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September 28, 2023

The Honorable Jon Tester Chairman The Honorable Jerry Moran Ranking Member Committee on Veterans' Affairs United States Senate

The Honorable Mike Bost Chairman The Honorable Mark Takano Ranking Member Committee on Veterans' Affairs House of Representatives

VETERANS EMPLOYMENT: Identifying Lessons Learned from Rapid Retraining Program Could Benefit Future Efforts

In 2020, during the first year of the COVID-19 pandemic, the veteran unemployment rate rose to 6.5 percent. The American Rescue Plan Act of 2021 directed the Secretary of Veterans Affairs to carry out the Veteran Rapid Retraining Assistance Program (VRRAP) for eligible veterans who lost their jobs as a result of the pandemic.¹ The law provided the Department of Veterans Affairs (VA) \$386 million to carry out the program in consultation with the Department of Labor (DOL). VRRAP included a housing stipend and payments for eligible veterans to cover up to 12 months of tuition and fees while they are pursuing an approved education program for high-demand occupations. As modified by the Training in High-demand Roles to Improve Veteran Employment Act (THRIVE Act), VRRAP was open to new enrollments until December 10, 2022.²

To be eligible for VRRAP, a veteran needed to be between 22 and 66 years old, unemployed due to the pandemic, and ineligible for or not receiving compensation from certain state and federal benefits programs, among other requirements.³ Veterans must have begun their

¹Pub. L. No. 117-2, § 8006, 135 Stat. 4, 113-116 (2021).

²The THRIVE Act also directed VA to survey participants, notify participants of employment services, and coordinate with nonprofit organizations on veteran employment, among other changes. Pub. L. No. 117-16, § 2, 135 Stat. 280, 280-82 (2021).

³Eligibility requirements for VRRAP included that participants not be eligible for certain other veterans' educational benefits or Veteran Readiness and Employment, not be enrolled in federal or state jobs programs, not be receiving unemployment compensation, and not be receiving compensation for service-connected disabilities rated totally disabling by reason of unemployability.

education programs by December 10, 2022, although VA will continue to pay benefits until the education programs are concluded. VRRAP uses a milestone payment model, in which VA pays participating schools a percentage of the total cost at three "milestones": (1) when a veteran participant begins an education program (50 percent), (2) upon completing the education program (25 percent), and (3) upon obtaining employment (25 percent).⁴

The THRIVE Act also includes a provision for GAO to report on the outcomes and effectiveness of VRRAP. On June 8, 2023, we briefed staff on our preliminary observations for the first three objectives. This report transmits the final version of the briefing slides and summarizes information from the briefing slides by objective. We have updated the slides to include information from two additional participating schools interviewed subsequent to the briefing (see encl. I).

This report reviews (1) VA's outreach efforts, VRRAP applications processed, and demographics for participating veterans; (2) program funds used and outcomes for participating veterans; (3) VRRAP benefits and challenges reported by surveyed veterans, selected veteran service organizations (VSO), and selected schools; and (4) steps that VA has taken to identify lessons learned in the design and implementation of VRRAP.

To address the first two objectives, we reviewed VA data on its VRRAP communication and outreach efforts, analyzed VA data on veterans who applied to and participated in VRRAP from April 2021 through March 2023—the most recent data available during our review—and analyzed VA data on participating schools. We also analyzed Census American Community Survey (ACS) 2021 microdata to provide context on the demographic composition of veterans who were potentially eligible for VRRAP.⁵

To address the third and fourth objectives, we reviewed VA data from a survey of VRRAP participants and interviewed VA officials—including Veterans Benefits Administration Education Service staff—about program implementation. Beginning in May 2022, VA surveyed veterans at multiple points after the end of their VRRAP education programs—30 days, 60 days, 90 days, 180 days, and after employment. As of March 17, 2023, VA had received responses from about 18 percent of the surveys it emailed (2,552 of 14,497). We reviewed a nonrepresentative sample of the most recent 300 survey responses as of March 27, 2023 to identify examples of challenges identified by participants, and we conducted key word searches to find additional evidence of those challenges. The challenges are not representative of those in all survey responses.

We also interviewed four VSOs and nine participating schools (two public and seven private forprofit) to learn about the benefits and challenges that stakeholders reported with VRRAP. We

⁴We refer to educational institutions as schools in this report. In the case of a veteran who began but did not complete an education program, payments to schools for education program completion and employment are prorated based on the portion of the education program that the veteran completed.

⁵ACS is a national survey administered by the U.S. Census Bureau that annually collects information from a random sample of over 3.5 million households and includes questions about demographic characteristics and employment. We obtained the data from IPUMS, an organization that standardizes, documents, and preserves U.S. census data. To estimate the demographic composition of veterans who were potentially eligible for VRRAP, we analyzed the age, race, ethnicity, disability status, and sex of unemployed veterans ages 22 to 66 from the ACS 1-year 2021 microdata sample. We did not account for other eligibility criteria, such as receipt of certain government benefits, in estimating the demographic composition of potentially eligible veterans.

selected VSOs with large memberships, goals and services relevant to VRRAP, and some representation of veterans with disabilities. We selected schools with both high and low numbers of VRRAP participants, high numbers of employed participants, and high numbers of participants who did not complete educational programs. We also selected schools to ensure that the sample included schools with a variety of types of educational programs, as well as both private and public schools. Observations from our interviews with selected VSOs and schools provide illustrative examples but are not generalizable to all VSOs or schools. For the fourth objective, we also assessed VA's efforts to implement six key practices for collecting and using lessons learned, which we identified in prior work.

We assessed the reliability of VRRAP participating school data, participating veteran administrative data, and participating veteran survey data by interviewing and reviewing written responses from knowledgeable VA officials and by performing electronic testing of these data. We determined these data were sufficiently reliable for the purpose of presenting summary data on VRRAP expenditures, demographics, participation, enrollment, completion, employment, and participant satisfaction. We assessed the reliability of Census ACS data by reviewing methodological documentation about these data and determined these data were sufficiently reliable for describing the demographic characteristics of unemployed veterans ages 22 to 66, who were potentially eligible for VRRAP.

We conducted this performance audit from August 2022 to September 2023 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our findings and conclusions based.

VA Outreach Efforts, VRRAP Applications Processed, and Demographics for Participating Veterans

As we reported in our June 8, 2023 briefing, VA used social media platforms to encourage veterans to apply to VRRAP and certified the majority of applicants, over one-half of whom went on to enroll in schools, and substantially fewer of whom went on to meet other program milestones. Specifically, between April 2021 and March 2023, 19 percent of the certified veterans completed their education program and 5 percent got jobs in their field, according to our analysis of VA data. About 50 percent of enrolled VRRAP participants were Black or African American, a quarter were female, and 3 percent reported a disability rating. (For additional information on the demographic makeup of VRRAP participants see encl. II.)

VRRAP Funds Used and Outcomes for Participating Veterans

As of April 2023, VA reported obligating 95 percent of the \$386 million in overall VRRAP funding.⁶ Final spending amounts are dependent on ongoing participants' progress in the program, consistent with the milestone payment model. As of March 2023, VA spent a similar amount on both tuition and fees to schools and housing allowance to participating veterans for a total of \$235.6 million paid through VRRAP. On average, VA spent \$17,270 per veteran and spent more overall on veterans who found related employment compared with those veterans who did not complete their education program. VA spent similar amounts on housing

⁶VRRAP obligations were 99 percent in January 2023, according to VA. Because some participants may not reach the payment milestones, these obligations may be reduced over time.

allowances for both groups. VRRAP participants who obtained employment reported an average salary of \$56,126 and a median salary of \$50,000.

VRRAP Benefits and Challenges Reported by Surveyed Veterans and Selected Veteran Service Organizations and Schools

As we reported in our briefing, most selected stakeholders reported some VRRAP benefits. For example, veterans responding to VA's survey as of March 2023 indicated moderate satisfaction with the schools they attended. One-half of the VSOs (two of four) and most of the participating schools (seven of nine) we spoke with said the program benefited veterans who did not have other available educational resources or shared examples of veterans obtaining employment.

Conversely, selected stakeholders reported challenges with VRRAP's structure and VA's administration of the program. Under VRRAP's milestone payment model, which was set by statute, schools only receive full payment if participating veterans fully complete education programs and obtain employment. Stakeholders reported challenges regarding the dependence on student outcomes for payment. Specifically, representatives of most of the schools (eight of nine) said that some VRRAP participants may not have been interested in finding employment or completing an education program, resulting in the school receiving less than full program payment. Stakeholders shared that some participants may have been more interested in the education experience or housing benefit. Selected schools and VSOs also reported a range of challenges with VA's administration of VRRAP, including the adequacy and timing of VA's program outreach efforts to both veterans and schools, the clarity and application of employment certification requirements for payment, and the sufficiency of VA's support for veterans and schools. (For examples and more information about challenges, see encl. I.)

VA Has Collected Some Data on VRRAP from Veterans and Schools but Has Not Implemented a Lessons-Learned Process

VA has solicited and collected a range of data about VRRAP over the course of the program. For example, VA has captured program information from veterans and schools, such as the number of veterans who applied to VRRAP, the number who enrolled in and completed programs, and the number who found employment. In addition, VA collected feedback from veterans and schools about their experiences participating in VRRAP.

VA collected direct feedback from veterans at multiple stages. During the program, VA conducted focus groups with veterans who had been approved for VRRAP but had not yet enrolled in an education program, according to officials. VA also surveyed veterans at multiple points after the end of their VRRAP education programs.⁷ As of March 17, 2023, VA had received responses from about 18 percent of the surveys it emailed (2,552 of 14,497). In our review of a nonrepresentative sample of 300 survey responses, we found that some participants responded with specific feedback about challenges with VRRAP. For example, response themes included concerns that housing payments were not timely, that there were issues with

⁷The THRIVE Act required VA, in coordination with DOL, to contact each veteran who completes a covered program under VRRAP at certain points in time after the veteran completes the program to ask about the veteran's experience in VRRAP and the veteran's employment status. Pub. L. No. 117-16, § 2(a)(4), 135 Stat. 280, 281 (2021).

the amount or quality of support they received from VA, or that they believed that schools may have overcharged VA or inappropriately attempted to recoup payments from participants.⁸

While VA has surveyed veteran participants, officials said VA has not directly solicited feedback from VRRAP-participating schools. However, VA has received feedback from schools over the course of the program in the form of questions submitted to VA by school representatives over the phone, through email, and during regularly scheduled virtual information sessions. For example, based on our review of a VA FAQ for VRRAP, VA answered specific questions about the milestone payment model, the employment verification process, and the cutoff date for new enrollments.

To date, VA has analyzed some of the data and feedback it collected, and shared it internally and externally, for short-term program purposes. For example, VA used feedback from veteran focus groups to inform subsequent outreach efforts and to increase program participation. VA used its informal feedback from schools to create a VRRAP FAQ document for the benefit of participating schools. VA also uses information and program data it has collected for required reporting to Congress.⁹

However, VA has not systematically documented or analyzed these information sources to identify lessons from the design and implementation of VRRAP, according to VA officials. VA's current strategic plan calls for managing data as a strategic asset to improve the agency's understanding of customers and partners, drive evidence-based decision-making, and deliver more effective and efficient solutions.¹⁰ The plan also calls for proactively and continuously learning from successes and mistakes, and using evidence to make decisions and drive policy change that improves operations, experiences, and outcomes.

According to our prior work and the Center for Army Lessons Learned, federal agencies should identify and apply lessons learned from programs and projects to limit the chance of recurrence of previous failures or difficulties.¹¹ Specifically, we have identified six key practices that agencies can use to identify and apply lessons they have learned after particular incidents and

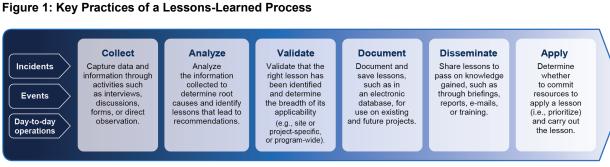
⁸These are perspectives reported by VRRAP participants who completed surveys. We have not assessed the accuracy of these comments, and VA officials said they do not have plans to review the survey feedback.

⁹The THRIVE Act requires the Secretary of Labor to provide Congress quarterly reports on VRRAP outcomes. Pub. L. No. 117-16 § 2(a)(4), 135 Stat. 280, 281 (2021). DOL officials told us that VA provides the data for these reports, and that reporting will continue through December 2024. VA also produces its own report on VRRAP metrics every other week.

¹⁰VA, *Department of Veterans Affairs Fiscal Years 2022–28 Strategic Plan* (Washington, D.C.: Apr. 18, 2022), accessed June 27, 2023, https://department.va.gov/wp-content/uploads/2022/09/va-strategic-plan-2022-2028.pdf.

¹¹GAO, *Project Management: DOE and NNSA Should Improve Their Lessons-Learned Process for Capital Asset Projects,* GAO-19-25 (Washington, D.C.: Dec. 21, 2018). In this report we identified lessons-learned practices from our prior work and reports by both the Project Management Institute and the Center for Army Lessons Learned. The Center for Army Lessons Learned leads the U.S. Army's lessons-learned program and published a handbook on establishing a lessons-learned program in 2011. Department of the Army, Combined Arms Center, Center for Army Lessons Learned, *Establishing a Lessons Learned Program: Observations, Insights, and Lessons* (Fort Leavenworth, KS: June 2011).

events, or during the day-to-day operations of a program.¹² These practices can be combined into a single lessons-learned process consisting of six steps (see fig. 1).



Source: Analysis of prior GAO reports and the Center for Army Lessons Learned report, Establishing a Lessons Learned Program: Observations, Insights, and Lessons. | GAO-23-106191

VA has collected information and feedback about VRRAP but has not fully implemented any of these six steps. Specifically, VA has partially carried out two steps, collect and analyze information, but has not carried out the remaining four steps:

- **Collect**. As discussed above, VA captured administrative information on outcomes, solicited feedback from veterans, and received questions from schools. However, VA did not directly solicit any feedback from schools, according to officials.
- Analyze. VA considered questions from schools and included responses in its FAQ. VA also used feedback from veterans to inform its outreach efforts, according to officials. However, VA did not determine a root cause for any challenges or identify any lessons to apply to future programs.
- **Validate.** VA has not determined whether it has learned the right lessons from VRRAP, or assessed whether those lessons could be applicable to other short-term programs.
- **Document.** VA officials said they intend to archive the VRRAP survey responses and other program records. However, VA does not have plans to document validated lessons learned for future use.
- **Disseminate.** VA disseminated the FAQ on its website solely for the benefit of participating schools, according to officials. VA has not identified lessons learned that it could distribute to its own staff through briefings or training.
- **Apply.** VA has not identified and prioritized lessons learned from VRRAP, so it cannot decide whether to commit resources to applying them on future programs.

VA has not fully carried out these steps because officials told us in June 2023 they did not plan to implement a lessons-learned process. Instead, VA officials said their data collection has been oriented toward program administration and required congressional reporting. They noted that VRRAP funding came with specific parameters already defined in the law, and that they have experience setting up new benefits and programs similar to VRRAP.

VA's decision not to fully implement lessons-learned practices puts VA at risk of losing valuable insights from the implementation and administration of VRRAP. For example, from 2012 to 2014, VA operated a similar program called the Veterans Retraining Assistance Program that

¹²GAO, *Telecommunications: GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays*, GAO-14-63 (Washington, D.C.: Dec. 5, 2013). The six key practices identified in this report are based on lessons-learned practices we identified in prior work and validated in GAO-19-25.

provided up to 12 months of full-time training assistance in high-demand occupations for eligible unemployed veterans.¹³ VA officials told us that the earlier program generally did not inform their administration of VRRAP because it was structured differently.¹⁴ However, an effective lessons-learned process can inform efforts even where programs are structured differently. VA has already collected considerable information on VRRAP, and implementing the remaining practices for a complete lessons-learned process could inform improvements for future veteran retraining efforts, including programs such as VRRAP that have to be implemented quickly. Specifically, VA has opportunities to apply the lessons-learned process using the following data it has already collected:

- Veteran survey responses. Identifying lessons learned using the survey feedback provided by veterans could help VA identify opportunities to improve veterans' experiences with future programs. As discussed previously, VA surveyed veterans who participated in the program, and we found multiple survey responses with specific feedback that could be leveraged in a lessons-learned process. For example, multiple respondents reported issues with the support they received from VA. One veteran observed that they could not get accurate information about the program, receiving different answers each time they called the VRRAP hotline.
- Feedback from schools. Identifying lessons learned from feedback about schools' challenges participating in VRRAP could help VA ensure there is a wide range of education programs for veterans in VA's future retraining efforts. Representatives from four of the nine selected schools reported challenges with VRRAP's milestone payment model, and five of the nine selected schools reported challenges related to VA's employment certification requirements. For instance, representatives from one of those schools said that 177 of their VRRAP students had found employment but 155 had not signed and returned the form. Representatives from two of the five schools that reported challenges additionally said that their schools would likely not participate in a similar future program unless there were changes to the payment structure or procedures.
- Feedback about outreach. Identifying lessons learned from VRRAP outreach could help VA ensure that future programs begin with a more effective outreach strategy already in place. Representatives from four of the nine selected schools and all four VSOs we spoke to reported challenges with VA's outreach. For example, representatives of one VSO said that few veterans seemed to know about VRRAP during its first year. VA officials said that they revised outreach plans over the course of the program based on focus groups with veterans and after criticism.

Conclusions

VA implemented VRRAP to provide retraining assistance to veterans who lost their jobs because of the COVID-19 pandemic. By the time VRRAP closed to new participants in

¹³The VOW to Hire Heroes Act of 2011 directed the Secretary to carry out the Veterans Retraining Assistance Program that provided training assistance for up to 99,000 eligible unemployed veterans, aged 35 to 60. Pub. L. No. 112-56, § 211, 125 Stat. 711, 713-15.

¹⁴A September 2013 report by the VA Office of Inspector General included several recommendations to improve program integrity for the Veteran Retraining Assistance Program. VA Office of Inspector General, Office of Audits and Evaluations, *Veterans Benefits Administration: Audit of Veterans Retraining Assistance Program* (Washington, D.C., Sept. 17, 2023). VA officials told us that they did not consider this report or the earlier program's metrics when developing VRRAP because of differences between the programs.

December 2022, more than 13,000 veterans had enrolled in education programs related to highdemand occupations. VA has collected a significant amount of data about VRRAP over the course of the program, but VA had no plans to analyze the lessons that can be learned from these data or validate and document them for future use. Without implementing a complete lessons-learned process, VA cannot leverage data about VRRAP successes or mistakes consistent with its strategic plan. By leveraging the data it has already collected through a lessons-learned process, VA can help ensure that it does not lose insights gained during VRRAP, and that any similar programs in the future provide veterans with the best experiences and outcomes possible. Though VRRAP is a short-term program tailored to the particular circumstances of pandemic unemployment, the lessons VA learns from VRRAP could yield important insights relevant to any veteran retraining efforts or other benefits programs where quick implementation is essential to address urgent needs.

Recommendation for Executive Action

The Secretary of Veterans Affairs should ensure that the Veterans Benefits Administration's Education Service implements a lessons-learned process for VRRAP that aligns with lessons-learned key practices including analyzing, validating, and documenting lessons. (Recommendation 1)

Agency Comments and Our Evaluation

We provided a draft of this report to VA and DOL for review and comment. In its written comments (reproduced in encl. III), VA concurred with our recommendation in principle and said that it will conduct lessons learned on the elements of VRRAP that were under VA's control as well as those that were defined by statute. VA and DOL also provided technical comments that we incorporated as appropriate.

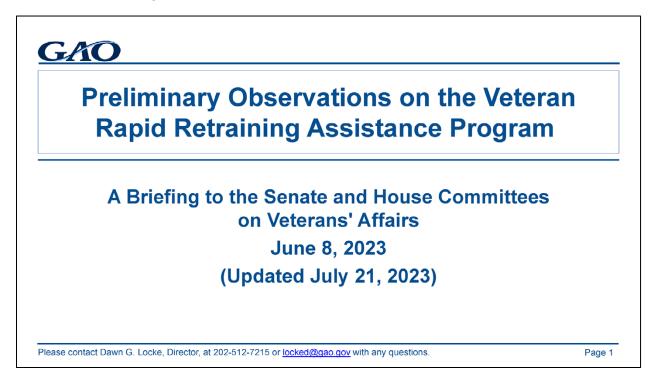
We are sending copies of this report to the appropriate congressional committees, the Secretary of Veterans Affairs, the Acting Secretary of Labor, and other interested parties. In addition, the report is available at no charge on the GAO website at https://www.gao.gov.

If you or your staff have any questions about this report, please contact me at 202-512-7215 or locked@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Other key contributors to this correspondence included Amber Yancey-Carroll (Assistant Director), Aaron Karty (Analyst in Charge), Walker Adams, Daniel Dye, and Ariel Merin. Additional assistance was provided by David Barish, James Bennett, Edward Bodine, Charlotte Cable, Kirsten Lauber, Anjalique Lawrence, Afsana Oreen, Jerome Sandau, William Stupski, and Adam Wendel.

Dawn G. Locke Director, Education, Workforce, and Income Security

Enclosures - 3

Enclosure I: Briefing Slides



Objectives

- The Training in High-demand Roles to Improve Veteran Employment Act (THRIVE Act) of 2021 included a provision for GAO to report on the Veteran Rapid Retraining Assistance Program (VRRAP).
- This briefing provides information on VRRAP:
 - outreach efforts, applications processed, and demographics for participating veterans;
 - program funds used and outcomes for participating veterans; and
 - benefits and challenges reported by surveyed veterans, selected veteran service organizations (VSO), and selected education program providers (i.e., stakeholders).

Summary of Preliminary Observations

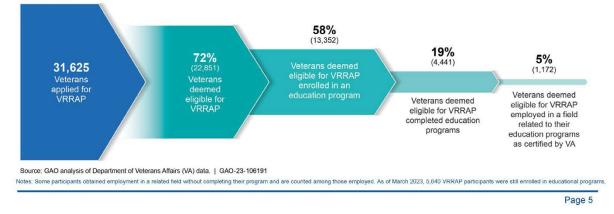
- Department of Veterans' Affairs (VA) certified 72 percent of the 31,625 VRRAP applicants as eligible to participate. Of certified veterans, about 58 percent enrolled in an educational program. Between April 2021 and March 2023, 19 percent completed their program, and 5 percent got jobs in their field.
- About half of enrolled VRRAP participants were Black or African American, a quarter were women, and 3 percent reported a disability rating.
- VA obligated 95 percent of overall VRRAP funding as of April 3, 2023. However, final spending amounts are contingent on ongoing participants' progress in the program.
- Most selected stakeholders reported VRRAP benefits. For example, some stakeholders said that the program benefited veterans who did not have other available educational resources.
- Selected stakeholders reported challenges with the program such as those with the milestone payment model and sufficiency of support from VA.

Background

- During the first year of the COVID-19 pandemic, the unemployment rate for veterans rose to 6.5 percent.
- The American Rescue Plan Act, as amended by the THRIVE Act directed the Secretary of Veterans Affairs to carry out a program under which eligible veterans would receive education and training assistance if they were unemployed due to the COVID-19 pandemic.
- VA is responsible for implementation of the VRRAP program in consultation with Department of Labor (DOL).
- VA began taking program applications in April 2021 and stopped in December 2022.
- Program structure
 - <u>Veteran</u>: apply → get VA approval → enroll in covered program of education → complete education program → obtain employment in related field
 - <u>School:</u> apply \rightarrow get VA approval \rightarrow accept veterans into program \rightarrow provide education or training \rightarrow certify employment
 - Milestone payments to schools upon: enrollment → program completion → employment

VRRAP Process By the Numbers

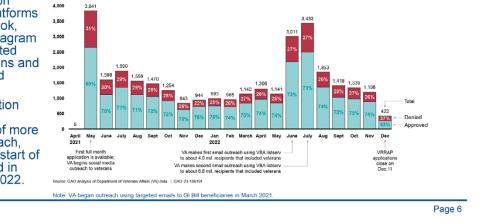
Figure 1: Veteran Rapid Retraining and Assistance Program (VRRAP) Milestones, Participation Rates, and Employment, April 2021– March 2023

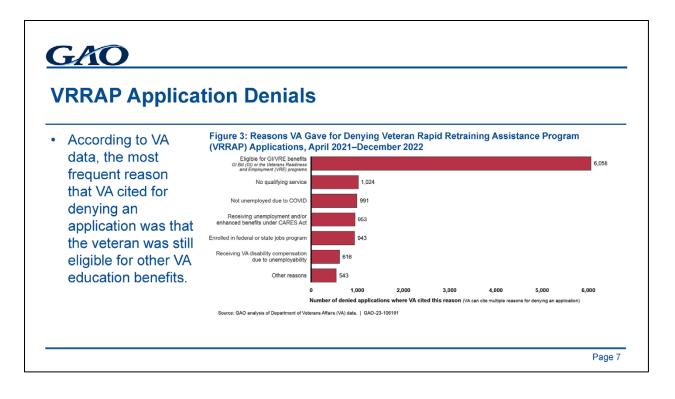


VRRAP Outreach and Applications

- VA outreach efforts included posts on social media platforms such as Facebook, Twitter, and Instagram as well as targeted emails to veterans and veteran-affiliated organizations.
- VRRAP application rates rose during periods of more extensive outreach, including at the start of the program and in June and July 2022.

Figure 2: VRRAP Outreach, Applications, and Decisions, by Month, April 2021–December 2022 Number of Veteran Repid Retraining Assistance Program (VRRAP) applications





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VRRAP Enrollment

- Overall, 58 percent (13,352) of veterans deemed eligible for VRRAP enrolled in an educational program.
- 42 percent of those veterans (5,640) were still actively enrolled in an educational program as of March 2023.

Figure 4: VRRAP Participants Actively Enrolled in Educational Programs, April 2021-March 2023 Number of enrolled Veterans Rapid Retraining Assistance Program (VRRAP) participants 8.000 New enroliment 7,000 6,000 - Total 5.000 4,000 3,000 Continuing 2,000 1,000 Apr 2021 Jan 2022 Feb lav June July Oct Nov Dec Jan Feb Mar 2023 GAC+23+106191 Source: GAO analysis o

Note: VRRAP closed to new enrollments on December 11, 2022

GAO VRRAP Participant Demographic Characteristics: Sex, Race, and Ethnicity

| | | | Veteran sex, race, and ethnicity By comparison, according to a 2020 U.S. |
|-------------------------------------------------------------------------------------------------------|--------|------------|-----------------------------------------------------------------------------|
| Male | 10,086 | 76 percent | Census Bureau report, in 2018 the veteran |
| Female | 3,240 | 24 percent | population was made up of: |
| Black or African American | 7,081 | 53 percent | |
| White | 4,044 | 30 percent | 91 percent men and 9 percent women |
| Hispanic or Latino | 1,389 | 10 percent | 77 percent White, 12 percent Black |
| Asian | 524 | 4 percent | African American, and 7 percent |
| American Indian or Alaskan Native | 96 | 1 percent | Hispanic or Latino veterans, while |
| Native Hawaiian or Pacific Islander | 42 | <1 percent | veterans belonging to other race categories made up 4 percent of |
| Other or Unknown | 176 | 1 percent | veterans |
| purce: GAO analysis of Department of Veterans Affairs and Department of Defense data. GAO-23-106191 | | | Source: GAO analysis of U.S. Census Bureau information. GAO-23-106191 |

VRRAP Participant Demographic Characteristics: Age and Disability

Table 2: Age and Disability Characteristics of Veteran Rapid Retraining Assistance Program (VRRAP) Participants

| Age and Disability Status | VRRAP Participants | Percentage of VRRAP Participants |
|--------------------------------------------------|----------------------------|-------------------------------------|
| 18–24 years old | 287 | 2 percent |
| 5–34 years old | 1,810 | 14 percent |
| 35–44 years old | 4,084 | 31 percent |
| 45+ years old | 7,171 | 54 percent |
| Veterans with a service- connected disability | 369 | 3 percent |
| ource: GAO analysis of Department of Vete | erans Affairs and Departme | nt of Defense data. GAO-23-106191 |
| ote: Percentages are rounded to the neare | | |

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VRRAP Funds: Overall Obligations

- As of April 3, 2023, VA reported that it had obligated 95 percent of the \$386 million total VRRAP funds that may be expended under the American Rescue Plan Act of 2021, as amended by the THRIVE Act.
- VA officials said that a monthly outreach campaign and the start of the Fall 2022 term increased VRRAP enrollments in late 2022 and resulted in the program reaching 99 percent of the funding obligated at one point.
- VA's obligations assume that all active participants will complete their educational program and find related employment within 180 days.
- If all participants do not reach these milestones, VA will not spend all of the funds because it cannot use them for additional participants now that VRRAP is closed.

VRRAP Funds: Actual Expenditures

- As of March 17, 2023, VA had paid \$235.6 million through the VRRAP program—\$114.7 million in tuition and fees to schools and \$121.0 million in housing allowance to participating veterans—not counting administrative expenses.
- VA spent \$17,270 per veteran on average, including \$21,756 per veteran who found related employment and \$13,786 for those who did not complete their educational program.

Table 3: Average Per Capita Expenditures for Selected Categories of Veteran Rapid Retraining Assistance Program (VRRAP) Participants

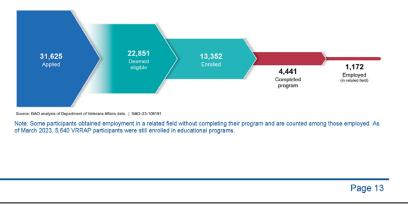
| | Average Expenditure per Non-completing VRRAP Participant | Average Expenditure per Employed VRRAP Participant | |
|--------------------------------------------|----------------------------------------------------------------------------|-------------------------------------------------------|-------|
| Tuition and Fees | \$5,916 | \$13,598 | |
| Housing Allowance | \$7,869 | \$8,158 | |
| Total | \$13,786 | \$21,756 | |
| Source: GAO analysis of Department of Vete | erans Affairs data. GAO-23-106191 | | |
| Note: The VRRAP monthly housing allowand | ce varies based on the location of the school, whether the education is or | nline, and whether the student is full time. | |
| | | Pa | ige 1 |

VRRAP Outcomes: Completion and Employment

As of March 2023:

- Completion. 33 percent of VRRAP participants (4,441 veterans) completed their educational program.
- 42 percent (5,640 veterans) were still actively enrolled in educational programs.
- Employment. 1,172 participants obtained employment in their field of study, as certified by VA.
- 26 percent of participants who completed their program found related employment, which represents VRRAP's employment rate.

Figure 5. Veteran Rapid Retraining Assistance Program (VRRAP) Process and Participation Milestones—Veterans Completed Educational Program and Obtained Employment, April 2021–March 2023

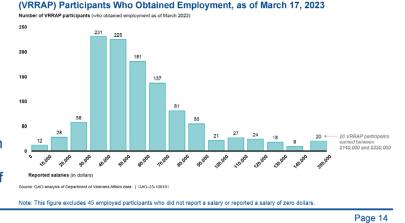


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VRRAP Outcomes: Reported Salaries

- As of March 17, 2023, VRRAP participants who obtained employment reported an average salary of \$56,126 and a median salary of \$50,000. • The median salary in the
- U.S. was about \$56,000 in the fourth quarter of 2022, according to the Bureau of Labor Statistics.

Figure 6: Reported Salaries of Veteran Rapid Retraining Assistance Program (VRRAP) Participants Who Obtained Employment, as of March 17, 2023 Number of VRRAP p as of March 2023



Reported VRRAP Experiences: Benefits

Selected VSOs and schools reported VRRAP benefits.

- **Ease of application processes.** Representatives of 5 of 9 schools said the application process for schools was easy. Respondents to a VA survey of VRRAP participants rated their satisfaction with the VRRAP application process as 3.9 on average, where 1 represents "Strongly Disagree" and 5 represents "Strongly Agree."
- Helpful resource for veterans with no other benefits. Representatives of 5 of 9 schools said that VRRAP was helpful for veterans with no other educational benefits left, and representatives of four schools stated that the program was generally good or successful.
- **Speed of training and employment**. A representative of 1 of 4 VSOs said that the speed of training and employment in VRRAP was one benefit of the program.

Reported VRRAP Experiences: Benefits

Selected VSOs and schools as well as surveyed veterans reported some positive veteran experiences.

- Success stories. Representatives of 2 of 4 VSOs and 5 of 9 schools shared examples of veterans who were able to gain employment through VRRAP.
- Moderate participant satisfaction. Among the 1,271 responses to a question about whether they would recommend their school to others, survey respondents reported a 3.4 on average, where 1 represents "Strongly Disagree" and 5 represents "Strongly Agree." VA surveyed VRRAP participants at multiple stages, and as of March 27, 2023 it had received responses to about 18 percent of the surveys (2,552 of 14,497).

VRRAP Success Stories •A representative of one selected

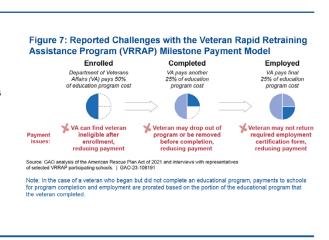
school said there were some previously homeless veterans who gained employment through VRRAP.

•A representative of one selected VSO said that the VSO worked with a VRRAP school to help a veteran gain steady employment, which helped the veteran rebuild connections with family.

GAO Reported VRRAP Experiences: Challenges with Program Structure

Selected schools and VA reported challenges with VRRAP's milestone payment model.

- Representatives of 4 of 9 schools had concerns with the dependence on student outcomes for payment under the milestone payment model. For example, representatives of three schools said that veterans may fail to find employment for reasons outside of school control.
- Representatives of 4 of 9 schools said they had no issues with the milestone payment model.
- Representatives of 3 of 9 schools reported accounting and processing issues.
- VA officials said that the milestone payment model made it difficult for public schools to participate and posed challenges for schools adapting their payment schedules.



Reported VRRAP Experiences: Challenges with Program Structure

Selected schools and a VSO reported challenges with veteran accountability.

- Representatives of 8 of 9 schools said some VRRAP students may not have been interested in finding employment or obtaining an education and instead were enrolled in VRRAP for the education experience or housing benefit, which could prevent schools from receiving full program payments.
 - However, a representative of one school added that some of those students were still successful because they became interested in the education program.
- A representative of 1 of 4 VSOs said that there may have been some veterans who only wanted to use the housing benefit.

Reported VRRAP Experiences: Challenges with Program Administration

Selected schools and VSOs reported challenges with VA's VRRAP outreach efforts.

- Outreach to Schools. Representatives of 5 of 9 schools said that they found VA outreach to schools was adequate, while representatives of two schools said that they did not receive formal notification about VRRAP. Selected schools learned about VRRAP in a variety of ways. For example, representatives of some schools said they learned about VRRAP though emails, meetings, and notifications through job centers.
- **Outreach to Veterans.** Representatives of all 4 VSOs had concerns about the sufficiency of VA's efforts to promote VRRAP to veterans.
- Outreach Timing. Representatives of 2 of 4 VSOs reported concerns related to the timing of VA's outreach. For example, a representative of one VSO said that few veterans seemed to know about VRRAP during its first year. Similarly, representatives of two schools said that outreach was slow at the beginning of the program, while a representative of another school said that not many schools knew about VRRAP at the beginning of the program.

Reported VRRAP Experiences: Challenges with Program Administration

Selected schools also reported challenges with payments.

- Employment certification challenges. Representatives of 5 of 9 schools reported challenges related to employment certification. Representatives of two schools added that they struggled to obtain the veterancompleted employment certification forms that schools must submit to receive the final 25 percent payment, one of which attributed the difficulty to veterans' lack of incentive to sign the form. VA officials said that they required veterans, rather than employers, to sign the form to avoid imposing an unnecessary burden on employers.
- Revoked Certificates of Eligibility (COEs). Representatives of 6 of 9 schools
 reported that VA revoked some students' COEs after beginning programs.
 Representatives of five schools said that, as a consequence, they were unable to
 collect payment for services already provided to those students. VA officials
 stated that they were not tracking this issue but that it was rare.
- VRRAP payment issues. VA officials said that there were frequent questions about payments from schools. Representatives of 2 of 9 schools reported difficulties verifying payment status through VA.

Example of VRRAP Payment Challenge

A representative of one selected school said that 177 of their VRRAP students had found employment but 155 had not signed and returned the employment certification form. The representative said there was no incentive for veterans to sign the form. They added that in hindsight the school would not have participated due to the payment model.

Source: GAO | GAO-23-106191

Reported VRRAP Experiences: Challenges with Program Administration

Selected VSOs reported challenges with extensive occupation and educational program lists.

- VA published a DOL list of 228 high-demand occupations and approved 1,173 schools to participate in VRRAP. These schools offered a combined 11,185 approved education programs to veterans.
 - DOL developed the list of high-demand occupations. VA officials said they did not edit the list because they would have to justify revisions.
 - VA officials said the high-demand occupation list included occupations that required education and experience that could not be obtained within the 12-month limit of VRRAP benefits.
- A representative of 1 of 4 VSOs said that the large number of options may have made it difficult for veterans to choose from among occupations and educational programs. Similarly, a representative of another VSO said that the occupation list included "unrealistic" occupations such as chief executive officer.

Reported VRRAP Experiences: Challenges with Program Administration

Selected schools and VSOs reported VA's limited assistance to veterans and schools was a challenge.

- Limited VA assistance for veterans. VA officials said that there was little to no direct assistance for VRRAPparticipating veterans beyond general hotlines for veterans, which are not specific to VRRAP, and a VRRAP-specific email address.
 - Representatives of 2 of 4 VSOs said a lack of assistance for veterans in VRRAP was a problem and that case management services could have helped veterans successfully navigate and participate in the program.
- Reliance on schools' assistance for veterans. VA officials said they were not equipped to provide direct counseling assistance to veterans and that they expected schools to help students decide on occupations and areas of study.
 - Representatives of 5 of 9 schools said that they provided guidance or counseling to VRRAP students to help them either apply to VRRAP or select appropriate educational programs.
- Limited assistance for schools. VA officials said that there was some available assistance to participating schools including general hotlines for schools and a VRRAP-specific email address. Additionally, VA published a FAQs document on its webpage for schools.
 - Representatives of 7 of 9 schools said that they lacked or needed more support, communication, or guidance from VA specific to VRRAP.

Reported VRRAP Experiences: Challenges with Program Administration

Selected schools and a VSO reported challenges with the clarity of VRRAP requirements.

- Representatives of 3 of 9 schools said that some veterans did not know that they could not enroll in more than one program.
- Representatives of 2 of 9 schools may have misunderstood the requirements they had to meet in order to receive the final 25 percent payment for a veteran's employment.
- Representatives of 1 of 4 VSOs said that program requirements needed to be clearer, and representatives of another VSO said veterans were not knowledgeable about program requirements.

Reported VRRAP Experiences: Challenges with Program Administration

- Outdated guidance on program dates. VA guidance did not reflect that the THRIVE Act made changes to VRRAP to allow VA to pay for programs that began before December 11, 2022 rather than ending all payments on that date.
 - The VRRAP website's main page was updated eight months after the change in law.
 - The VRRAP FAQs provided information on original program dates as well as updated information on program dates consistent with the amended law.
 - Representatives of 3 of 9 schools said that veterans or schools did not understand that educational programs had to begin before December 11, 2022, and one reported turning down veterans after the program's end date and cited unclear program dates.

VA's Conflicting FAQ responses (FAQs accessed March 9, 2023)

 "retraining assistance may be paid for Veteran Rapid Retraining Assistance Program (VRRAP) benefits, provided the program started prior to December 11, 2022"

"no retraining assistance may be paid after the date [December 11, 2022] that is 21 months after the date of enactment, March 11, 2021" and "VA's authority to pay VRRAP benefits ends 21 months after the date of enactment" Fourier GAO analysis of Department of Veterans Affairs information. J GAO-23-106191

We will assess VA's efforts to learn from program challenges in our follow-on work.

Next Steps

- We plan to issue a final report on VRRAP in late 2023.
- As appropriate, we may make recommendations around lessons learned to improve VA's efforts to administer similar future programs.
 - According to officials, VA does not currently have specific plans to examine lessons learned for the VRRAP program regarding any identified challenges or otherwise, or to use or share VRRAP data beyond statutory reporting requirements.
 - We plan to conduct additional lessons learned analysis as part of our followon work.
- We will send a draft of our report to VA and DOL for agency comment.
- We can provide a courtesy copy to the House and Senate Veterans' Affairs committees at that time, if desired.

Scope and Methodology

- To address our objectives, we:
 - · reviewed VA's VRRAP communication and outreach efforts;
 - analyzed VA's data on:
 - veterans who have applied to and participated in VRRAP from April 2021 through March 2023, and
 - schools;
 - · determined that these data were sufficiently reliable for the purposes of our work;
 - · interviewed VA VRRAP program staff about the program implementation; and
 - interviewed four VSOs and nine participating education program providers to learn about veteran experiences and benefits and challenges reported with VRRAP.
 - Preliminary observations from our interviews with VSOs and schools are not generalizable to all VSOs and schools that participated in VRRAP, but for context, provide important illustrative examples.

Enclosure II: Demographic Composition of Veteran Rapid Retraining Assistance Program Participants

To better understand the demographic composition of Veteran Rapid Retraining Assistance Program (VRRAP) participants, we compared VRRAP participant demographics to those of veterans potentially eligible for VRRAP (i.e., unemployed veterans ages 22 to 66).¹⁵ Our analysis indicates that there are differences between the demographic composition of VRRAP participants and that of veterans potentially eligible for VRRAP. Specifically, female, Black or African American, Asian, and 35 to 44 year-old veterans made up a larger share of VRRAP participants relative to their share of veterans potentially eligible for VRRAP. Whereas male, White, Other or Unknown race, and 22 to 34 year-old veterans, as well as veterans with serviceconnected disabilities made up a smaller share of VRRAP participants relative to their share of veterans potentially eligible for VRRAP.¹⁶ (See fig. 2.)

¹⁵We compared the demographic composition of VRRAP participants to that of an estimated population of veterans who would potentially be eligible for VRRAP using a subpopulation of unemployed veterans ages 22 to 66 from the 2021 American Community Survey (ACS). To estimate the demographic composition of veterans potentially eligible for VRRAP, we analyzed the age, race, ethnicity, disability status, and sex of a sample of unemployed veterans ages 22 to 66 from the ACS's 1-year 2021 microdata sample. We did not account for other eligibility criteria, such as receipt of certain government benefits, in estimating the demographic composition of veterans potentially eligible for VRRAP.

¹⁶By comparison, a 2020 Department of Education report found that a greater percentage of military undergraduates who received veterans' education benefits were in the 24 to 29-year-old range, were male, were White, or had a reported functional disability, while a lower percentage were below age 24 or over the age of 39, were Black, or were Hispanic, when compared to military undergraduates who did not receive veterans' education benefits. Department of Education, National Center for Education Statistics, *Veterans' Education Benefits: A Profile of Military Students Who Received Federal Veterans' Education Benefits in 2015–16*, NCES 2020-488rev (Washington, D.C.: Mar. 2020).

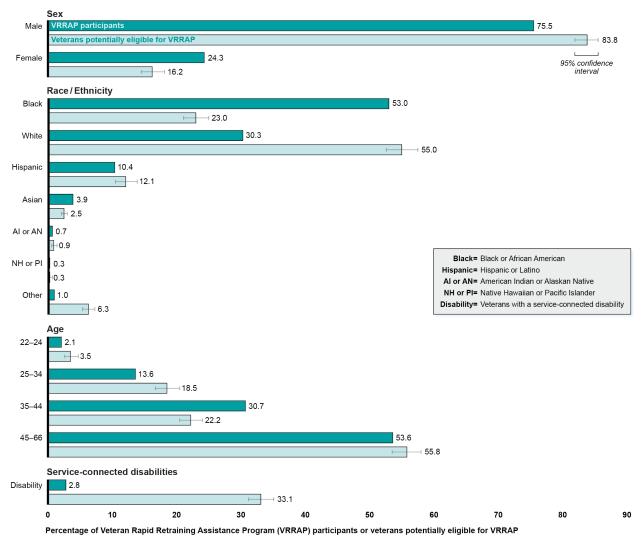


Figure 2: Demographic Composition of Veteran Rapid Retraining Assistance Program (VRRAP) Participants and Veterans Potentially Eligible for VRRAP

Source: GAO analysis of Department of Veterans Affairs and Department of Defense data as well as GAO estimates based on IPUMS 2021 American Community Survey data. | GAO-23-106191

Notes: Veterans potentially eligible for VRRAP are defined as unemployed veterans ages 22–66. We estimated the demographic makeup of veterans potentially eligible for VRRAP using a subpopulation of unemployed veterans ages 22–66 from the 2021 American Community Survey 1-year estimates. We did not account for additional eligibility criteria, such as receipt of certain government benefits, in the estimates. Participants are all veterans who enrolled in education programs through VRRAP. Race categories include non-Hispanic or Latino participants of that race; Hispanic or Latino participants can be of any race. "Other" includes veterans who are listed as "Other," "Multiple Race," or "Unknown Race" and are not Hispanic or Latino. "Asian" includes a small number of veterans listed as "Asian or Pacific Islander Unspecified" in the VRRAP participant data. The lower (22–24) and upper (45–66) age categories were represented as 18–24 and 45+, respectively, in the briefing slides (see encl. I). The demographic table in the briefing slides included six VRRAP participants whose ages fell outside of the program's age eligibility criteria as well as 25 participants whose ages were unspecified. The calculations presented in this figure do not include those data points.

Enclosure III: Comments from the Department of Veterans Affairs

DEPARTMENT OF VETERANS AFFAIRS WASHINGTON September 14, 2023 Ms. Dawn Locke Director Education, Workforce, and Income Security Issues U.S. Government Accountability Office 441 G Street, NW Washington, DC 20548 Dear Ms. Locke: The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office (GAO) draft report: VETERANS EMPLOYMENT: Identifying Lessons Learned from Rapid Retraining Program Could Benefit Future Efforts (GAO-23-106191). The enclosure contains technical comments and the action plan to implement the draft report recommendation. VA appreciates the opportunity to comment on your draft report. Sincerely, Vage J. Diadoba Tanya J. Bradsher Chief of Staff Enclosure GAO-23-106191: VA Rapid Retraining Program

Enclosure

Department of Veterans Affairs (VA) Response to the Government Accountability Office (GAO) Draft Report VETERANS EMPLOYMENT: Identifying Lessons Learned from Rapid Retraining Program Could Benefit Future Efforts (GAO 23-106191)

<u>Recommendation 1</u>: The Secretary of Veterans Affairs should ensure that the Veterans Benefits Administration's Education Service implements a lessonslearned process for VRRAP that aligns with lessons-learned key practices including analyzing, validating, and documenting lessons.

<u>VA Response</u>: Concur in principle. The Veterans Benefits Administration (VBA) will conduct lessons learned on the elements of the Veteran Rapid Retraining Assistance Program (VRAAP) that were under its control as well as review lessons learned for those elements of the program that were defined by statute and outside of Education Service's control.

Target Completion Date: TBD

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