

## Why GAO Did This Study

In fiscal year 2011, the federal government spent an estimated \$1.2 billion on six veterans' employment and training programs, serving about 880,000 participants. Labor administers five of these programs and VA administers one. Despite these efforts, the unemployment rate for veterans who have recently separated from the military is higher than that for the civilian population. The number of service members transitioning to the civilian workforce is expected to increase. In response to a request, this report examines (1) the extent to which federal veterans' employment and training programs vary in services they deliver and veterans who receive them; (2) the extent to which federal agencies coordinate programs; and (3) what is known about the performance of these programs. To address these objectives, GAO reviewed agency data, policy documents, and relevant federal laws and regulations, reports, and studies, and interviewed federal and regional officials and state officials in six states selected to achieve geographic and demographic diversity. In examining coordination, GAO included in its review employment assistance DOD provides to Guard and Reserve members.

## What GAO Recommends

GAO is making four recommendations aimed at improving the guidance provided to staff in the coordination handbook, integrating DOD into the interagency coordination framework, improving agency reporting on achievement of program performance goals, and assessing program effectiveness. Labor, VA, and DOD generally agreed with our recommendations.

View [GAO-13-29](#). For more information, contact Andrew Sherrill at (202) 512-7215 or [sherrilla@gao.gov](mailto:sherrilla@gao.gov).

# VETERANS' EMPLOYMENT AND TRAINING

## Better Targeting, Coordinating, and Reporting Needed to Enhance Program Effectiveness

### What GAO Found

The six federal veterans' employment and training programs offer similar employment services, but largely target different groups. Among these programs, the Department of Labor's (Labor) Disabled Veterans' Outreach Program has the greatest potential for overlap with other veterans' programs and Labor's employment programs for the general population. Federal law governing the Disabled Veterans' Outreach Program makes all veterans who meet the broad definition of "eligible veteran" eligible for its services, but gives disabled veterans and economically and educationally disadvantaged veterans the highest priority for services. However, Labor's guidance does not provide states—who administer the program using federal funds—criteria for prioritizing services. The law also generally requires that program staff provide participants with intensive services (e.g., individual employment plans), but Labor's data indicate that nationally 28 percent of participants received such services in 2011. In explaining this statistic, Labor officials said one possible explanation was that staff are enrolling people who do not need intensive services. Labor said it plans to develop guidance on prioritizing services, and it also has a six-state pilot to improve monitoring, but neither of these efforts has been completed.

In 2008, Labor and the Department of Veterans Affairs (VA) compiled a handbook intended to guide the roles of their respective staff in coordinating services to disabled veterans; however, they have not updated the handbook nor included related Department of Defense (DOD) employment initiatives in their interagency agreements. GAO's interviews with VA and Labor officials identified certain challenges with meeting desired program outcomes resulting, in part, from sections of the handbook that provide insufficient guidance or are subject to misunderstanding. For example, the handbook says Labor and VA are to coordinate to achieve "suitable employment"—employment that follows the veteran's rehabilitation plan and does not aggravate the disability. However, it does not explicitly say how staff should navigate situations where a veteran's financial need or preferences do not align with this goal. In such instances, program staff may work at cross purposes and veterans may accept jobs that do not count as suitable employment. Further, DOD is expanding its employment assistance, but does not have an interagency agreement to coordinate with Labor and VA efforts. Absent an updated handbook and integration of DOD into the coordination framework, there is increased risk for poor coordination and program overlap.

While available performance information shows that most programs' outcomes are below pre-2007 levels, the information Labor reports and the research it has conducted make it difficult to know the extent to which each program is achieving its annual performance goals. Veterans' employment outcomes for programs administered by both Labor and VA have generally not regained levels seen before the recession that began in 2007, which is similar to employment programs for the general population. In reporting performance, Labor does not relate employment outcomes to individual program goals. In contrast, Labor reports outcomes and goals for its other workforce programs aimed at the general population. Moreover, while both agencies have studies completed or under way, neither has conducted impact evaluations that assess program effectiveness to determine whether outcomes are attributable to program participation and not other factors. As a result, Congress and other key stakeholders lack essential information needed to assess each program's performance.

Figure 1: Veterans' Employment and Training Programs



Source: GAO-11-92.