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[Review of the Cardozo High School Band Summer Employment Program]. GGD-77-16; B-118638. February 15, 1977. Released February 28, 1977. 4 pp. + enclosure (1 pp.).

Report to Sen. Thomas F. Eagleton, Chairman, Senate Committee on Governmental Affairs: Efficiency and the District of Columbia Subcommittee; by Elmer B. Staats, Comptroller General.

Contact: General Government Div.

Budget Function: Revenue Sharing and General Purpose Fiscal

Assistance: Other General Purpose Fiscal Assistance (852).

Organization Concerned: Department of Labor; District of

Columbia: Office of Youth Opportunity Services; District of

Columbia: Dept. of Manpower.

Congressional Relevance: Senate Committee on Governmental

Affairs: Efficiency and the District of Columbia

Subcommittee.

Authority: Comprehensive Employment and Training Act of 1973. 29

C.F.R. 95.33.

Information was requested about the payments made to youths participating in the Cardozo High School summer band program in 1975. The band's eligibility for funding under the Comprehensive Employment and Training Act was investigated. The eligibility of all the youths who participated in the band program was also reviewed. Findings/Conclusions: The Department of Labor decided that the 1975 band program met the requirements of the act's regulations, which specify that the project provide skill training and work experience to the participants. Some question had arisen about whether culturally-oriented programs were eligible for funding under the act. Although 74 youths had been certified as economically disadvantaged and eligible for the Cardozo project, applications for 55 of the 74 youths were not available for verification of the validity of certification. For the 19 youths whose applications were available, the data supported 16 certifications. Since the regulations and legislation pertaining to the act are very broad, funding of culturally-oriented programs is not specifically precluded. If the Congress did not intend to fund such programs under the act, a specific prohibition could be included in the legislation. Recommendations: The Secretary of Labor should recover from the District of Columbia the amounts paid to ineligible participants. The Labor Department should determine the eligibility of the 55 youths who participated in the program but whose records were not available and should recover from the District any payments made to ineligible youths. (SW)

00590



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-118638

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FEB 15 1977

RELEASED

2/28/77

The Honorable Thomas F. Eagleton
Chairman, Subcommittee on the District
of Columbia
Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

In your capacity as Chairman of the former Committee on the District of Columbia, you requested information about youths being paid for participating in the Cardozo High School summer band program in 1975. Subsequently, we informed your office that the Cardozo High School summer band program was part of the summer youth employment program operated by the District of Columbia Government under title III of the Comprehensive Employment and Training Act of 1973. We agreed to report on the eligibility of all the youths participating in the band program based on the Department of Labor's Comprehensive Employment and Training Act regulations. We also pursued whether the act authorized this type of activity--a high school band project--to be funded.

We did not obtain written agency comments on this report. We did, however, discuss the findings and recommendations with officials of the District Government and the Department of Labor and considered their views in this report.

The purpose of the Comprehensive Employment and Training Act program is to provide job training and employment opportunities for economically disadvantaged, unemployed, and underemployed persons and to see that training and other services lead to maximum employment opportunities and enhance self-sufficiency. The act and implementing regulations provide broad descriptions of the types of activities eligible for funding, such as on-the-job training and useful work experience.

In July 1976 Labor decided that the 1976 Cardozo band summer project could be financed by title III of the act. A Labor official told us that the band program in 1975 met the requirements of the act's regulations.

Because records were not available, we were unable to determine the eligibility of 55 of the 74 youths who participated in the 1975 summer program. The records for 16 of the youths supported the certification as disadvantaged. The three remaining youths were classified as disadvantaged although their families' reported incomes were above the poverty level.

BACKGROUND

The District Government's Office of Youth Opportunity Services administered the District's 1975 summer youth employment program. The Department of Labor granted about \$8 million of Comprehensive Employment and Training Act funds to provide summer jobs in 1975 for economically disadvantaged youths. Labor regulations (29 C.F.R. 94.4 (t)) define an "economically disadvantaged youth" as a member of a family which receives cash welfare payments or whose annual income in relation to family size does not exceed the poverty level criteria established by the Office of Management and Budget. For example, in 1975 a youth in a family of four would be certified economically disadvantaged if the annual family income was less than \$5,050. The Office authorized the Cardozo band program as a project for the 1975 summer youth employment program. The District's records showed that 74 band members participated in the program and were paid a total of \$38,500. The band project had been part of the summer youth employment program during the previous two summers.

PROGRAM ELIGIBILITY

The Comprehensive Employment and Training Act and the implementing regulations provide broad descriptions of the kinds of activities that may be funded and allow the program sponsors to develop new programs which are consistent with the purposes of the act. The act authorizes programs to give youth part-time employment, on-the-job training, useful work experience, and jobs, including those in recreation and related programs. The act's legislative history shows that these broad descriptions were intentional because the Congress believed a set list of eligible programs might inhibit the sponsors from developing new programs which serve the purposes of the act.

The director of the Cardozo band told us that the purpose of his program was to provide a meaningful work experience for the youths and enable them to practice and improve their music skills. The director stated that the participants practiced daily and performed concerts in parks and at recreation centers during the summer.

In a June 18, 1976, letter to Labor's Philadelphia regional office, the Director of the District's Department of Manpower stated that he considered the Cardozo High School band summer program to meet the criteria of a useful work experience because the entertainment field

is very lucrative. We tried to find out how many former members of the Cardozo band had found employment in the entertainment field, but despite repeated requests, District officials did not provide any information in this regard. Our last request was made on September 2, 1976.

In response to our inquiry concerning the band's eligibility for Comprehensive Employment and Training Act funding, Labor's Associate Regional Administrator for Area II Operations informed us on June 28, 1976, that the program did not comply with the Code of Federal Regulations (29 C.F.R. 95.33) because these regulations do not include authorization for cultural enrichment programs. These regulations guide agencies in implementing the act.

On July 6, 1976, the District's City Administrator requested permission to implement special programs geared to the cultural and entertainment fields. On July 28, 1976, Labor's Regional Administrator told us that after further review of the District's program material, a modification to the 1976 summer program plan was approved. The modification specifically authorized the Cardozo band project and stated that the project would provide skill training and work experience to the participants. Other culturally oriented programs in the District, which were also approved as eligible, include singing and dancing groups that have received funding under the summer youth employment program and are listed in enclosure I. The official told us on October 15, 1976, that the band program in 1975 met the requirements of the act's regulations.

YOUTH ELIGIBILITY

The District Government's Department of Manpower was responsible for certifying whether the youths were economically disadvantaged as defined by Labor regulations and Office of Management and Budget criteria and for maintaining the certification files. Department of Manpower officials said that they required each youth to complete a job application form showing family size and family income. This form was to be signed by a parent, and those youths whose family incomes were below the poverty level criteria were certified as economically disadvantaged. Department of Manpower officials told us the family size and income shown on the application are not verified and are used as the basis for certifying youths for Comprehensive Employment and Training Act programs. A certification form is prepared for the youth's use to show a prospective employer that he is eligible for the program.

Although 74 youths had been certified as economically disadvantaged, and eligible for the Cardozo project, applications for 55 of the 74 youths were not available for us to verify the validity of certification. District officials had no idea where the applications were. For the 19 youths whose applications were available, the data supported 16 certifications. The applications for the remaining three youths showed that annual family income exceeded the poverty level criteria by \$234, \$1,612 and \$1,924 respectively.

CONCLUSIONS AND RECOMMENDATIONS

Labor's approval was granted on the basis that the programs met the requirements of the legislation and the regulations, both of which are very broad and are designed to provide maximum latitude to the sponsor, in this case the District's Office of Youth Opportunity Services, in selecting programs. Neither the legislation nor the regulations specifically preclude approval of the types of programs discussed. If the Congress did not intend to fund such programs under the Comprehensive Employment and Training Act a specific prohibition could be included in the legislation.

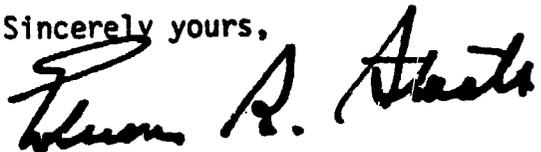
We recommend that the Secretary of Labor recover from the District the amounts paid to the ineligible participants. Also Labor should determine the eligibility of the 55 youths who participated in the program but whose records were not available and recover from the District any payments made to ineligible youths. Labor officials responsible for administering this program agree. In December 1976, a Labor official told us a review was being made of the District employment program funded by the act. District officials also agreed and said they would improve procedures so that only eligible youths are enrolled in the program.

As your office agreed, a copy of this report is being sent to the Secretary of Labor.

As you know, the Secretary, in accordance with section 236 of the Legislative Reorganization Act of 1970, must submit a written statement on actions taken on our recommendations to the House and Senate Committees on Government Operations not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

Copies are also being provided to the above Committees and to the Mayor and City Council of the District of Columbia.

Sincerely yours,



Comptroller General
of the United States

Enclosure

OTHER PROGRAMS FUNDED UNDER THE
SUMMER YOUTH EMPLOYMENT PROGRAM

Program	1973		1974		1975		Total funding 1973-75
	Number of authorized participants	Funding	Number of authorized participants	Funding	Number of authorized participants	Funding	
Cacho's African Drummers and Dancers	15	\$ 4,800	44	\$17,600	30	\$ 13,500	
City-wide Catfish	37	11,840	30	12,000	60	27,000	
Compared to What	15	4,800	28	11,200	30	13,500	
D.C. Youth Orchestra	30	9,600	30	12,000	30	13,500	
D.C. Youth Chorale					100	45,000	
Langston Golf Course					35	15,750	
Metropolitan Police Boys' Club Drum and Bugle Corps					60	27,000	
National Junior Tennis League					20	9,000	
Ontario Lakers					100	45,000	
		<u>\$31,040</u>		<u>\$52,800</u>		<u>\$209,250</u>	<u>\$293,090</u>