsor evaluations. As a result, we were not able to make worksite visits or observe Labor's visits. In most cases where documentation was not available, we had to rely solely on comments or opinions of Labor or prime sponsor officials.

Our review was directed at Labor's action taken on two of five recommendations included in our prior report. These recommendations included (1) providing sponsors with specific guidance on how to assess the quality of worksite experiences and (2) taking action to improve regional office monitoring and withhold funds from sponsors that have not developed programs meeting requirements. We did not review Labor's corrective actions in regard to our prior recommendations to (3) develop and propose to the Congress more equitable funding procedures, (4) take action to assure sponsors recruit and increase participation of out of school and other youths most in need, and (5) require sponsors to obtain adequate evidence supporting eligibility and to verify eligibility.

Our inquiry centered on

- guidance provided by Labor headquarters and regional offices, including its nature, timeliness, and usefulness to sponsors;
- Labor regional office monitoring, with emphasis on monitoring activities dealing with problem areas in

our prior report: worksite development and activities, supervision, and prime sponsors' monitoring activities; and

--worksites eliminated from the program because of performance in the 1978 summer program and worksites closed during the 1979 SYEP program.

We interviewed Federal Representatives (Fed Reps) in Labor's Atlanta, Chicago, New York, and San Francisco regions and examined their monitoring records and talked with other Labor regional and headquarters officials. We also spoke to officials of 33 urban prime sponsors and examined some of their records. The Fed Reps contacted were responsible for the 33 prime sponsors selected for review. We primarily selected sponsors that were (1) urban sponsors included in our prior review, (2) urban sponsors that received special monitoring in 1979, and (3) other urban sponsors in different States within the region.

BACKGROUND

The Economic Opportunity Act of 1964, as amended (42 U.S.C. 2701), authorized a Neighborhood Youth Corps program, which included a summer program intended primarily to help high school age, low-income youths remain in school by providing them with summer employment. In 1964 Federal program responsibility was transferred from the Office of Economic Opportunity to the Department of Labor.

The Comprehensive Employment and Training Act of 1973 (CETA), as amended (29 U.S.C. 801), created a new summer program for economically disadvantaged youths. The name Neighborhood Youth Corps was dropped, and the program became known as the Summer Program for Economically Disadvantaged Youth (SPEDY). Its primary purpose was to provide work experience to economically disadvantaged youths during the summer to enhance their future employability. In the spring of 1979, the program was renamed the Summer Youth Employment Program.

Labor administers the program through Employment and Training Administration grants to about 460 prime sponsors--generally State and local governments. In our February 1979 report on SPEDY, we stated that at the sites we visited, especially urban sites, the program did not provide enrollees with meaningful work experience. The immediate causes we

cited were too many enrollees or poor supervision, and we concluded that the ultimate responsibility for such shortcomings rested with sponsor and Labor management.

GUIDANCE

For the 1979 SYEP, Labor gave prime sponsors a variety of guidance materials, including a large volume of technical assistance publications, films, the SYEP Monitoring Guide, and letters from high-level Labor officials addressing specific problems. The guidance addressed our prior report's recommendations, in that it identified activities that bear no relationship to work, and provided sponsors with specific guidance on how to assess the quality of worksite experiences, including models of work settings that provide the opportunity to develop good work habits. However, prime sponsor officials we talked with frequently criticized the technical assistance material for being inadequate or untimely, and thus not useful. They also complained that it was too voluminous. However, others felt the material was beneficial to their 1979 program.

Background

In our report on the 1978 SPEDY, we recommended that Labor identify and prohibit activities that bear no relationship to real work and give sponsors specific guidance on how to assess the quality of worksite experiences, including developing models of work settings that provide the opportunity to develop good work habits.

In following up on these recommendations, we analyzed the guidance provided by Labor headquarters and discussed its content, value, and distribution with officials from Labor's regional offices and local prime sponsors.

Labor technical assistance

Labor's technical assistance included:

- A monograph entitled "Youth Serving the Community: Realistic Public Service Roles for Young Workers."
- A collection of four monographs entitled "Summer Program for Economically Disadvantaged Youth (SPEDY) Monographs of 1978," which describe four SPEDY programs Labor determined were exemplary.

--A two-volume "Compilation of Reports on the 1978 Summer Youth Employment Program."

--Two films entitled "Don't Just Sit There" and "Somewhere To Go."

These technical assistance publications consist of over 1,300 pages of material, including our previous report and Labor's position on our findings. The prime sponsor officials we talked with often complained that Labor's technical assistance was provided too late to be of use in the 1979 SYEP although some of them received the material as early as April 1979. They also complained that the guidance material was too voluminous.

The reports and studies included in these items generally describe a good SYEP. Although not primarily intended to address our criticisms, in describing good SYEPs, they do address our prior recommendations relating to worksite activity. One item that addresses many of our concerns is Monograph No. 1--Richmond Area Manpower Planning System. This document, which is included in the SPEDY Monographs of 1978, details the efforts of the contractor in charge of Richmond's SYEP. It provides a comprehensive description of a good SYEP and includes reprints of enrollee and supervisor manuals. The monograph also contains information on ideal supervisor-to-participant ratios, supervisor selection and training, participant discipline, time and attendance procedures, and program monitoring.

Additional Labor materials
addressed specific problems

Letters from two high-ranking Labor officials addressed specific problems of the SYEP. The Assistant Secretary for Employment and Training, in a May 10, 1979, letter to elected officials of all CETA prime sponsors, suggested that sponsors use technical assistance materials developed by Labor's Office of Youth Programs, use allowable administration costs to ensure adequate management support for the program, and provide supervisors with orientation and training. He added that no participant should be paid if absent for unauthorized reasons and that unruly or unproductive youths should be fired just as they would be in the private sector. He also said that common sense suggests youths should not be involved in recreation for pay unless they are supervising or instructing other youths. The Administrator, Office of Youth Programs,

in a May 29, 1979, letter to all CETA prime sponsor directors, reiterated the assistant secretary's comments. He also cited criticism that many of the program's jobs are "fun and games."

Labor also distributed the SYEP Monitoring Guide (see p. 11), which provides a structured method for evaluating the worksite, including supervision, worksite activity, and monitoring. Enough copies were provided to Labor regions for distribution to all prime sponsors.

Prime sponsors' opinions of technical assistance

Prime sponsors' opinions of Labor's technical assistance varied. In one region we asked 12 prime sponsors if they thought Labor's technical assistance was helpful. Over 50 percent responded positively. However, 36 percent responded that the material was not provided in a timely manner. In another region most of the 12 prime sponsor officials we talked with said they found the technical assistance helpful in the areas of worksite quality and development, allowable worksite activities, supervisory training, and monitoring.

Regional technical assistance

Two regions developed some of their own technical assistance. One made a fairly extensive effort, including preparation of a regional training center manual. The other regions simply passed on to prime sponsors the material provided by Labor headquarters. In addition, regions provided assistance on specific questions raised by prime sponsors. For example, in one region a Fed Rep gave a requesting sponsor guidance on the frequency and content of worksite monitoring.

Agency comments

Labor's Administrator, Office of Youth Programs, Employment and Training Administration, reviewed a draft of this report and commented orally on January 14, 1980. He generally agreed with our findings concerning Labor guidance. However, he maintained that our report did not fully describe the extent of Labor's corrective actions. He cited conferences held at the end of the 1978 program and the millions of dollars spent on numerous demonstration projects as examples of actions taken to improve the SYEP that we did not mention in our report.

The conferences in the fall of 1978 were designed to capitalize on the experiences of prime sponsors during the summer and to serve as another mechanism for improving the program. The four conferences, held across the country by Labor in October and November 1978, were attended by 855 people. Of these, 712 (83 percent) represented CETA prime sponsors and 143 (17 percent) represented national/regional Labor offices and others. Although these conferences were held before our prior report was issued, they provided a useful forum to discuss ways to improve overall program quality, to identify and share exemplary programs and components that could be replicated by other prime sponsors, and to provide information and incentives to begin planning for the 1979 summer youth program.

Regarding demonstration projects, an estimated \$12 million was used during fiscal year 1979 for evaluations of the program and for structured demonstration projects. The demonstrations tested alternative approaches for solving specific problems or bolstering specific aspects of SYEP. An additional estimated \$11 million will be spent in fiscal year 1980 to continue the demonstration projects so that the 1979 experience can be compared with that in 1980. These projects cover more aspects of the SYEP than those included in our prior report recommendations regarding worksite activities. For this reason, and because the results of the demonstration projects were not provided as guidance to prime sponsors for the 1979 SYEP, we did not include these projects in this followup review.

MONITORING

Labor has made efforts to improve monitoring of the 1979 SYEP. Regional office monitoring was intensified, and procedures were established for documenting this effort. These procedures included a structured monitoring guide that Labor headquarters required to be used in monitoring prime sponsors. This guide provided guidance in monitoring programs to determine whether sponsors develop and operate programs that provide meaningful work, including how to assess the quality of worksite activity and supervision. It also provided some guidance for assessing sponsor monitoring. Additional monitoring was done by the Labor Inspector General and an Office of Youth Programs Special Monitoring Group. Most of the worksites visited by these groups were found satisfactory. However, Labor's Fed Reps did not make as many worksite visits as required by headquarters. Fed Reps told us they did not have enough time to make more visits. Also, while most Fed Reps

followed up on corrective actions, they generally did not revisit worksites. Coordination between Fed Reps and the Special Monitoring Group was poor.

Background

In our report on the 1978 SPEDY, we recommended that Labor improve regional office monitoring to assure that sponsors develop and operate programs that provide meaningful work. In reviewing Labor's actions we discussed with Fed Reps and other regional officials how they carried out their monitoring responsibilities, including their use of a standardized monitoring guide, and examined any documentation supporting such action. We obtained information on the results of worksite visits from Labor headquarters and regions.

The monitoring guide provided for simple checklist "yes" or "no" answers and did not require that Fed Reps document the basis for responses, except where problems were involved. This, combined with the fact that we did not visit worksites or accompany Fed Reps on visits, prevented us from evaluating the quality of regional monitoring activities. Regional and headquarters evaluation of program data was not completed at the time of our fieldwork. We were, therefore, unable to evaluate the problems disclosed by Labor's monitoring. While some statistics on Fed Rep monitoring were available, information on the nature and extent of problems, as well as corrective actions taken, was not.

We also obtained statistics on the results of monitoring by the Inspector General and the Special Monitoring Group. However, we did not examine the completed data collection instruments or make any independent tests as to the validity of the data.

Efforts to improve monitoring

Labor reported that its increased monitoring, by Fed Reps, the Special Monitoring Group, and the Inspector General, disclosed that most of the worksites visited were satisfactory; that is, the worksites exposed participants to work situations resembling the real "world of work."

The Fed Reps in Labor's 10 regional offices are responsible for reviewing and monitoring the activities of all SYEP prime sponsors. In doing so, they reported visiting 7,615 worksites (almost 5 percent of all 155,660 SYEP worksites)

and finding 6,613 (87 percent) to be satisfactory on the first visit.

Labor's headquarters provided the following guidance to the regions regarding a reasonable number of worksites to review: 10 worksites for small and medium-size sponsors and 15 worksites for large sponsors. At one region we found this standard was met for only 2 of 12 sponsors included in our review, and at another, only 4 of 12. The primary reason cited by Fed Reps for not meeting the goal was not enough time. Other reasons cited were the presence of Labor's Special Monitoring Group and strong prime sponsor monitoring. On the other hand, two other regions met or exceeded this requirement for most sponsors included in our review. In one region, the goal was met for four of six sponsors, with three of the four exceeding the goal; the other region exceeded requirements at all three sponsors in our review. Estimates given by Fed Reps of the amount of time spent in their worksite visits ranged from 30 minutes to 5 hours.

The Special Monitoring Group was composed of regional and headquarters personnel under the direction of the Office of Youth Programs to provide intensive monitoring of the 1979 SYEP. The group reviewed 11 cities selected on the basis of level of resources provided over and above the allocation formula to assure that the total funds are at least equal to the amount available in the previous year (hold harmless). The group focused on four main areas:

- Prime sponsor and subgrantee monitoring.
- Time and attendance and check payment procedures.
- Eligibility certification.
- Worksite activity.

A final report on the overall results of the group's monitoring was not available at the time we completed our fieldwork. However, a Labor headquarters official told us that the group visited 1,207 worksites in the 11 cities, interviewing about 3,800 participants. About a fifth of the worksites visited had serious problems in worksite activity, and a tenth had inadequate supervision.

The Inspector General's effort involved 28 prime sponsors of various types and sizes throughout the country. At its

peak, the review involved 177 auditors from 10 regions plus 13 certified public accounting firms. The objectives of the review were to determine whether:

- SYEP worksites used by the 28 prime sponsors exposed participants to situations resembling the real "world of work."
- Required monitoring of SYEP worksites was accomplished by the prime sponsors and their recipients.
- Corrective action was taken as a result of the monitoring visits.
- Payments were made to bona fide participants.

The Inspector General visited about 80 randomly selected worksites at each location, or a total of over 2,200 worksites nationwide. Eighty-four percent of all worksites visited were found to provide participants with work situations where meaningful work was performed, work rules were enforced, and participants were adequately supervised.

Labor's regional monitoring system

Labor's strategy for monitoring the 1979 SYEP included mandatory use of a structured monitoring instrument, identification and followup on corrective action required, periodic reporting of monitoring activity, and regional evaluations of the program. In addition, Labor headquarters planned an analysis of program strengths and weaknesses, using monitoring results of a national sample of 62 prime sponsors.

We were not able to assess the quality of this effort because we did not visit worksites or accompany Fed Reps on their worksite visits and there was often little documentation available to support judgments made. Also, final regional reports and headquarters analyses were not available when we conducted our fieldwork. However, most of the Fed Reps we talked with were slow in following up on corrective actions they recommended. In addition, at most locations where the Special Monitoring Group operated, coordination between the Fed Reps and the group was poor. The most common problem cited by Fed Reps was the group's failure to communicate its findings to the regions.

The SYEP Monitoring Guide

The SYEP Monitoring Guide included three parts: a review of sponsor plans, a review of sponsor onsite planning and design activities before enrollees were on board, and a review of onsite operations while the enrollees were on board. The guide covered all major aspects of the SYEP, including participant selection and orientation, service deliverer selection and worksite development, worksite supervisor selection and training, and monitoring design. It also provided for worksite visits to observe operations and interviews with worksite supervisors and participants. Followup on corrective actions, as necessary, was also required.

The guide was primarily a checklist indicating a yes/no response to some questions or an identification of some specific condition. It also provided for identifying problem areas and proposed corrective actions. In the review of onsite planning and design as well as onsite operations, the guide required a judgment about whether a condition is satisfactory or unsatisfactory. These judgments were preceded by a series of questions or statements requiring a check response.

In most cases the guide was not clear about the basis for a satisfactory/unsatisfactory judgment. For example, the guide was not definitive in such areas as judging worksite monitoring. In determining whether the worksite had been satisfactorily monitored, the Fed Rep first identified whether the worksite monitor performed certain activities. These included observing operations, making recommendations, identifying problems, requiring and following up on corrective actions, and preparing reports. But the guide gave no indication as to which or how many of these activities must be found in order to consider the worksite satisfactorily monitored.

However, the guide was definitive in such areas as judging supervision. In reviewing a worksite, the Fed Rep had to determine whether worksite supervision was satisfactory. Before making this judgment the Fed Rep had to respond to five statements regarding worksite supervision, including the supervisors' knowledge of SYEP regulations. The guide clearly stated that a check as unsatisfactory in any of the five equaled an unsatisfactory supervision rating for the worksite.

The Fed Reps we spoke to had varied reactions to the SYEP Monitoring Guide. Most thought it was good; however, those who didn't think so cited such factors as poor design and requiring too much time to complete.

Quality of monitoring

We were not able to evaluate how well Labor conducted its regional monitoring because of several limitations in our review. Our fieldwork was conducted after worksites were closed, so we could not visit worksites to make our own evaluation of worksite activities or accompany Fed Reps during their visits and observe conditions upon which they based their judgments. Although some monitoring activity was documented, check marks in the SYEP monitoring guide were the only supporting documentation for satisfactory evaluations. In reviewing regional monitoring, we relied heavily upon discussions with Fed Reps. We found that Fed Reps did not always follow up on problems they identified or revisit worksites. Most of the Fed Reps we spoke to whose sponsors were reviewed by the Special Monitoring Group had poor communication with the group. In addition, regional monitoring evaluations and headquarters assessments were not available at the time of our work.

Labor's headquarters required regional monitoring to include establishing corrective action plans and following up, as necessary, on corrective action required. The extent and nature of followup at the four regions varied. Where problems were found, over one-third of the Fed Reps we spoke to said they did not follow up on corrective actions they recommended. Of those who said they did, most followed up by reviewing monitoring reports and records. Less than half of them actually revisited worksites. At one region, the Fed Reps responsible for the largest sponsor in the region followed up on corrective action by examining sponsor records after the program was completed.

Regional offices were required to follow up on problems identified by the Special Monitoring Group. This procedure was mandated to insure that corrective actions were taken and problems solved. In all the regions we visited where the Special Monitoring Group operated, Fed Reps had some criticism of their working relationships with the group. In one region the group was active at two sponsors. The Fed Rep for one sponsor said coordination with the group

was good, while the Fed Rep for the other sponsor said that the group was late in communicating findings and at times provided vague or inaccurate information. At another region, the Fed Reps for the four cities where the Special Monitoring Group visited were critical of the group's coordination with them.

Labor's regional offices were required to submit a final 1979 report describing major weaknesses uncovered by their monitoring activities, strengths observed in the SYEP program, and a final tally of their monitoring results. In addition, they were required to submit to headquarters completed monitoring guides and associated data on 62 prime sponsors. This latter information was required by Labor headquarters for further analysis of program strengths and weaknesses. We obtained some statistics on regional monitoring; however, because most of these reports were not available when we conducted our fieldwork, we were unable to evaluate or comment on them.

Agency comments

The Administrator, Office of Youth Programs, generally agreed with our findings on Labor's efforts to improve monitoring of the 1979 SYEP. However, he believed that our report does not present the full scale of Labor's efforts. According to him, the monitoring--the most ever devoted to any Labor program--involved half his staff for the entire summer, a large investment of Inspector General resources, and a greater regional office monitoring activity than in the past.

He believed that all monitoring findings had been communicated to prime sponsors. He acknowledged that, in some cases, there was not enough time remaining in the 1979 summer program to effect necessary improvements. However, he said the monitoring findings would be used to improve the 1980 SYEP.

PUNITIVE ACTION

Labor does not cut off funds to prime sponsors because of poor performance at worksites. Rather, worksites are eliminated from the program by the prime sponsor. They may be eliminated during the planning stage or closed during program operations because of serious problems disclosed during monitoring. Not many worksites have been eliminated because of

poor past performance or closed or reduced in size as a corrective measure during operations. Although national data were not available, information for some of the prime sponsors in our review shows that only about 3.3 percent of the worksites were closed or reduced in size as a corrective measure. At the same time, sponsor monitoring found only 17 percent of the worksites in need of corrective actions. Most worksite closings were the result of sponsor monitoring, which is to be expected because the sponsors did much more monitoring than the Fed Reps.

Background

In our report on the 1978 SPEDY, we recommended that Labor withhold funds from sponsors that have not developed programs meeting requirements. Labor officials told us that funds are rarely withheld from prime sponsors. Rather, individual worksites are eliminated from the program for poor performance. In a letter to all prime sponsors, Labor officials cited steps for improving the program, including critically evaluating worksites and eliminating weak sites and reducing the hours of participation on sites where youths were not fully used in 1978.

We discussed with selected Fed Reps and other Labor regional officials the extent of worksite closings and their role in such closings. We inquired of selected prime sponsors whether worksites found unacceptable in our 1978 SPEDY review were continued in the 1979 SYEP. From Labor headquarters we obtained data on the results of prime sponsor monitoring and corrective actions. At one of the four regions in our review, we conducted limited inquiries at prime sponsors to test reported information on worksite closings.

Closing worksites

Data available for about three-fourths of the sponsors in our review indicate that not many worksites were closed or reduced in size during the 1979 SYEP or eliminated because of poor performance during 1978. Most worksite closings seemed to result from prime sponsor, rather than Fed Rep, monitoring. When worksites were closed, most enrollees were transferred to other sites.

SYEP regulations require that each prime sponsor establish procedures for monitoring and evaluating each worksite.

Prime sponsors are also required to revisit worksites where monitors report problems and close worksites where serious or continual violations are found that are not likely to be remedied. Labor officials encouraged sponsors to eliminate, from their 1979 SYEP, worksites that performed poorly in 1978.

The letters sent to prime sponsor officials by two high-ranking Labor officials mentioned on page 5 of this report included the statement:

"* * * Since there are fewer dollars available, there will be fewer worksites which can be funded and/or fewer youths which can be served. Sponsors should use this as an opportunity to critically evaluate worksites and to eliminate the weak ones, as well as reducing the hours of participation on sites where youth were not fully utilized last summer."

The letters also suggested that sponsors monitor worksites, provide aggressive corrective action, and transfer enrollees from sites where they are not busy.

Labor requested data on the extent of worksite closings or reductions in size from all prime sponsors, but complete information was not available at the time of our fieldwork. Information was available, however, for 25 of the 33 prime sponsors in our review. They reported that only about 3.3 percent of their 1979 SYEP worksites were closed or reduced in size as a corrective measure. They further reported that their monitoring revealed that only about 17 percent of the worksites visited were in need of corrective action. Sponsors told us that, when worksites were closed, enrollees were usually transferred to other sites.

In addition to reporting worksites closed, the 25 sponsors also reported that 133 worksites were eliminated from the 1979 SYEP because of problems in 1978. This represented less than 1 percent of their total 1979 SYEP worksites. At three urban sponsors included in our prior review, from 29 percent (8 of 28) to 85 percent (28 of 33) of the worksites we considered unsatisfactory in 1978 were not included in the 1979 SYEP. At two sponsors several of the sites that were continued in 1979 experienced the same problems we found in 1978. One of these sites was terminated by the sponsor during the 1979 program.

Fed Reps had little input in worksite closings. In fact, we had to get most of our information on worksite closings from prime sponsors.

Most worksite closings were the result of sponsor rather than Fed Rep monitoring since the prime sponsor has primary responsibility for monitoring worksites and sponsors' monitoring was much more extensive. For example, prime sponsors reported visiting over 15,000 worksites at the 25 prime sponsors in our review. Fed Reps visited only 777 worksites at these sponsors.


Agency comments

The Administrator, Office of Youth Programs, generally agreed with our findings on worksite closings. However, he pointed out that relatively few worksite closings should be expected because Labor and prime sponsor monitors reported that most worksites visited were satisfactory. He added that the limited number of Labor worksite visits compared to sponsor monitoring visits should be recognized as the result of a pyramidal monitoring structure, in which Labor essentially monitors the work of prime sponsor monitors, or "monitors the monitors."

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As arranged with your office, in 5 days we will send copies of this report to the Director, Office of Management and Budget; the Secretary of Labor; and other interested parties.

Sincerely yours,


Gregory J. Anart
Director