



OCT 25 2012

The Honorable Darrell Issa
Chairman
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20515

The Honorable Jim Jordan
Chairman
Committee on Oversight and Government Reform
Subcommittee on Regulatory Affairs, Stimulus Oversight and
Government Spending
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Issa and Chairman Jordan:

I am responding to your correspondence dated January 9, 2012, in which you requested that my office begin additional audit work on the Department's Green Jobs program. We have completed our review of the program, and enclosed is our final audit report. Among our findings, we noted that 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.

As of June 30, 2012, with 88 percent of the extended grant periods having elapsed, grantees collectively reported that out of a target of 81,254 participants, 30,857 (38 percent) entered employment. In addition, while grantees reported that 49 percent of participants who obtained jobs retained employment for at least 6 months, the reported number of participants who retained employment 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 identified in our audit that have a direct bearing on determining the success of the program included: value of credentials, duration of training, impact of grant period extensions, and limitations of available employment and retention data.

In our report, we recommended that the Assistant Secretary for Employment and Training develop and utilize lessons learned from the Recovery Act Green Jobs training program for future discretionary grant programs, and improve the quality of grantee reported performance data.

My staff and I are available to provide a briefing on this audit report or to answer any questions you may have.

Sincerely,

A handwritten signature in cursive script that reads "Daniel R. Petrole".

Daniel R. Petrole
Deputy Inspector General

cc: The Honorable Elijah E. Cummings, Ranking Minority Member

The Honorable Dennis Kucinich, Ranking Minority Member, Subcommittee on Regulatory Affairs, Stimulus Oversight, and Government Spending

Enclosure