U.S. Department of Labor Office of Inspector General Office of Audit

BRIEFLY...

Highlights of Report Number: 18-13-001-03-390 to the Assistant Secretary for Employment and Training.

WHY READ THE REPORT

The Recovery Act provided \$500 million for research, labor exchange, and job training projects to prepare workers for careers in energy efficiency and renewable energy. The main focus of the Green Jobs training program was to prepare individuals for jobs in Green industry sectors.

On September 30, 2011 we issued a report entitled, "Recovery Act: Slow Pace Placing Workers into Jobs Jeopardizes Employment Goals of the Green Jobs Program." We reported that grantees might not be able to meet their planned expenditures or goals for placing participants before grant periods expired.

This is a follow-up audit that was conducted as part of our oversight responsibilities and in response to a request for an update on our previous audit from the Honorable Darrell E. Issa, Chairman, House Oversight and Government Reform Committee.

WHY OIG CONDUCTED THE AUDIT

Our overall audit objective was to assess the impact of the Green Jobs training program by answering the following questions:

1) Who was served and what training did participants receive?

2) What were the entered employment and retention outcomes for participants?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to: <u>http://www.oig.dol.gov/public/reports/oa/2013/18-13-</u>001-03-390.pdf. October 2012 Recovery Act: Green Jobs Program Reports Limited Success in Meeting Employment and Retention Goals as of June 30, 2012

WHAT OIG FOUND

As of June 30, 2012, with 88 percent of the extended grant periods having elapsed, the impact of the Recovery Act Green Jobs training program has been limited in terms of reported employment outcomes. Complicating the assessment of the program's overall impact was the inability of sampled grantees to document between 24 percent and 44 percent of their reported employment outcomes.

Out of a target of 81,254, grantees collectively reported 30,857 participants (38 percent) entered employment. While grantees reported that 49 percent of participants who obtained jobs retained employment for at least 6 months, the reported number retained of 11,613 represents only 16 percent of the planned retention goal of 71,017. Moreover, 42,322 participants (52 percent) who completed training were incumbent workers, meaning the participants were already employed when they entered the program. Grantees were authorized to train incumbent workers who needed training to secure full-time employment, advance their careers, or retain their current jobs. However, for the 81 incumbent workers we identified in our sample, we found no evidence that they needed green job training for any of these purposes.

Other issues that have a direct bearing on determining the success of the program include: value of credentials, duration of training, impact of grant period extensions, and limitations of available employment and retention data.

WHAT OIG RECOMMENDED

We recommended that the Assistant Secretary for Employment and Training develop and utilize lessons learned from the Recovery Act Green Jobs training program, and improve the quality of grantee reported performance data.

In response to the draft report, the Assistant Secretary for Employment and Training indicated that the audit report did not fully capture the results of the program as of June 30, 2012, but agreed to consider the OIG's recommendations to improve grant programs performance.