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## **DEPARTMENT OF LABOR**

### **Employment and Training Administration**

#### **Final Notice of Job Corps Center for Closure**

**AGENCY:** Office of Job Corps, Employment and Training Administration (ETA), Labor.

**ACTION:** Notice

**SUMMARY:** The Employment and Training Administration (ETA) of the U.S. Department of Labor (Department or DOL) issues this notice to announce its final decision to close the Treasure Lake Job Corps Center. The Office of Job Corps (OJC) in ETA published a proposed methodology for selecting centers for closure at 78 FR 2284 on January 10, 2013. Based on public comments received, the Office of Job Corps published a revised methodology for selecting centers for closure at 79 FR 36823 on June 30, 2014. Based on review of those comments, the Office of Job Corps published its final closure methodology and announced its proposed decision to close the Treasure Lake Job Corps Center at 79 FR 51198 on August 27, 2014. A total of 13 public comments were received in response to the proposal to close Treasure Lake. After reviewing all comments, the Department has decided to close the Treasure Lake Job Corps Center.

**FOR FURTHER INFORMATION CONTACT:** Lenita Jacobs-Simmons, Acting National Director, Office of Job Corps, ETA, U.S. Department of Labor, 200 Constitution Avenue, NW,

Room N-4463, Washington, DC 20210; Telephone (202) 693-3000 (this is not a toll-free number). Individuals with hearing or speech impairments may access the telephone number above via TTY by calling the toll-free Federal Information Relay Service at 1-(877)889-5627 (TTY/TDD).

## **SUPPLEMENTARY INFORMATION:**

### **Process for Selecting Job Corps Center for Closure**

On August 14, 2012, the Office of Job Corps hosted a national Job Corps listening session, via webinar, with the Job Corps community to solicit input on the methodology factors for selecting Job Corps centers for closure. More than 100 Job Corps stakeholders participated in the session and provided criteria-related suggestions in the areas of performance, geographic location, local economic impact, contract budgets, facilities, and the time period for evaluating chronic low performance.

On January 10, 2013, OJC published a **Federal Register** Notice requesting public comments on a proposed methodology for selecting Job Corps centers for closure (78 FR 2284). A total of 18 public comments were received. As a result of analysis, OJC revised the methodology factors for selection of Job Corps centers for closure. OJC also proposed additional considerations for inclusion as factors in the methodology.

On June 30, 2014, OJC published a second **Federal Register** Notice requesting public comments on a revised methodology for selecting Job Corps centers for closure (79 FR 36823). The comment period for the June 30, 2014 **Federal Register** Notice was open from June 30, 2014 to

July 21, 2014. A total of 11 public comments were received. After reviewing these comments, OJC decided not to make any changes to the proposed methodology.

On August 27, 2014, OJC published a third **Federal Register** Notice announcing the final methodology. Applying the methodology, Job Corps also announced its proposed decision to close the Treasure Lake Job Corps Center in Indianahoma, Oklahoma. The Notice further requested comments on the proposed decision to close Treasure Lake.

The comment period for the August 27, 2014, **Federal Register** Notice was open from August 27, 2014, to September 26, 2014. Thirteen (13) public comments were received in response to the proposed decision to close Treasure Lake. OJC considered these comments in making its final decision to close Treasure Lake.

The comments are summarized briefly and discussed below.

Two commenters generally supported the Job Corps' decision to close Treasure Lake.

One commenter criticized the methodology that Job Corps developed and applied in determining which center to close. Since commenters had ample time to discuss those issues in response to two previous Federal Register Notices, and because the August 27, 2014, FRN requested comments only on the proposed selection of Treasure Lake, we consider this comment to be out of scope and will not respond to it here.

One commenter expressed their belief that Job Corps' decision ignores Congress' intent with respect to measuring and improving center performance as manifested in its passage of the Workforce Innovation and Opportunity Act (WIOA). As noted in the August 27, 2014, FRN, the actions available to Job Corps to improve performance under WIOA are consistent with those available under the Workforce Investment Act (WIA). Waiting until WIOA becomes effective on July 1, 2015, would adversely affect those students who may otherwise have the opportunity to attend a higher performing center. OJC believes that implementing reforms to the Job Corps program now while working toward successful implementation of WIOA will lead to the greatest improvement across the Job Corps system.

Two commenters asserted that closing Treasure Lake would cost \$10.5 million and would be an inefficient use of Job Corps' resources. OJC cannot respond to the commenters' cost estimate because it is unclear how they developed it. More broadly, OJC is focused on the longer-term cost efficiencies that will result from achieving better results for current and future Job Corps students with the limited funds available.

The same commenters argued that Program Year 2013 data shows that Treasure Lake's successful placement of graduates in full time employment upon graduation and those graduates' high job retention rates indicate that Treasure Lake is not a poorly performing center. However, these commenters point only to three of the fifteen measures that comprise Treasure Lake's Outcome Measurement System (OMS) score. On the remaining twelve measures Treasure Lake was in the bottom quintile of performance for eleven of them. In addition, Treasure Lake's PY 2013 OMS score was a full seven percentage points lower than its PY 2012 OMS score.

Accordingly, OJC had no basis to conclude that Treasure Lake's overall performance in PY 2013

constituted significant performance improvement such that it should have been exempt from closure.

One commenter expressed concern that there was not sufficient opportunity for stakeholder input. OJC disagrees. As discussed above, in addition to holding a broadly attended listening session with all potentially affected stakeholders, the Department published three separate Federal Register Notices, including two specifically requesting comments on the proposed methodology to which the public, including stakeholders, could provide substantive comments.

One commenter asserts, based on Senate Report 112-176, that Congress mandated for Job Corps to exhaust all options to improve a center before closing it, which, it asserts, OJC had not done in this case. Job Corps disagrees with the commenter's assertion, and believes that Treasure Lake has been given ample opportunity to demonstrate sustained performance improvement. In addition, as the referenced report, Senate Report 112-176, was a report on proposed but never enacted legislation we disagree that it provides evidence of Congress' intent on this matter.

The same commenter expressed their opinion that Treasure Lake has not been on its Performance Improvement Plan (PIP) for sufficient time to make performance improvement. OJC disagrees that additional time and resources will lead to improved performance. Despite having been on a PIP and having received assistance for at least the past two years, Treasure Lake's performance has dramatically decreased. Between PY 2011 and PY 2013, Treasure Lake's OMS score has decreased more than 18 percentage points, from 94.5% to 76%. To OJC, this performance decline indicates that additional resources should not be expended to attempt to improve performance. Balanced against the lost opportunity for current and future students to attend a

higher performing center, OJC believes that closing Treasure Lake achieves the best outcome for the program.

Several commenters generally expressed their opinion, based on their experience at the center, the opportunities that the center provides for troubled youth, and the impact that the center has on the broader community, that Job Corps should not close Treasure Lake. The core mission of Job Corps is to train students to become more employable, responsible, and productive citizens, and we believe that we will advance this mission by closing Treasure Lake and enhancing opportunities for current and future students at higher performing centers.

Finally, one comment was received that is outside the scope of the requested response, and was therefore not considered.

### **Job Corps Center Selected for Closure and the Closure Process**

Based on its application of the closure methodology as described in the August 27, 2014, **Federal Register** Notice and OJC's consideration of the comments received in response to the August 27, 2014, **Federal Register** Notice, OJC has decided to close the Treasure Lake Job Corps Center.

OJC will implement the closure process following the center closure requirements in WIA section 159(g) and other applicable requirements.

Signed in Washington, DC, this 3<sup>rd</sup> day of October 2014.

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Portia Wu

Assistant Secretary for Employment and Training

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