

Why GAO Did This Study

In fiscal year 2009, the United States resettled close to 70,000 refugees fleeing persecution in their homelands. To assist in their transition to the United States and help them attain employment, the Department of Health and Human Services Office of Refugee Resettlement (ORR) provides temporary cash, medical, and other assistance through four different assistance programs. The economic downturn and an increase in refugee arrivals posed challenges to ORR's efforts to assist refugees and estimate program costs, resulting in fluctuating unobligated balances. Congress required GAO to examine (1) differences in ORR's refugee assistance programs and factors program providers consider when placing refugees in a particular program; (2) refugee employment outcomes and the effectiveness of different approaches to providing assistance; and (3) how ORR estimates program costs and how its estimates have affected the agency's unobligated balances. GAO met with federal and state officials, voluntary agency staff, and refugees; reviewed selected case files; analyzed ORR performance data for fiscal years 2007 through 2009; and reviewed and analyzed relevant federal laws, regulations, and budget documents.

What GAO Recommends

GAO recommends that the Secretary of Health and Human Services identify effective approaches that state and voluntary agencies can use to help refugees become employed and self-sufficient.

REFUGEE ASSISTANCE

Little Is Known about the Effectiveness of Different Approaches for Improving Refugees' Employment Outcomes

What GAO Found

ORR supports several approaches to providing cash, medical assistance, and social services to refugees through its Matching Grant, Publicly Administered, Wilson/Fish, and Public Private Partnership programs. The Matching Grant program, which is administered and partially funded by private voluntary organizations, features several design elements that set it apart from ORR's other programs. For example, voluntary organizations select refugees for the Matching Grant program and those who participate have 4 to 6 months to find employment before their cash assistance ends. Most states also offer one of ORR's other programs: these programs enroll any eligible refugee, and participants have up to 8 months to find a job before their assistance ends. Three of ORR's programs—the Wilson/Fish, Public Private Partnership, and Matching Grant—were designed to give providers flexibility in developing innovative approaches to help refugees find employment and become self-sufficient. GAO observed providers using a number of different approaches, including offering refugees cash incentives for early employment, and these approaches varied within and among programs. Voluntary agencies told GAO that they consider several factors, such as the refugee's English language and employability skills, in deciding whether to enroll a refugee in the Matching Grant program or another ORR assistance program.

ORR's four assistance programs showed some success in helping refugees obtain employment in fiscal year 2009, but the percentage of program participants who obtained employment declined in recent years and little is known about which approaches are most effective in improving the economic status of refugees. In fiscal year 2007, between 59 percent and 65 percent of refugees receiving cash assistance from ORR programs entered employment within 4 to 8 months. By fiscal year 2009, these rates decreased to between 31 percent and 52 percent, depending on the program. Little is known about the effectiveness of the different approaches providers use to improve employment outcomes for refugees, such as intensive case management and employment incentives, in part because of differences in the way programs are structured and the populations they serve and in part because of differences in the way program performance is measured.

ORR's estimates of program costs have generally tracked actual obligations but challenges in estimating specific variables such as the number of eligible refugees and the cost of serving them have contributed to fluctuations in unobligated balances between fiscal years 1999 and 2009. ORR has a 3-year period in which to obligate its annual appropriations. From fiscal years 1999 to 2005, ORR used unexpired and unobligated prior year funds to obligate more than it was appropriated for those years, in part because of higher-than-expected increases in refugee arrivals and medical costs. As a result, its unobligated balances were reduced in most of these years and were gone by fiscal year 2005. However, from fiscal years 2006 to 2009, ORR obligated less than it was appropriated, which allowed the agency to carry over funds from one year to the next. As a result, its unobligated balances grew from \$17 million in fiscal year 2006 to over \$83 million in fiscal year 2009.