

September 2012

TRADE
ADJUSTMENT
ASSISTANCE

Labor Awarded
Community College
Grants in Accordance
with Requirements,
but Needs to Improve
Its Process



G A O

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Why GAO Did This Study

The Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA), part of the American Recovery and Reinvestment Act of 2009, authorized assistance to communities, workers, farmers, and firms affected by trade. One such program, the Trade Adjustment Assistance Community College and Career Training grant program, is administered by Labor and authorizes grants to eligible institutions of higher education for educational or career training programs suitable for trade-affected workers. Total grant funding is \$2 billion for 4 years and the first round of grants was awarded in September 2011. The TGAAA requires GAO to examine the operation and effectiveness of the changes made by the act to this program. GAO examined how Labor (1) designed and awarded the grants and to what extent it complied with applicable requirements; (2) monitors the grants and what is known about implementation to date; and (3) plans to evaluate the program. GAO reviewed a nongeneralizable sample of 32 grant applications based on funding status, total scores, and total grant amounts; grantees' quarterly reports; and relevant federal laws, regulations, policy and guidance; and interviewed federal and state officials.

What GAO Recommends

GAO recommends that Labor take steps to more effectively manage its process when states must designate grantees by, for example, building in additional lead time or providing states with guidance to help inform their designation of a grantee. Labor agreed with the recommendation.

View [GAO-12-954](#). For more information, contact Andrew Sherrill at 202-512-7215 or sherrilla@gao.gov

TRADE ADJUSTMENT ASSISTANCE

Labor Awarded Community College Grants in Accordance with Requirements, but Needs to Improve Its Process

What GAO Found

The Department of Labor (Labor) designed and awarded the grants following its standard competitive award process by developing and publishing an announcement, screening applicants, and convening expert panels to score applications. It also collaborated with the Department of Education to develop the announcement and identify panelists. Though they varied in terms of target populations, as permitted by the grant, the applications GAO reviewed addressed trade impact, as required. However, the law's requirement that every state receive a minimum amount of funding created challenges for Labor and certain grantees when applicants in 17 states scored below the cutoff score for grant awards. In these instances, Labor's process stipulated that states designate an eligible institution. States, however, were given a 3-day deadline—over a weekend—to designate a grantee. As a result, these states had little time to identify an institution. The states that GAO contacted said that they found this process challenging or confusing and that they received no guidance from Labor. Moreover, state-designated grantees experienced delays in implementing their grants and required assistance from Labor to modify their original proposals and comply with grant requirements. Labor has identified lessons learned from the first round of grants and applied them to the second round, but the process for selecting state-designated grantees has remained similar to that used in the first round.

Labor monitors grantees in various ways and grantees are in the early stages of implementation. Most grantees, as anticipated, are building capacity for their programs and have not yet enrolled participants. Labor reviews grantees' quarterly progress reports, communicates with grantees, and plans to conduct on-site monitoring as resources permit. The most recently available progress reports indicate that grantees have taken steps to set up their programs by, for example, hiring program administrators and developing curricula. In addition, as of March 31, 2012, grantees had spent 5 percent of awarded funds, but have until September 2014 to spend all the funds. State-designated grantees received funds several quarters after the grants were awarded, while awaiting Labor's approval of their plans, but Labor's monitoring did not indicate that these grants were more likely to have problems with grant integrity or performance than the others. Labor rated the overall risk of most grants as low, but identified performance accountability as a moderate or high risk area for more than a third of grants after the first quarter of fiscal year 2012. In response to this implementation challenge, Labor issued additional guidance for grantees.

Labor plans to evaluate the program at the national and grantee levels. Labor plans to begin the first phase of the evaluation in fall 2012. Labor stated that the evaluation will be based partly on a survey of grant recipients and site visits to a sample of grant projects. Given the relatively early stage of grant implementation, the national evaluation will focus on program implementation and subsequently examine outcome data to assess program effectiveness. Also, round-two grantees will be required to obtain third-party evaluations of their projects. Labor anticipates challenges in obtaining consistent and comparable grantee outcome data. And given that the grant performance period for the first round of grants is 3 years, it will likely be several more years before Labor can determine overall program effectiveness.

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Abbreviations

Education	Department of Education
Labor	Department of Labor
SGA	Solicitation for Grant Applications
TAA	Trade Adjustment Assistance
TAACCCT	Trade Adjustment Assistance Community College and Career Training
TGAAA	Trade and Globalization Adjustment Assistance Act of 2009

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United States Government Accountability Office
Washington, DC 20548

September 28, 2012

The Honorable Max Baucus
Chairman
The Honorable Orrin G. Hatch
Ranking Member
Committee on Finance
United States Senate

The Honorable Dave Camp
Chairman
The Honorable Sander Levin
Ranking Member
Committee on Ways and Means
House of Representatives

In an increasingly competitive global economy, America's economic strength depends upon the education and skills of its workers. According to the Department of Labor, occupations that usually require a post-secondary degree are expected to account for nearly half of all new jobs from 2008 to 2018, and the fastest growth will occur in occupations requiring an associate's degree. Community colleges, which award associate's degrees and other credentials, are major contributors to the nation's higher education system, enrolling more than 7 million students each year, or about 40 percent of all post-secondary students.¹

The Trade Adjustment Assistance Community College and Career Training (TAACCCT) grant program was created to support educational and career-training programs suitable for workers who have lost their jobs or are threatened with job loss as a result of foreign trade. The TAACCCT program was authorized by the Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA), which was part of the American Recovery and Reinvestment Act of 2009.² Under the TAACCCT grant

¹In 2008, we reported how community colleges meet workforce training needs. See GAO, *Workforce Development: Community Colleges and One-Stop Centers Collaborate to Meet 21st Century Workforce Needs*, [GAO-08-547](#) (Washington, D.C.: May 15, 2008).

²Pub. L. No. 111-5, div. B, tit. I, subtitle I, § 1872(a), 123 Stat. 401, codified at 19 U.S.C. §2371. The TGAAA amended the Trade Act of 1974, Pub. L. No. 93-618.

program, the Department of Labor (Labor) awards grants to eligible institutions of higher education³—including consortia of two or more institutions—to develop, offer, or improve educational or career training programs for workers who are eligible for training under the Trade Adjustment Assistance (TAA) for Workers program, which provides federal assistance to workers who have been adversely affected by foreign trade.⁴ Congress appropriated \$500 million per fiscal year from 2011 to 2014 to carry out the grants program. Each state, the District of Columbia, and Puerto Rico is guaranteed a minimum of 0.5 percent of the total funding, or \$2.5 million per state per year.⁵ While the statute assigns Labor the responsibility of awarding and administering the grants, Labor has implemented the grant in partnership with the Department of Education (Education).

The first Solicitation for Grant Applications (SGA) was published in January 2011 and the grant recipients were announced on September 26, 2011. The first round resulted in a total of 258 applicants and 49 winning awards. The second SGA was published in February 2012 and the application deadline was May 24, 2012. According to Labor officials, Labor plans to announce the second round of winning grants no later than September 30, 2012.

³For purposes of the TAACCCT grants, eligible institutions are institutions of higher education eligible to participate in federal student aid programs authorized under Title IV of the Higher Education Act of 1965, as amended, offering programs that can be completed in 2 years or less, and include public, private non-profit, and for-profit institutions. 19 U.S.C. § 2371(b)(1).

⁴While the grants are intended to assist institutions in developing, offering, or improving training programs for TAA-eligible workers, other workers, such as dislocated and unemployed workers, may enroll in these training programs.

⁵Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, § 1501, 124 Stat. 1070, codified at 19 U.S.C. § 2372(b).

The TGAAA mandated that we report on the operation and effectiveness of the amendments made by this Act no later than September 30, 2012.⁶ Given that the first round of grants was recently awarded, this report examines the processes that Labor followed in awarding, monitoring, and developing plans to evaluate the first round of TAACCCT grants. Accordingly, we addressed the following questions:

1. How did Labor design and award the grants and to what extent did it comply with applicable requirements?
2. How does Labor monitor the grants and what is known about implementation to date?
3. How does Labor plan to evaluate the program?

To determine how Labor designed and awarded the grants and the extent to which it complied with applicable federal requirements, we reviewed the 2009 legislation and other relevant federal laws, regulations, and guidance; Labor's policies and procedures; and TAACCCT grant announcements and solicitations. We also interviewed Labor and Education officials to obtain a better understanding of how the TAACCCT grants were awarded. In addition, we reviewed a nongeneralizable sample of 32 grant applications to determine if Labor complied with applicable requirements in awarding the grants. Of the 49 grants awarded, our sample included 9 grantees who were awarded a grant through Labor's standard grant award process, and all 17 grantees who were awarded a grant based on designations by state higher education agencies. In addition, our sample included 6 of the 211 applications that were not awarded a grant. Our criteria for selecting the 9 funded and 6 unfunded applications included (1) grantees' status as individual or consortium grantees, (2) a range of total scores assigned through the

⁶The TAA programs provide assistance to farmers and fishermen, firms, workers, and communities impacted by trade. See GAO, *Trade Adjustment Assistance: Changes to the Workers Program Benefited Participants, but Little Is Known about Outcomes*, [GAO-12-953](#) (Washington, D.C.: September 28, 2012); GAO, *Trade Adjustment Assistance: USDA Has Enhanced Technical Assistance for Farmers and Fishermen, but Steps Are Needed to Better Evaluate Program Effectiveness*, [GAO-12-731](#) (Washington, D.C.: July 12, 2012); GAO, *Trade Adjustment Assistance: Commerce Program Has Helped Manufacturing and Services Firms, but Measures, Data and Funding Formula Could Improve*, [GAO-12-930](#) (Washington, D.C.: September 13, 2012); and GAO, *Trade Adjustment Assistance: One-Time Grants Awarded to Trade-Impacted Communities; Results Will Not Be Known until after 2013*, [GAO-12-993](#) (Washington, D.C.: September 26, 2012).

grant selection process, (3) a range of total grant amounts, (4) receipt of a supplemental award for certain purposes allowed by the grant, (5) number of trade-affected workers in each state, and (6) presence of a Department of Commerce grant to trade-affected communities. Additionally, to better understand how the grants were awarded and to determine how states designated grantees, we interviewed three grantees and representatives of four state higher education agencies selected based on a mix of factors including an applicant's total score assigned through the grant selection process, whether the application went through the scoring process, and the number of applicants within a given state.

To determine how Labor monitors the grants and what is known about grant implementation, we interviewed Labor officials about the agency's monitoring systems and practices. We also reviewed grantees' quarterly progress and financial reports, as well as Labor's assessments of these reports. To determine how Labor plans to evaluate the program, we reviewed Labor's progress and outcome measures for the program and its first annual report on the grants. We also interviewed Labor officials about their plans to conduct formal program evaluations.

We conducted this performance audit from February 2012 through September 2012 in accordance with generally accepted government auditing standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The TAA Community College and Career Training grant program is one of three grant programs that were included in the TAA for Communities Program when it was reestablished by the Trade and Globalization Adjustment Assistance Act of 2009 (TGAAA).⁷ The other two grant programs—the Department of Commerce TAA for Communities Grant Program and Labor's Industry or Sector Partnership Grant Program for Communities Impacted by Trade—were eliminated in 2011 by the TAA

⁷The Trade Act of 1974 as originally enacted included provisions authorizing trade adjustment assistance for communities but included a provision terminating the program on September 30, 1982. Pub. L. No 93-618, § 284, 88 Stat. 2041.

Extension Act.⁸ The 2011 legislation also expanded the types of data required for Labor's annual report on the TAACCCT program, including the amount and duration of grants awarded and certain outcomes for TAA recipients participating in activities funded under TAACCCT grants.⁹

The TAACCCT grants allow community colleges and other eligible institutions of higher education to develop, expand, and improve education and training programs that can be completed in 2 years or less and result in skills, degrees, and credentials that prepare program participants for employment in high-wage, high-skill occupations. In particular, according to Labor's grant announcement, the program is designed to fund projects that seek to use data and evidence to: (1) design program strategies that are likely to produce positive learning and employment outcomes for program participants, (2) continuously evaluate the effectiveness of their strategies in order to improve their programs, and (3) participate in evaluations that determine long-term program impacts. Labor encourages partnership building by requiring applicants to involve the public workforce system and at least one employer in forming programs to help ensure that participants will be prepared with the skills needed in the region.

In addition, Labor, in its SGA, required applicants to address one or more of the following four priority areas, which reflect strategies to help trade-affected workers overcome the primary barriers to labor market entry:

1. Accelerating progress for low-skilled and other workers;
2. Improving retention and achievement rates and/or reducing time to completion;
3. Building programs that meet industry needs, including developing career pathways; and

⁸The two grant programs were eliminated by section 222(a) of the Trade Adjustment Assistance Extension Act of 2011, Pub. L. No. 112-40, tit. II, 125 Stat. 411. The Department of Commerce TAA for Communities Grant Program was funded at \$36.8 million in FY 2010, but no funds were appropriated in FY 2011. For more information on the Department of Commerce's TAA for Communities grant program, see GAO, *Trade Adjustment Assistance: One-Time Grants Awarded to Trade-Impacted Communities; Results Will Not Be Known until after 2013*, [GAO-12-993](#) (Washington, D.C.: September 26, 2012). The Industry or Sector Partnership Grant Program was never funded by Congress.

⁹Pub. L. No. 112-40, § 222(b), 125 Stat. 411.

4. Strengthening online and technology-enabled learning.

According to Labor, successful applicants from round one uniformly addressed all four priority areas, and many applicants chose projects that integrated a combination of the priority areas. Labor indicated that applicants from round one covered a wide range of sectors including healthcare, manufacturing, energy, information technology, engineering, transportation, agriculture/food and natural resources, architecture, biotechnology, business, environmental management, law enforcement/public safety, and retail.

Labor's Competitive Grant Award Process

Labor's competitive grant award process consists of the following key steps, as illustrated in figure 1.

Grant Announcement: Labor begins the competition process by publishing a "Solicitation for Grant Applications" (SGA) for each grant program. The SGA describes the project to be funded, establishes eligibility requirements, identifies the amounts to be awarded, and instructs applicants on how to complete and submit the application.¹⁰ The SGA also includes criteria used to evaluate applications.

Application Pre-Screening: Applications are prescreened to determine whether they meet specific requirements. Applications are eliminated from review if they are received after the deadline or if they do not meet all requirements.

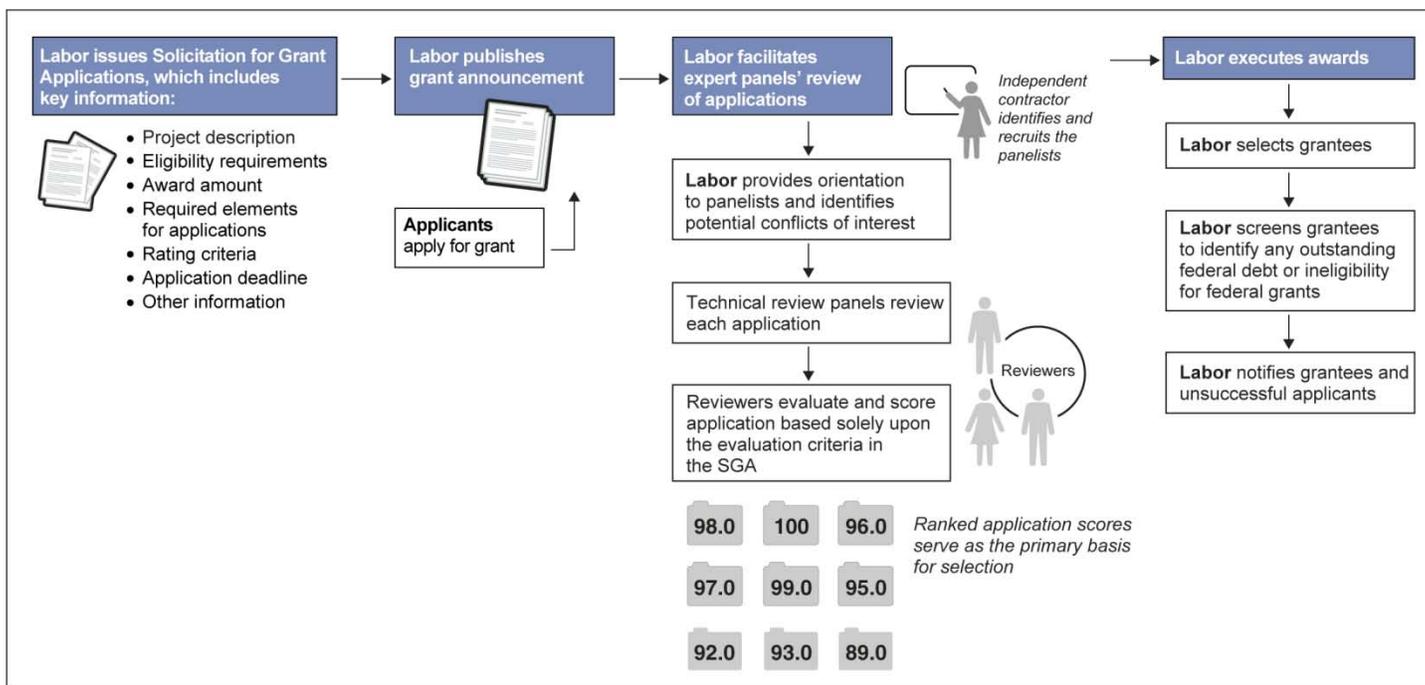
Technical Review of Applications: Applications remaining after pre-screening are submitted to technical review panels. Panels review and score the applications using the criteria set forth in the SGA. The panel assigns points to each application that are added up to derive the applicant's average score. The ranked scores serve as the primary basis for selecting the applications to receive awards, although other criteria, such as the availability of grant funds, may also be considered. Labor's grants management staff identify the cutoff score that separates successful applicants from unsuccessful ones.

¹⁰"Applying for ETA Grants: A Guide to the Competitive Process," Department of Labor (Washington, D.C.: n.d.).

Final Grant Award Decisions: Taking into account peer review panel scores and comments for each application and, in some cases, other factors, Labor’s grants management office makes the final award decision. These decisions are documented in the final funding award decision memos, which contain the list of applicants—ranked by scores—and the final award decisions.

Notification of Award Decisions: Each applicant is sent a letter that communicates the grant award decision. All applicants may request feedback on the results of the review panel.

Figure 1: Labor’s Competitive Grant Award Process



Source: GAO analysis of Labor documents and interviews with Labor officials.

Labor Designed and Awarded Grants in Accordance with TGAAA Requirements, but Found It Challenging to Award Each State a Minimum Amount of Funding

Labor Designed Grants in Accordance with TGAAA Requirements

Labor's design of the TAACCCT grants complied with federal requirements. The TGAAA required that Labor issue and publish guidelines for applicants, and that applicants' proposals include detailed project descriptions.¹¹ Labor's SGA for the first round of TAACCCT grants provided information about grant objectives and invited applicants to describe their need for the grant, work plans, and expected outcomes.¹² The SGA assigned a maximum number of possible points to criteria to be used in scoring the applications, as shown in table 1.

¹¹19 U.S.C. § 2371(c).

¹²Notice of Availability of Funds and Solicitation for Grant Applications for Trade Adjustment Assistance Community College and Career Training Grants Program, funding opportunity number: SGA/DFA PY 10-03, January 21, 2011.

Table 1: Evaluation Criteria of TAACCCT Round One Grant Applications

Criterion	Maximum Number of Points Available
Statement of Need	30
Impact of Foreign Trade in Communities to Be Served	5
Targeted Population in Communities to Be Served	5
Targeted Industries and Occupations	10
Gaps in Existing Educational and Career Training Programs	10
Work Plan and Project Management	45
Evidence-Based Design and Overview of Proposed Strategy	15
Project Work Plan	15
Project Management	10
Sustainability	5
Measurement of Progress and Outcomes	25
Progress and Implementation Measures	10
Outcome Measures	15
Total Possible Points	100

Source: U.S. Department of Labor, Employment and Training Administration, SGA/DFA PY 10-03, January 21, 2011.

Note: Labor made some changes in the criteria and maximum points for round two. The SGA for round two allocates 20 points for the Statement of Need, 10 points of which are available for serving the education and training needs of TAA-eligible workers, 5 for evidence of job opportunities in the targeted industries and occupations, and 5 for gaps in existing education and training programs in the community. Additionally, the SGA for round two allows 40 points for project description, including its evidence basis; 20 for work plan and project management; and 20 for outcomes. See Notice of Availability of Funds and Solicitation for Grant Applications for Trade Adjustment Assistance Community College and Career Training Grants Program, SGA/DFA PY 11-08, February 27, 2012.

To develop the SGA, Labor incorporated the TGAAA's requirement that programs be suited for workers eligible for training under the TAA for Workers program. Accordingly, the SGA stated that the target population for the grant is workers who have lost their job or are threatened with job loss as a result of foreign trade. However, the TGAAA did not specify eligibility requirements for the workers to be served by these programs, and the SGA acknowledged that grant-funded training programs could serve other workers.¹³

¹³According to Labor, eligible participants include TAA-eligible workers as well as other individuals whom grantees deem eligible. However, TAA-eligible workers must be given enrollment priority if the grantee must choose between two qualified candidates for enrollment.

The grant applications we reviewed defined their target populations differently. While virtually all focused on trade-affected workers, some also included dislocated,¹⁴ unemployed, and low-skilled workers and jobseekers.

Additionally, consistent with TGAAA's purpose of improving training programs for workers impacted by trade, the SGA required applicants to demonstrate trade impact in their communities. Virtually all the funded applications we reviewed addressed trade impact, by citing TAA certifications and in many cases associated estimates of affected workers.¹⁵

These two criteria—target population and trade impact—represented a combined 10 out of 100 points. The applications that we reviewed scored between 4.6 and 10 on these criteria.

Also, while not a requirement of TGAAA, the SGA also required applicants to address the sustainability of their proposed programs. Our review of funded applications shows that the majority addressed this requirement by describing specific actions they planned to take.¹⁶ For example, some applicants proposed to sustain their programs beyond the grant period through tuition revenue, and some identified other means, such as new revenue from online learning programs, employer support, and more efficient practices. Labor officials told us that they also consulted with Education to conceptualize the grant design and that Education reviewed and provided feedback on initial drafts of the SGA.¹⁷

¹⁴As defined by the Workforce Investment Act of 1998, dislocated workers are those who have been terminated or laid off, have received a notice of termination or layoff from employment, are eligible for or have exhausted unemployment insurance, or who meet certain other conditions. Pub. L. No. 105-220 § 101(9), codified at 19 U.S.C. § 2801(9).

¹⁵Under the TAA for Workers program, workers, unions, employers, or other parties may file a petition with Labor on behalf of a group of workers for a determination of trade impact and certification of eligibility to apply for trade adjustment assistance. 19 U.S.C. § 2271. In addition, applicants for TAACCCT grants could demonstrate impact of foreign trade if the Secretary of Commerce has determined that the community served by the institution is eligible to apply for assistance under the TAA for Communities program.

¹⁶Two of the grant files were incomplete at the time of our review.

¹⁷Education reviewed the SGA with particular regard to the design, priorities, and selection criteria for grant awards, according to Education officials.

In addition to publishing the SGA in the Federal Register, Labor publicized the grant opportunity by holding a webinar in January 2011 to alert prospective applicants and provide an overview of the grant opportunity and the process for reviewing applications. Labor officials noted that Education also performed outreach about the grant program.

Labor Followed Its Standard Competitive Award Process, but Making Awards to Each State Created Challenges for Labor, States, and Grantees

Labor followed its standard competitive grant award process to screen applications, review and score them, and make awards. Figure 2 provides an overview of Labor's TAACCCT grant award process. In all, 258 institutions applied for the grant.¹⁸ Once Labor received the applications, it screened and excluded from further review any that did not address one or more requirements of the SGA. Labor also screened the grantees to identify any that had been excluded from consideration from other federal grants.¹⁹ For funded grant applications we reviewed, we found that Labor screened all of them and did not find any adverse issues.

For fiscal year 2011, the first year that grant funds for the program were appropriated, Labor awarded 49 grants, ranging from \$2.5 million for individual applicants up to \$24.7 million for consortium applicants (see table 2). Two grants qualified for and received supplemental funding in excess of Labor's \$20 million cap for consortium applicants by showing, as provided for in the SGA, evidence-based success of the proposed strategies and practices and/or proposing to develop large online or technology-enabled programs designed to reach significant numbers of individuals over a large geographic area. Overall, about 8 percent of funds went to individual institutions and 92 percent went to consortia. Grantees must spend their respective award amount within a 3-year period of performance. This period began October 1, 2011 and will end September 30, 2014. Appendix I contains a list of round one grantees.

¹⁸This total represents the number of applicants that were paneled and scored; it does not include those that Labor excluded after conducting an initial review.

¹⁹During this step, Labor checks a database to identify any entities that have been debarred or suspended from receiving federal grants. As part of this process, Labor also checks internal sources to identify any outstanding debts owed by the grantees and to identify any relevant audits or investigations.

Table 2: Community College and Career Training Grants Awarded in Round One

Number of Grants Awarded	Grant Type	Award Amount
23	Single and multi-state consortia	\$2.5 to \$24.7 million
9	Individual institutions	\$2.5 to \$5 million
17	State-designated institutions ^a	\$2.7 million

Source: GAO analysis of Labor documents.

^aAfter Labor determined that applicants from these states did not meet the cutoff score for grant awards, these grantees were designated by state higher education agencies that oversee community colleges. These grantees were subsequently determined to be eligible to receive a portion of the remaining grant funds, resulting in grant awards of about \$2.7 million each. This, in turn, satisfied the requirement for minimum grant awards of 0.5 percent of the total funding available. These grantees include both individual institutions and consortia.

To comply with TGAAA’s requirement to make awards based on merit, and in accord with its competitive grant award process,²⁰ Labor relied on panels of three experts each—some of whom were recommended by Education on the basis of particular expertise relevant to these grants (see fig. 2).²¹ Labor provided an orientation to the peer reviewers to help them evaluate and score applications. The panels then independently reviewed the applications and assigned each one a score using the criteria established in the SGA. The scores were then averaged to produce a final score for each application.²² Labor then computed a cutoff score using total available grant funds as a guide—a standard criterion in grant award decisions, according to Labor officials. Labor established a cutoff score of 94 out of 100 for round one; all applicants above this score were considered for an award, according to Labor. In every instance of multiple applications submitted from a given state, Labor awarded the grant to the applicant with the highest score. In case of a tie between

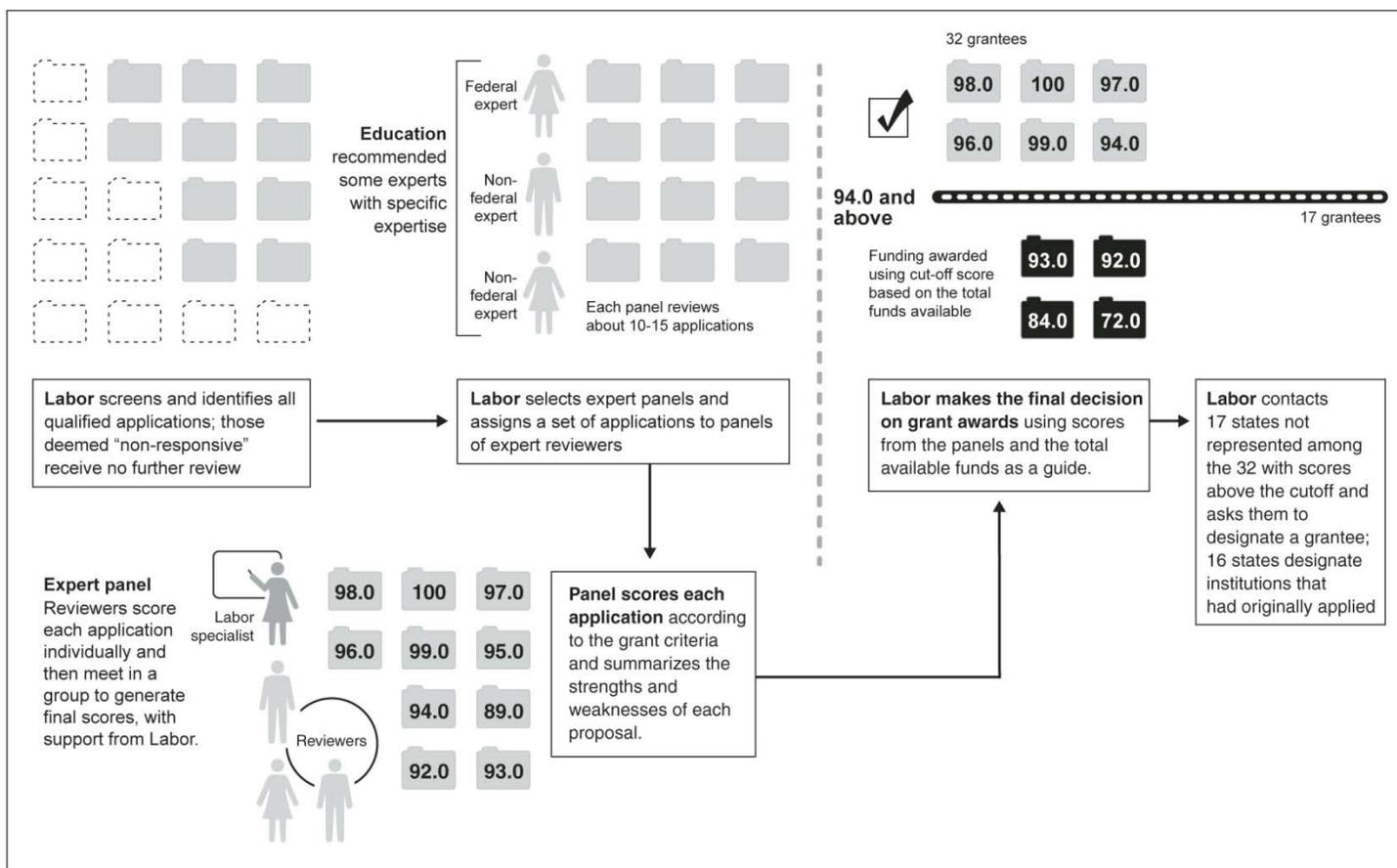
²⁰19 U.S.C. § 2371(d)(1)(A). Additionally, the Federal Grant and Cooperative Agreement Act encourages competition where appropriate, in order to identify and fund the best possible projects to achieve program objectives. 31 U.S.C. § 6301(3).

²¹Education disseminated Labor’s request for expert reviewers within Education and among research organizations outside the federal government. These experts served on the panels along with other experts identified and recruited by a Labor contractor for this purpose.

²²The experts recorded their scores, as well as narrative observations about the applications they reviewed, in workbooks provided by Labor. According to Labor, the staff members who facilitate these panels may seek clarification from an expert whose numeric scores and narrative observations regarding a particular application appear inconsistent.

applicants from the same state, Labor awarded the grant to the applicant that demonstrated greater evidence of employer engagement. As a result of the scoring process, Labor initially selected 32 grantees, all of whom received the full funding amount they requested. Labor clearly documented the grant award results in a selection memo that provided the agency's rationale for awarding the grants.

Figure 2: Process for Reviewing and Scoring TAACCCT Grant Applications



Source: GAO analysis of Labor documents and interviews with Labor officials.

The TGAAA's requirement that every state²³ receive a minimum amount of funding created challenges for Labor, states, and selected grantees in 17 states where applicants scored below the cutoff for grant awards. Labor officials told us that they could not recall another discretionary Labor grant program with such a requirement. In the absence of such a precedent, they said that they worked with Education and the Office of Management and Budget to develop a process that would be clear, fair, and feasible. This process, as stipulated in the SGA, required Labor to first select qualified applications from as many states as possible (i.e., those that scored at or above the cutoff). In the event that (1) no applications were received from an eligible institution in a given state or (2) applications that scored below the cutoff could not be improved by placing conditions on the grant, Labor would contact the state agency responsible for the state college system to designate a grantee. Labor applied this process to the 17 states where institutions did not meet the scoring cutoff and requested state education agencies to designate a grantee from their state.²⁴ Labor accepted the states' choice of an institution. Of the 17 states, 6 designated the applicant with the highest score among multiple applicants from their state;²⁵ 10 designated the only institution that had applied; and 1 designated an institution that had not applied.

The requirement to provide each state a minimum level of funding resulted in some anomalies. While some of the state-designated grantees' applications scored close to the cutoff—as high as 92 or 93—the process resulted in grants to two institutions whose applications had scores in the upper 50s, well below the threshold of 70 that Labor considers minimally acceptable for any grant applications to be fundable.

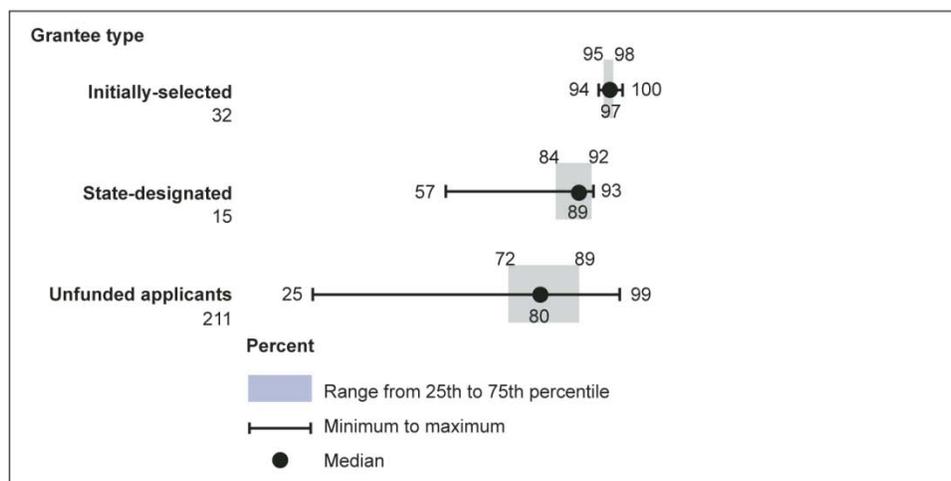
²³For the purposes of this grant, Labor treated the District of Columbia and Puerto Rico as states.

²⁴Two of the 17 grantees in this group did not go through the paneling and scoring process—in one case, because the institution submitted its application after the application deadline; in the other, the state-designated institution submitted its application after the paneling and scoring phase.

²⁵In one of these six states, two institutions tied for the highest score, and the state designated one of them.

Figure 3 shows the range of scores and median scores for the initially-selected grantees, the state-designated grantees, and the unsuccessful applicants.

Figure 3: Range of Scores and Median Scores for TAACCCT Round One Applications



Source: GAO analysis of Labor data.

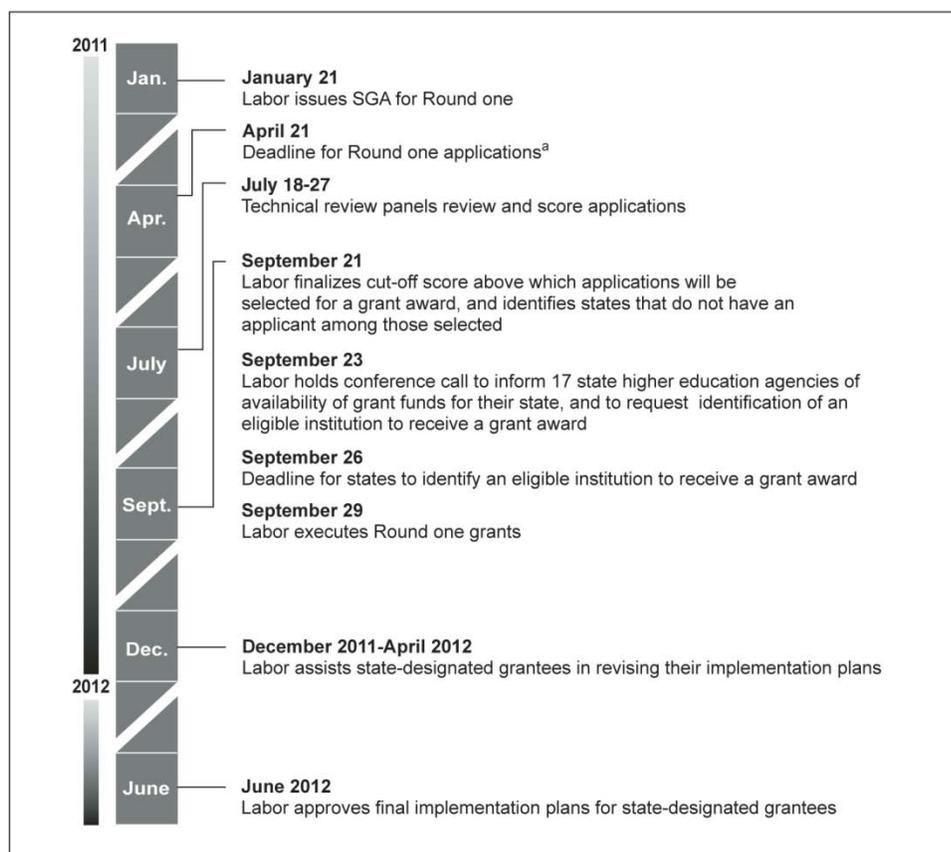
Note: The scores shown for the state-designated grantees' applications reflect the scores assigned by expert panels to their original applications, not the revised implementation plans that these grantees developed and that Labor approved. According to Labor, these plans were reviewed to ensure that they met the requirements of the SGA; however, they did not go through the paneling and scoring process a second time. Also, the scores for the state-designated grantees' applications reflect all those that were scored; two did not go through the paneling and scoring process.

Another anomaly was that Labor awarded a grant to an institution that had never applied. In this case, instead of designating one of the two institutions that did apply, the state agency designated an institution from that state that had not applied. A representative of the state agency explained that the institution was selected on the basis of its administrative capacity, the state's desire to focus on a particular industry, and the institution's strong relationships with employers.

The state-designated process was also challenging for states and grantees. Labor initiated the process of soliciting state agencies' designations on September 23, 2011, just 7 days before the deadline for awarding grants at the end of the fiscal year, and gave the states until September 26, 2011, to designate a grantee. This left states little more than the weekend to identify an institution (see fig. 4). Of the four state agencies that we interviewed, all said that they found elements of this

process to be challenging or confusing. For example, officials in one state said that the institution they wished to designate was unaware of the urgency of the situation. In addition, state officials said that they did not receive guidance or criteria from Labor to help them designate a grantee. Officials from one state said it was difficult to select a grantee, as all the applications that institutions from that state had previously submitted appeared promising. Furthermore, although Labor officials said they took steps to identify the appropriate state agency point of contact in each state, officials from one state said there was little evidence Labor had done so.

Figure 4: Timeline of TAACCCT Grant Program for Round One of Grants



Source: GAO analysis of Labor documents and interviews with Labor officials.

^aAccording to Labor, the application period in the first round of the TAACCCT grants was longer than its typical application periods, which are about 45-60 days.

States and grantees continued to experience challenges even after the state-designated grants were awarded because Labor required these grantees to develop implementation plans to meet the requirements of the SGA and to obtain Labor's approval of these plans. All of the grantees required assistance with this task, some of it significant, according to Labor officials. Labor's regional grant staff provided technical assistance to help these grantees complete their implementation plans, assisted by specialist staff that Labor tapped for this purpose.²⁶ In particular, in their original applications, 14 of these grantees had requested amounts that were larger—in some cases \$20 million or more—than the minimum \$2.7 million they ultimately received. Selected state officials and grantees told us that, as a result, grantees had to significantly scale back their original proposals and essentially develop new ones from scratch, reflecting different educational strategies or targeted industries and occupations.²⁷

In addition, Labor officials told us that they assisted the lowest-scoring of these grantees to ensure that the grantees' implementation plans met the minimum requirements of the SGA. For example, Labor made sure grantees provided more information about their intended target population. The revised implementation plans were not, however, re-scored by the review panels.

The additional time it took Labor to assist grantees in revising their implementation plans resulted in delayed program implementation for these grantees. Labor approved the last revised implementation plan in June 2012, 9 months after awarding the grants. During that time, these grantees could only charge costs related to revising their implementation plans and attending a technical assistance conference that Labor sponsored, according to Labor officials. One grantee noted that the delay allowed little time to develop new curricula and recruit and enroll students in time for the fall 2012 semester, as planned. Another noted delayed

²⁶Staff from Labor's Center for Performance Excellence, located in its Philadelphia office, reviewed the implementation plans. According to Labor, the Center was established to review earmark grants. Since the Center had applicable expertise, and no earmark grants were pending at the time, Labor officials asked the Center for assistance.

²⁷Labor required all of these grantees to meet the requirements of the SGA, including focusing on one or more of the grant's four priorities. However, according to a Labor official, grantees that scaled back their applications had the option of focusing on fewer of these priorities, or pursuing a single priority.

implementation, citing a need to move forward with purchasing necessary equipment.

While the TAACCCT grants are designed to support grantees' efforts to serve trade-affected workers, one result of the requirement that every state receive a minimum amount of funding is that some grantees received funding even though they were located in states that are less adversely affected by trade than others. Labor's recent data on the number of TAA workers suggest that the impact of trade varies widely by state (see app. I). However, eight of the initially-selected grantees were located in 10 states heavily impacted by trade. Of these grantees, seven received grants of \$18 million or more each.²⁸ Moreover, in addition to these grants, training programs in some of the 10 states with the largest TAA worker populations will be offered by institutions that are members of consortia led by other grantees. In these 10 states, 6 had institutions that were members of multi-state consortia.

Labor Has Made a Number of Modifications to Its Second Grant Announcement

Labor has identified lessons learned from the first round of grants to be applied to future rounds. The SGA for round two of the grants included some changes that, according to Labor officials, had the potential to reduce the number of grantees to be designated by state agencies.²⁹ Specifically, Labor reduced the maximum dollar amount of grant awards from \$5 million to \$3 million for individual applicants and from \$20 million to \$15 million for consortium applicants. Another change from round one to round two that Labor made was to specify that it would select qualified individual grantees before selecting consortium grantees in order to issue an individual grant of at least \$2.5 million to an eligible institution in every state.³⁰ According to Labor, these changes were expected to make it

²⁸According to a Labor official, all initially-selected grantees in the first round received the amount they had requested.

²⁹Notice of Availability of Funds and Solicitation for Grant Applications for Trade Adjustment Assistance Community College and Career Training Grants Program, SGA/DFA PY 11-08, February 27, 2012.

³⁰In contrast to the round one SGA, which specified that Labor would first select grantees that represent as many states as possible, without regard to their status as individual or consortium grantees, the round two SGA specified that Labor would first select qualified individual institutions before selecting consortium grantees to ensure that at least one eligible institution from each state would receive an individual grant of approximately \$2.5 million. Both SGAs specified that, after these steps, Labor would contact the states that needed to designate grantees.

more likely that an eligible institution in every state could be identified before the availability of funds criterion is applied. In addition, Labor officials said they have continued to raise awareness about the grant opportunity in collaboration with Education by, for example, seeking Education's assistance in its outreach efforts and appearing with an Education official at a conference to discuss the program. The process for selecting state-designated grantees is otherwise identical to the process used in round one. Moreover, the SGA for round two stipulates similar timeframes for applicants to develop and submit their proposals. Additionally, Labor officials anticipate that some state-designated grantees in round two will require assistance to revise their implementation plans and indicated that, based on their experience during the first round, that process could be completed within about 120 days after the second round grants are awarded. According to Labor, 151 grant applications went through the paneling and scoring process in round two. Individual institutions or consortium leaders in round one could only apply as members of a consortium in round two. However, consortium members and any unsuccessful applicants from round one were eligible to apply for round two grants. For round two, Labor recently announced grant awards to 54 grantees and identified 25 states that will need to designate grantees.³¹

Labor made certain other changes to the SGA for round two, beyond those that address the potential need for state-designated grantees. For example, in the round two SGA, Labor introduced a mandatory priority for serving TAA workers and outlined additional flexibility that it will use to consider heavily trade-impacted areas when making final award decisions. Labor also added specific requirements to the SGA in certain areas, such as credit transferability and credentials that facilitate trainees'

³¹In its press release of September 19, 2012, Labor announced 54 awards to 27 consortia and 27 individual institutions, comprising a total of 297 institutions. Regarding state-designated grantees in round two, Labor noted its plans to contact 25 states that did not have a winning individual submission and work with them to develop qualifying projects of \$2.5 million each. Of this group, 15 states had only consortia grantees while 10 states did not have any grantees. Labor must award these grants by September 30, 2012.

progress,³² and developing relationships with state agencies that administer TAA programs. Labor officials said that these changes provided more clarification and were partly a response to feedback received during the first round of grants.

Labor Is Tracking and Addressing Issues Raised by Grantees, and Grant Implementation Is in an Early Stage

Labor Monitors Grantee Progress Using Several Mechanisms

As with its other grant programs, Labor monitors TAACCCT grants in accordance with the guidance and criteria contained in its Core Monitoring Guide.³³ On a quarterly basis, federal project officers assess each grant's overall risk—the likelihood of having a problem with grant integrity and performance—as low, moderate, or high based on the following five areas: (1) program design and governance, (2) program and grant management systems, (3) financial management systems, (4) service and product delivery, and (5) performance accountability. These assessments are made on the basis of the project officers' review of grantees' quarterly financial and narrative progress reports, direct communication with grantees, and on-site monitoring as resources permit.³⁴ As Labor has done for other grant programs, it is developing a

³²The SGA for round two addresses credit transferability by requiring applicants to ensure that other institutions will recognize credits earned for grant-funded courses and credentials to provide for streamlined transfers. In addition, it requires applicants to design their programs so that they build on previously-learned content, allowing trainees to progress within their programs of study or continue to related programs. It also encourages applicants to work with employers to ensure that grant-funded training results in credentials that are widely recognized by employers and other institutions.

³³For additional information on Labor's grant monitoring practices, see GAO, *Department of Labor: Further Management Improvements Needed to Address Information Technology and Financial Controls*, [GAO-11-157](#) (Washington, D.C.: March 16, 2011).

³⁴On-site monitoring of TAACCCT grants has not yet occurred. According to Labor officials, on-site monitoring ideally occurs midway through the grant period, but may occur before or after that point.

program-specific monitoring tool that will help officers address oversight priorities and obtain information particular to TAACCCT. For example, the tool will prompt project officers to capture information about the equipment procurement process for consortia members. Labor officials envision that the tool will be particularly helpful during site visits to grantee institutions that are planned to begin in fiscal year 2013.

Labor also monitors the grants through TAACCCT-specific grantee reporting requirements. Labor requires that grantees report on a quarterly basis on at least four measures for each strategy identified in their plans to help track implementation progress. Grantees have discretion in identifying the specific measures, but at least two must be output-related, such as the number of students who enroll in particular courses. On an annual basis, grantees must report on seven outcome measures for program participants: (1) entered employment rate, (2) employment retention rate, (3) average earnings, (4) attainment of credits toward degrees, (5) attainment of industry-recognized certificates (in less than 1 year), (6) attainment of industry-recognized certificates (in more than 1 year), and (7) graduation number and rate for degree programs.³⁵ The first grantee annual reports are due to Labor on November 14, 2012. Round one grantees must also report these measures for a comparison cohort³⁶ to help grantees monitor and improve program performance. According to Labor, the cohort requirement is part of the grant's performance reporting requirement and not directly related to Labor's evaluation of program effectiveness at this time.

Grant Implementation Is in an Early Stage

Our review of grantee progress reports shows that, as of the quarter ending December 2011, most grantees had not yet launched programs or enrolled participants. Instead, they reported building capacity to support the priorities and programs identified in their proposals.³⁷ For example,

³⁵The first three of these measures are common across Labor's employment and training programs.

³⁶A comparison cohort consists of participants who are not in TAACCCT-funded programs but share characteristics with participants who are.

³⁷Labor defines launched programs as those "developed, delivered, offered, or improved in whole or in part with grant funds for which the development or improvements have been completed so that they are ready for students to enroll." We reviewed grantees' progress reports for the quarter ending December 31, 2011, which were the most recently available reports at the time of our review.

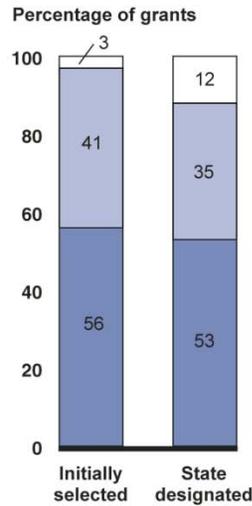
most grantees reported hiring key personnel for grant implementation and several reported developing curricula and setting up administrative systems, such as recordkeeping databases to help manage their grant. Nevertheless, a few grantees reported enhancing existing programs and enrolling participants in these programs. Labor's program guidance for grantees confirms the agency's expectation that grantees will use the first year of funding to build capacity. As a result, the first year of grantee progress reports are likely to reflect minimal, if any, participant data.

Grantee spending levels provide another indication of the early stage of TAACCCT grant implementation. In total, TAACCCT grantees spent 5 percent of awarded funds as of the quarter ending March 2012. Grantees have a 3-year window, from October 2011 through September 2014, to spend their award. According to Labor officials, the low percent of funds spent during the first 6 months of the program may be expected given the complexities of administrative set-up, particularly for consortia, which received the majority of grants. In addition, while most grantees had access to funds soon after the grants were awarded, the 17 state-designated grantees had to wait several quarters while awaiting Labor's approval of their plans. This, in turn, delayed spending. Of the 17 state-designated grantees, 11 received funds during the program's second quarter (January – March 2012), and 6 received funds during the program's third quarter (April – June 2012).

Labor's Monitoring Indicates that Most Grantees Are Low Risk

As of the end of the first quarter of fiscal year 2012, Labor assessed the overall risk of most grants as low. Specifically, 27 of the 49 grants were assessed as low risk, 19 were moderate risk, and 3 were high risk. A comparison between initially-selected grants and state-designated ones generally showed a similar risk level for each type of grant (see fig. 5). For example, slightly more than half of both the initially-selected grants and state-designated grants were assessed as low risk. However, a higher percentage of state-designated grants were assessed as high risk, compared to the initially-selected grants.

Figure 5: Labor’s Overall Risk Assessments by How Grantee was Selected, after First Quarter of Fiscal Year 2012

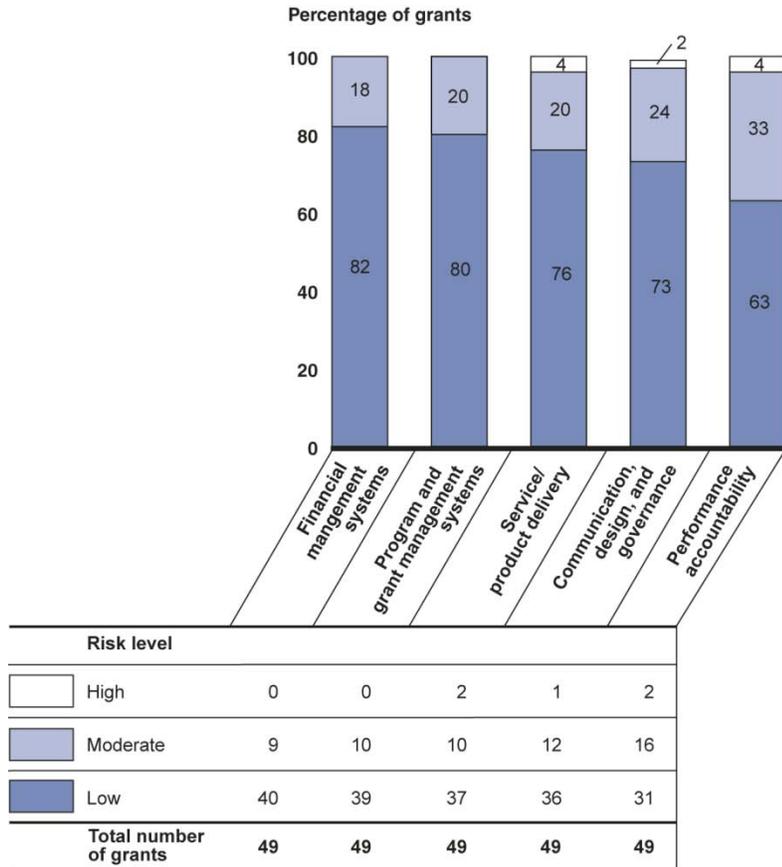


Risk level		Initially selected	State designated
	High	1	2
	Moderate	13	6
	Low	18	9
Total number of grants		32	17

Source: GAO analysis of Labor data.

While Labor assessed most grants as low risk after the first quarter, many grantees faced implementation challenges. For example, grantees sought clarification about tracking and reporting requirements for a single program with multiple planned improvements. In addition, many grantees expressed confusion about implementing the comparison cohort requirement. These implementation issues help explain why Labor identified performance accountability—more than any other area—as moderate or high risk for more than a third of grants (see fig. 6).

Figure 6: Labor’s Risk Assessment of Grants by Risk Area, after First Quarter of Fiscal Year 2012



Source: GAO analysis of Labor data.

Labor responded to implementation challenges by providing additional guidance to grantees. Specifically, Labor assisted grantees via webinars, printed responses to frequently asked questions, and direct communication from their assigned project officer. Labor also held a conference for grantees in February 2012 to help address implementation issues. One session, for example, focused on TAACCCT-specific funding restrictions. With regard to the comparison cohort requirement, Labor provided responses to frequently asked questions but acknowledged that the requirement was confusing and that many Labor staff lacked the technical expertise to assist grantees. Consequently, Labor removed this requirement from the SGA for round two.

Labor Plans to Evaluate the Program at the National and Grantee Level, but Anticipates Some Challenges

Although Labor is in the early stages of designing an evaluation of the TAACCCT grant program, it plans to evaluate the program at both the national and grantee level. At the national level, Labor plans to conduct the evaluation in phases, beginning with an initial review of the implementation process across all grantees from the first and second rounds, followed by a more in-depth analysis of the overall impact of the grant program. Labor is in the process of selecting an independent contractor to conduct the national evaluation and anticipates a contractor will likely begin work by fall 2012. Labor's Chief Evaluation Officer stated that, given the early stage of program implementation, the contractor will likely begin with an implementation analysis to determine how and to what extent grantees have implemented the activities laid out in their proposals, and whether data systems are in place to capture reliable data needed for a subsequent impact study. This initial analysis will be based primarily on data collected through a survey of grantees, site visits to a sample of grant projects, a review of grantees' quarterly and annual reports, and information from grantees' third-party evaluations of their individual projects. The result will likely be a preliminary description of the projects funded by the program and identification of any implementation issues to date.

Once the initial analysis is completed and additional outcome data are available from grantees, Labor anticipates conducting a more comprehensive evaluation of the program—possibly an experimental design—to determine the extent to which the program is achieving its objectives and other important outcomes. This form of evaluation will assess program effectiveness by focusing on services delivered by the grantees' programs and the results of those services.³⁸ However, the timing of the more comprehensive evaluation will depend on whether grantees have had sufficient time to implement their programs. It will also depend on the availability of observable, long-term outcome data, such as employment outcomes and earnings. Labor indicated that it may be several more years before such an impact evaluation is feasible.

At the grantee level, while Labor did not require first-round grantees to conduct a formal evaluation of their individual projects, grantees from the second round are required to contract with a third party entity to design

³⁸GAO, *Designing Evaluations: 2012 Revision*, [GAO-12-208G](#) (Washington, D.C.: January 2012).

and conduct an external evaluation of the grantee's program. This evaluation will be paid for with grant funds. In the proposal for the third-party evaluation, grantees must present a detailed plan for rigorously evaluating the participant outcomes or impacts, including a complete description of the study methodology and data collection methods. Grantees must submit a final report to Labor at the end of the grant period of performance, and at least one interim report—whose timing is to be determined by the grantee—on findings-to-date. According to Labor, this evaluation will have both a participant outcome component and an implementation component so that Labor can learn more about how the program has operated. Furthermore, depending on the adequacy of data and the designs of grantees' third-party evaluations, Labor expects results from the grantees' evaluations will be incorporated into the Labor-led national evaluation.

Labor anticipates several challenges to conducting the national program evaluation. In addition to the timing challenge associated with providing grantees sufficient time to implement their programs before the national evaluation can get underway, another issue involves obtaining the outcome data needed to support the overall program evaluation. According to Labor, obtaining consistent and comparable data from grantees will be challenging and is dependent on the capabilities of grantees' data systems to collect and track long-term employment outcomes data for program participants. Having comparable outcome data is important because the goal of an impact evaluation is to determine if outcomes are attributable to a program, or if they can be explained by other factors. However, Labor noted that this is an issue for all workforce programs, in general, and is not unique to this grant program. Another challenge Labor cited is obtaining funding to conduct an impact evaluation, which is typically expensive and resource intensive. According to Labor, no funding has been allocated for conducting evaluations of round one or round two; however, it plans to request such authority for subsequent rounds. Accordingly, Labor's fiscal year 2013 budget requested authority to reserve up to 3 percent of the funds that have been appropriated for the TAACCCT program for fiscal years 2013 and 2014 for the purposes of program evaluation and technical assistance.

Conclusions

The TAACCCT program represents a significant investment in the capacity of community colleges and other eligible higher education institutions to serve trade-affected workers as well as dislocated and unemployed workers seeking to improve their prospects in the current economy. The program's particular emphasis on the development of

evidence-based strategies, coupled with the grantees' commitment to use data for continuous improvement, may result in a number of effective practices that could serve as models for other employment and training programs. It is important, therefore, that the grants selected reflect the most promising projects. Ensuring that each state received a minimum amount of funding resulted in Labor non-competitively awarding grants to 17 institutions, based on states' designations, whose initial applications were either not scored or scored below the cutoff following the paneling and scoring process. Moreover, Labor initiated the process for states to designate an eligible institution only days before the grants had to be awarded, leaving states and grantees little more than a weekend to complete this process.

While Labor has taken steps in an effort to reduce the number of state-designated grants in the second round, its recent announcement of second round grants indicated that the number of state-designated grantees will be higher than it was for the first round. Moreover, these steps do not provide assurance that states will have adequate advance notice to vet institutions—something that states we contacted found challenging during round one. Without building in adequate time to work with states, Labor may impose an unnecessary burden on states and may contribute to delays in program implementation, depending on the extent to which these grantees require technical assistance to modify their proposal. Without providing states guidance or criteria to inform their decisions about whom to designate, Labor lacks assurance that states will select the best qualified institution.

Recommendation for Executive Action

To provide greater assurance that TAACCCT grants are awarded to the most promising projects in every state, we recommend that the Secretary of Labor take steps to more effectively manage the process whereby states designate a grantee. This could include building in additional lead time for states to designate a higher education institution or providing states with guidance to help inform their designation of a grantee.

Agency comments

We provided a draft of this report to the Departments of Education and Labor for review and comment. Education provided technical comments, which we incorporated as appropriate. Labor provided written comments, which are reproduced in appendix II. In its comments, Labor agreed with our recommendation and noted that while it is not able to determine whether a designated recipient is necessary in specific states until after the grantees are selected, it will make efforts to provide as much lead

time as possible to states to identify a designated recipient in future rounds.

We are sending copies of this report to the Secretaries of Labor and Education, as well as to relevant congressional committees. In addition, this report will also be available at no charge on GAO's website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-7215 or sherrilla@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.



Andrew Sherrill, Director
Education, Workforce, and
Income Security Issues

Appendix I: Grants Awarded in Round One and TAA Information by State

State ^a	Grantee Name	Grant Amount	Grantee Type ^b	TAA Workers ^c
Initially-selected grantees				
AK	University of Alaska Anchorage Community and Technical College	\$2,500,000	Single-state consortium	0
AL	George C. Wallace State Community College - Hanceville	\$9,500,000	Single-state consortium	7,009
AR	Northwest Arkansas Community College	\$14,794,422	Single-state consortium	2,353
CA	West Hills College Lemoore	\$19,993,050	Single-state consortium	21,109
CO	Community College of Denver	\$17,256,881	Single-state consortium	2,054
DE	Delaware Technical and Community College	\$4,994,200	Individual	8
GA	North Georgia Technical College	\$2,546,186	Individual	4,561
HI	Honolulu Community College	\$24,653,118	Single-state consortium	43
IA	Northeast Iowa Community College	\$12,695,959	Multi-state consortium	2,937
IL	College of Lake County	\$19,366,381	Single-state consortium	13,356
KS	Washburn University of Topeka	\$19,619,450	Single-state consortium	1,495
MA	Quinsigamond Community College	\$20,000,000	Single-state consortium	6,744
MD	Anne Arundel Community College	\$19,730,281	Multi-state consortium	735
MI	Alpena Community College	\$2,835,000	Individual	35,939
MN	Northland Community and Technical College	\$4,794,337	Individual	4,130
MO	Ozarks Technical Community College	\$19,982,296	Single-state consortium	5,991
NC	Robeson Community College	\$18,835,604	Single-state consortium	14,766
ND	United Tribes Technical College	\$18,947,635	Multi-state consortium	453
NH	Great Bay Community College	\$19,974,792	Single-state consortium	682
NJ	Raritan Valley Community College	\$4,620,265	Individual	3,539
NY	Kingsborough Community College	\$19,860,087	Single-state consortium	8,615
OH	Cincinnati State Technical and Community College	\$19,613,306	Multi-state consortium	27,712
OR	Clackamas Community College	\$18,679,289	Single-state consortium	10,079

**Appendix I: Grants Awarded in Round One and
TAA Information by State**

State^a	Grantee Name	Grant Amount	Grantee Type^b	TAA Workers^c
PA	Community College of Philadelphia	\$20,000,000	Single-state consortium	15,964
RI	Community College of Rhode Island	\$3,405,023	Individual	775
SC	Florence-Darlington Technical College	\$19,984,039	Single-state consortium	5,430
TN	Motlow State Community College	\$3,291,515	Individual	8,403
TX	Collin College	\$19,998,974	Multi-state consortium	12,896
VA	Tidewater Community College	\$24,107,474	Single-state consortium	8,250
VT	Community College of Vermont	\$2,500,000	Individual	375
WA	Spokane Community College	\$20,000,000	Single-state consortium	5,478
WV	Mountwest Community and Technical College	\$5,000,000	Individual	1,943
State-designated grantees				
CT	Gateway Community College	\$2,701,202	Single-state consortium	2,395
DC	Community College of the District of Columbia	\$2,701,202	Single-state consortium	0
FL	Florida State College at Jacksonville	\$2,701,202	Single-state consortium	3,463
ID	College of Southern Idaho	\$2,701,202	Single-state consortium	968
IN	Ivy Tech Community College of Indiana	\$2,701,202	Single-state consortium	12,283
KY	Jefferson Community and Technical College	\$2,701,202	Single-state consortium	6,278
LA	Baton Rouge Community College	\$2,701,202	Individual	1,309
ME	Central Maine Community College	\$2,701,202	Single-state consortium	1,661
MS	Itawamba Community College	\$2,701,202	Single-state consortium	1,876
NE	Metropolitan Community College	\$2,701,202	Single-state consortium	1,077
NM	Santa Fe Community College	\$2,701,202	Single-state consortium	2,278
NV	Truckee Meadows Community College	\$2,701,202	Single-state consortium	63
OK	Oklahoma City Community College	\$2,701,202	Single-state consortium	841
PR	Universidad del Este	\$2,701,203	Individual	138

**Appendix I: Grants Awarded in Round One and
TAA Information by State**

State^a	Grantee Name	Grant Amount	Grantee Type^b	TAA Workers^c
SD	Watertown School District dba Lake Area Technical Institute	\$2,701,202	Single-state consortium	794
UT	Salt Lake Community College	\$2,701,202	Single-state consortium	2,526
WY	Northern Wyoming Community College District	\$2,701,203	Single-state consortium	46

Source: GAO analysis of Labor data.

^aArizona, Montana, and Wisconsin have at least one institution that is part of a consortium led by institutions from other states, but they do not have institutions that were awarded a grant as an individual institution or consortium lead. The numbers of TAA workers in these states were 4,531 (Arizona), 418 (Montana), and 10,292 (Wisconsin).

^bFor consortia, the name and state of the lead institution are listed.

^cTAA data are for the number of workers associated with certified TAA petitions in fiscal year 2010 as reported by Labor as of February 24, 2012.

Appendix II: Comments from the Department of Labor

U.S. Department of Labor

Assistant Secretary for
Employment and Training
Washington, D.C. 20210



SEP 24 2012

Mr. Andrew Sherrill
Director
Education, Workforce, and Income Security Issues
U.S. Government Accountability Office
441 G. Street, N.W.
Washington, D.C. 20548

Dear Mr. Sherrill:

On behalf of the U.S. Department of Labor (Department or DOL), I want to thank you for the opportunity to review and comment on the Government Accountability Office's (GAO) draft report entitled: "*Trade Adjustment Assistance: Community College Grants Awarded In Accordance with Requirements, but Process Improvement Needed*" (GAO-12-954).

The GAO report recommends the following:

To provide greater assurance that Trade Adjustment Assistance Community College and Career Training (TAACCT) grants are awarded to the most promising projects in every state, recommend that the Secretary of Labor takes steps to more effectively manage the process whereby states designate a grantee. This could include building in additional lead time for states to designate a higher education institution or providing states with guidance to help inform their designation of a grantee.

The Department agrees with GAO's recommendation. While DOL is not able to determine whether a designated recipient is necessary in each state until after the grantees are selected, DOL will make efforts to provide as much lead time as possible to states to identify a designated recipient in future rounds of TAACCT grants. In Round One, DOL provided each state agency with a letter detailing the criteria for selection and due date, and anticipates providing similar guidance to states in future rounds. In addition, based on the lessons learned from Round One, DOL has refined the process for working with state-designated institutions by providing specific instructions for developing a Statement of Work responsive to the requirements in the Solicitation for Grant Applications, and finalizing an implementation plan.

Again, thank you for the opportunity to review the draft report. If you would like additional information, please do not hesitate to call me at (202) 693-2700.

Sincerely,


Jane Oates
Assistant Secretary

Appendix III: GAO Contacts and Staff Acknowledgments

GAO Contacts

Andrew Sherrill, 202-512-7215 or sherrilla@gao.gov

Staff Acknowledgements

In addition to the contact named above, Meeta Engle, Assistant Director; Susan Chin, Analyst-in-Charge; Joel Green, and Chris Morehouse made key contributions to this report. Also contributing to this report were Susan Baker, Divya Bali, Jessica Botsford, Susannah Compton, Jessica Gray, Kathy Leslie, Jean McSween, and Mimi Nguyen.

Related GAO Products

Trade Adjustment Assistance: Changes to the Workers Program Benefited Participants, but Little Is Known about Outcomes. [GAO-12-953](#). Washington, D.C.: September 28, 2012.

Trade Adjustment Assistance: One-Time Grants Awarded to Trade-Impacted Communities; Results Will Not Be Known until after 2013. [GAO-12-993](#). Washington, D.C.: September 26, 2012.

Trade Adjustment Assistance: Commerce Program Has Helped Manufacturing and Service Firms, but Measures, Data, and Funding Formula Could Improve. [GAO-12-930](#). Washington, D.C.: September 13, 2012.

Trade Adjustment Assistance: USDA Has Enhanced Technical Assistance for Farmers and Fishermen, but Steps Are Needed to Better Evaluate Program Effectiveness. [GAO-12-731](#). July 12, 2012.

Department of Labor: Further Management Improvements Needed to Address Information Technology and Financial Controls. [GAO-11-157](#). Washington, D.C.: March 16, 2011.

Workforce Development: Community Colleges and One-Stop Centers Collaborate to Meet 21st Century Workforce Needs. [GAO-08-547](#). Washington, D.C.: May 15, 2008.

Trade Adjustment Assistance: Labor Should Take Action to Ensure Performance Data Are Complete, Accurate, and Accessible. [GAO-06-496](#). Washington, D.C.: April 25, 2006.

Trade Adjustment Assistance: Reforms Have Accelerated Training Enrollment, but Implementation Challenges Remain. [GAO-04-1012](#). Washington, D.C.: September 22, 2004.

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