



Highlights of [GAO-05-650](#), a report to Congressional Requesters

WORKFORCE INVESTMENT ACT

Substantial Funds Are Used for Training, but Little Is Known Nationally about Training Outcomes

Why GAO Did This Study

The Congress passed the Workforce Investment Act (WIA) in 1998 seeking to create a system connecting employment, education, and training services to better match job seekers to labor market needs. However, questions have been raised about how WIA funds are being used and, in particular, how much is being spent on training. Contributing to the concern about the use of WIA funds is the lack of accurate information about the extent to which WIA participants are enrolled in training activities. GAO was asked to determine (1) the extent to which WIA funds are used for training, (2) how local workforce boards manage the use of Individual Training Accounts (ITA) and what challenges they have encountered, and (3) what is known at the national level about outcomes of those being trained.

In its comments, the Department of Labor (Labor) noted that some of our estimates on training conflicts with their estimates. Labor's estimate of the number of adults trained comes from their database and includes only those who had exited from the program. GAO's estimates represent a more complete and accurate picture than Labor's because they are based on information obtained directly from the local workforce areas, include all funds spent or obligated for training, and count all adults who received training in program year 2003, not just those who exited the program.

www.gao.gov/cgi-bin/getrpt?GAO-05-650.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Sigurd Nilsen at (202) 512-7215 or nilsens@gao.gov.

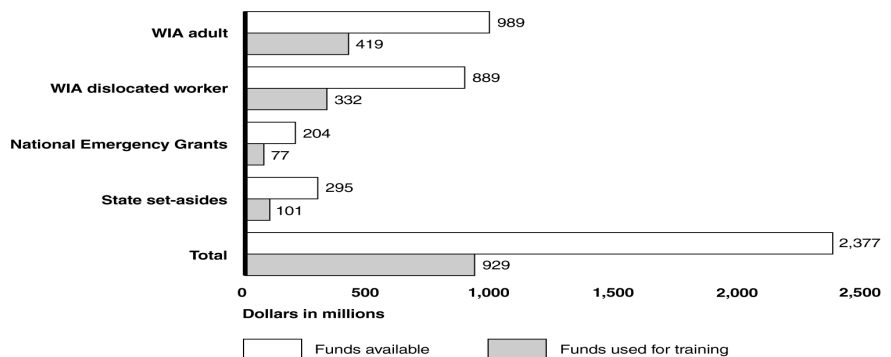
What GAO Found

Local workforce boards used an estimated 40 percent of the WIA funds they had available in program year 2003 to obtain training services for WIA participants. Nationally, local boards had approximately \$2.4 billion in WIA funds that were available to serve adults and dislocated workers during program year 2003 and used about \$929 million for training activities (see fig.). The remaining funds paid for other program costs as well as administrative costs. We estimate that 416,000 WIA participants received training during the year. However, because some individuals may have received more than one type of training, this count may include some individuals more than once. Most of the participants received occupational classroom training purchased with ITAs, which are established on behalf of an eligible participant to finance training services.

Most local workforce boards have developed policies to manage the use of ITAs, but many boards have encountered challenges in trying to implement their use. Local boards often require participants to complete specified tasks prior to entering training, such as gathering additional information on their desired occupation. In addition, they generally limit the amount of money participants can spend on training using ITAs and how long the training can last. Among the challenges encountered by local boards was the lack of good performance data on training providers making it difficult to determine which providers were most effective. Local boards in rural areas faced a different challenge—lack of nearby training providers.

Little is known on a national level about the outcomes of those being trained. Certain aspects of Labor's national participant database have been found to be incomplete and unverified. Additionally, data generally cannot be compared across states or local areas because of variations in data definitions. Labor is taking some steps to address these concerns, but the findings from this study reaffirm the need for a continued focus on resolving reported data quality issues.

WIA Funds Available and Used for Training in Program Year 2003



Source: GAO analysis.

Note: Funds used for training include funds spent or obligated for training in program year 2003.