

DOL Response to Draft Report


U.S. Department of Labor


Assistant Secretary for
Employment and Training
Washington, D.C. 20210



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MEMORANDUM FOR: ELLIOT P. LEWIS
Assistant Inspector General for Audit

FROM: PORTIA WU 
Assistant Secretary
Employment and Training Administration

TERESA W. GERTON 
Acting Assistant Secretary for Veterans' Employment and
Training Service

SUBJECT: Response to the Office of Inspector General Audit Report
No. 06-15-001-02-001—Management of DOL's Responsibilities
in the Veterans' Retraining Assistance Program Needed to be
Improved

We thank you for the opportunity to review the audit report cited above. The Department of Labor (DOL or Department) takes its responsibilities to veterans seriously and we view the Veterans Retraining Assistance Program (VRAP) as an example of our commitment to provide veterans with the workforce services and resources they need to advance in their civilian careers. We appreciate the Office of the Inspector General's (OIG) acknowledgement of DOL's efforts to implement VRAP within short timeframes and without dedicated program funding.

In the report the OIG makes the following recommendations:

OIG Recommendation 1: For any future training programs that rely on applicant self-attestations, select a sample of applicants and verify attestations.

OIG Recommendation 2: For any remaining VRAP participants outreach data reported to Congress, disclose that DOL did not verify the accuracy of this data.

OIG Recommendation 3: Require states to confirm the type of job that VRAP participant who entered employment obtained to determine if the job was related to their high-demand training.

DOL agrees with recommendation 2 and will take steps to ensure that future reports and updates to Congress will address this explicitly. DOL also generally agrees with recommendations 1 and 3 but cautions that at least three conditions must be present for implementation. First, recognizing that even the validation of a sample of applicants requires significant resources, sufficient funding to carry out these activities must be available. Second, there must be a system or process that can be applied using a reasonable level of effort to carry out applicant verifications. Third, determining whether the type of job obtained is related to the training provided requires an accessible, cost-effective source of data or sufficient funding to implement

survey work. As described in further detail below, none of these conditions are currently in place, making implementation of these recommendations impossible at this time.

Additionally, while we agree that the OIG's other conclusions are factually accurate, we are concerned that the report omits important contextual information about the limitations and obstacles encountered at the federal, state, and local levels of the public workforce system that necessitated DOL's chosen strategy for managing VRAP. We are also concerned that the OIG's interpretation of DOL's responsibilities exceeds VRAP's statutory requirements. Specific responses to the OIG's results are provided below.

OIG: DOL Relied on Participants' Self-Certification of Eligibility

Response: DOL used available VA automated data to verify age eligibility and veteran self-attestation for unemployment status and enrollment status in any federal or state job training program within 180 days prior to applying for VRAP. We assert that the approach used met the short timeframe for VRAP implementation, was resource-efficient, reliable, and reduced burden on the veteran. Relevant information was exchanged between DOL and VA through ad hoc reporting and direct staff communication.

DOL and VA collaboratively agreed to leverage VA's Veterans On-Line Application (VONAPP) system, housed on VA's e-Benefits website, for implementation of VRAP for several reasons. First, VONAPP was an available system that could be modified quickly with minimal resources or reprogramming. Second, front-line staff members that serve veterans and many veterans were already familiar with VONAPP, making it a more reliable and user-friendly approach than attempting to develop a new system. Third, the approach allowed interconnectivity to other VA data which was used to verify some eligibility requirements, including age.

DOL staff consulted across DOL agencies and with several states to identify whether any data source capable of verifying unemployment on a specific day was available. No such system was identified, and there is no central database that captured all federal, state and municipal job training program participants. Thus, self-attestation was used.

OIG: DOL did not verify the accuracy of state's outreach reports

Response: DOL followed the advice of its Solicitor's Office and created an innovative approach to ensure veterans who were in need of employment services were notified of their availability at no cost to the veteran. As part of the application process, veterans provided their email addresses so there could be electronic correspondence among each veteran, DOL and the VA. DOL utilized a dedicated e-mail account and contract support that was secured by repurposing limited available resources from other DOL projects to offer veterans employment assistance. DOL collaborated with VA and contacted VRAP participants about the availability of employment services at their local American Job Center (AJC) at three different stages: (1) upon notification of a veteran's acceptance into VRAP; (2) periodic reminders during enrollment in VRAP, including information about the expiration of benefits for the many who had not yet enrolled in training; and (3) an "Exit Email" upon termination or completion of the VRAP program. The "Exit Email" encouraged the veteran to visit an AJC to begin their career search, provided

instructions on how to find the nearest AJC, provided information on the Department's electronic career tools, and notified them of their right to priority of service in all AJCs.

In addition to this email correspondence, DOL provided states with participants' contact information as they completed or terminated VRAP. DOL issued guidance for states to disseminate the contact information to local AJCs so the veteran could be offered employment assistance in his/her local area. DOL encouraged local AJC staff to attempt contact a minimum of three times and to use multiple means of contact such as phone and email. DOL also sought and received PRA approval to collect reports on the results of this local outreach. DOL was unable to verify the state outreach reports due to a lack of available resources. All future reports and updates that include state outreach data will disclose that DOL was unable to verify the data's accuracy.

OIG: DOL reported incomplete VRAP Employment Data to Congress.

Response: OIG correctly points out that the joint VA and DOL VRAP report to Congress was due on July 1, 2014 and that it was not received by Congress until October 29, 2014. DOL also relied on pre-existing data systems due to funding limitations and legal limitations related to privacy and the use of wage records to capture re-employment data. This data collection approach limited DOL's ability to capture employment outcomes to only those VRAP participants that seek reemployment assistance from DOL funded programs. However, DOL provided Congress with frequent briefings and updates, including available data and an explanation of the data collection strategies, well in advance of the required July report date. While the VOW Act defined the VRAP program end date as March 31, 2014, the VA extended the benefit administratively until June 30, 2014, so that participants would not be forced to terminate participation during the middle of an academic semester. This administrative change resulted in a situation where the VRAP final report was expected to be provided to Congress one day after the VRAP program actually terminated and many participants were still in training or just beginning their job search. Congress was fully informed about the limitations of the available data collection strategies and DOL continues to provide updates on the employment status of former VRAP participants.

OIG also criticizes DOL's lack of information about employment related to training. DOL agrees that this information would be beneficial to have, but notes that this was not a specific data element required by the VOW Act. Further, the collection of this information cannot be automated using current systems and would require extensive resources to pursue surveys or in-person follow-up to collect this information. Without an influx of additional resources, this data collection is not currently possible.

Again, we appreciate this opportunity to respond to the audit report. If you have additional questions, please contact Diane Easterling, OIG Liaison for the Employment and Training Administration, at (202) 693-2625 or Gordon Burke, OIG Liaison for Veterans Employment and Training Service at (202) 693-4700.