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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

JUN 30 1978

Mr. Allan L. Reynolds
Inspector General
Veterans Administration

Dear Mr. Reynolds:

The General Accounting Office has completed a review of the Veterans Administration's (VA) implementation of program evaluation and related data collection efforts as required by Public Law 93-508, approved December 3, 1974, "Vietnam Era Veterans Readjustment Assistance Act of 1974," (Section 219, Title 38 U.S.C.).

Historically, neither the Congress nor independent study groups have been able to determine how wisely taxpayers' money was being spent on veterans' benefits programs. This condition resulted primarily because of a lack of meaningful data on the extent to which the programs were achieving their intended goals and objectives, particularly in terms of impact on the programs' target population. This made it difficult for congressional committees to carryout their oversight function and consider various alternatives for future legislation. Section 219 required, among other things, that VA evaluate on a continuous basis all title 38 veterans' benefits programs.

In June 1975, VA's Office of Planning and Program Evaluation (OPPE) initiated pilot program evaluation studies in the Nursing Home Care program and the Educational Assistance program. The evaluation on the Educational Assistance program was completed in June 1977.

Our review was concentrated on the evaluation of the education program because of the increasing concern of the Congress and the Executive Branch in the effectiveness of major Federal education programs. Our observations are summarized below:

- Section 219 states that the Administrator "shall prescribe in regulations" general standards which shall be used to measure and evaluate on a continuing basis the impact of all title 38 programs to determine their effectiveness in achieving stated goals. As of June 1978, VA had not fully complied with this requirement even though the law was enacted over 3 1/2 years ago. We believe that failure to issue VA evaluation regulations in a timely manner has had a negative impact on VA program managers' commitment to ongoing evaluation efforts within the agency. Although the interim guidance provided in VA Circular 00-78-13, dated April 5, 1978, is a step in the right direction, more definitive standards and guidelines should be prescribed in regulations as required by section 219.

- A critical first step in the evaluation process is to identify the specific goals and objectives of programs in terms of what they are supposed to accomplish. Without this data the evaluation, for all practical purposes, is limited to an assessment of program processes and activities. We were told that VA's determination of Educational Assistance program objectives actually took place from September 1975 until the Spring of 1976 and were not finalized until several months after the evaluation was completed. This effectively precluded any comprehensive evaluation of program results or impact, and therefore, limits the usefulness of the report to the Congress and to VA program managers.

- The basic program goals and objectives used by evaluators in the evaluation process and by program managers in managing the program should not differ. Any differences which may exist should be resolved before the evaluation begins. VA's evaluators were not satisfied with the program managers' existing objectives because they were "activity" rather than "results or impact" oriented, and were not quantified. Through research and interviews with responsible program officials, the evaluators developed proposed goals and objectives and presented them to the program officials for review and modification. Despite the great amount of time spent on this effort, there was still disagreement between the evaluators and program managers at the conclusion of the evaluation.

- Educational Assistance program officials view the above objective-setting effort as a one-time exercise to assist OPPE in carrying out its section 219 responsibilities. Also, it appears that the program officials plan to continue monitoring program success in terms of the numbers of participants rather than quantitatively or qualitatively measuring program results or impact on needs of participants. We believe VA has an obligation to account to the Congress and the public for their stewardship not only in terms of resources expended and persons served, but also in terms of how well the programs are meeting the needs of their intended beneficiaries.

- The most significant finding contained in the Educational Assistance program evaluation report is that VA did not routinely collect data on nor monitor the completion or employment status of its program beneficiaries, and therefore was not in a position to determine whether the substantial public investment in education programs was producing the desired end results. Although the evaluation report is now approximately 1-year old, we understand that no action has been taken on the report's recommendation that this type of information be obtained annually.

In summary, we believe the Educational Assistance program evaluation falls short of meeting the congressional intent of section 219 in that it did not include an assessment of the effectiveness or impact of VA's education programs.

We are aware that VA has initiated efforts to provide an examination and analysis of veterans' use of education entitlements, completion, employment and readjustment to civilian life in accordance with Public Law 95-202; Section 304(b). Recognizing that this is a one-time effort and considering our above observations we recommend that your office closely monitor these activities to ensure compliance with section 304(b).

We would be happy to discuss the results of our review with you in more detail should you so desire. We would appreciate being advised of any actions planned or taken on matters discussed in this report.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "G. D. Peck". The signature is written in dark ink and is positioned above the typed name.

George D. Peck
Assistant Director