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ABSTRACT

A review was conducted of the employment and followup services provided to veterans who complete the Veterans Administration's (VA) vocational rehabilitation program. Eight of the VA's 58 regional offices were reviewed and the case files of veterans who completed vocational rehabilitation training in April, May, and June 1982 were examined. Review objectives were to determine the employment status of veterans who had completed training under the program and whether their jobs were in fields related to training, the type of employment assistance the VA provided, and the extent of the VA's followup to determine the veterans' employment status. Of the 208 veterans who completed vocational rehabilitation training, 102 were employed, 76 of them in fields related to their training, and 47 were unemployed; relevant information was lacking for the remaining 59. All eight regional offices provided indirect employment services to rehabilitated veterans. However, seven of them did not provide direct placement services to those who encountered difficulties finding employment. In some cases, the regional offices did not prepare required individualized employment assistance plans. The regional offices had not adequately performed required preemployment or postemployment followup. Deficiencies in the VA's automated management information system still existed. (Appendixes provide a full description of the scope, methodology, and detailed findings of the study and an analysis in tabular form of characteristics of veterans whose case files were reviewed.) (YLB)

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ED244162

BY THE U.S. GENERAL ACCOUNTING OFFICE

# Report To The Chairman Committee On Veterans' Affairs House Of Representatives

## VA Can Provide More Employment Assistance To Veterans Who Complete Its Vocational Rehabilitation Program

The Veterans' Rehabilitation and Education Amendments of 1980 require the Veterans Administration (VA) to provide all services and assistance necessary to enable service-disabled veterans in its vocational rehabilitation program to obtain and maintain suitable employment. GAO found that VA regional offices did not offer rehabilitated veterans all the employment services to which they are entitled under VA procedures.

In seven of the eight regions GAO reviewed, the regions did not provide required direct placement services to veterans encountering difficulty obtaining suitable employment. For some veterans VA did not prepare required individualized employment assistance plans. Further, VA did not always make followup inquiries to determine whether rehabilitated veterans had obtained suitable employment or satisfactorily adjusted to their employment and to identify those who may have needed further assistance. In half of the veteran case files GAO reviewed, either the rehabilitated veterans were unemployed or their employment status was unknown. Several factors that contributed to the limited provision of employment and followup services are discussed in the report.

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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

HUMAN RESOURCES  
DIVISION

B-215006

The Honorable G. V. Montgomery  
Chairman, Committee on  
Veterans' Affairs  
House of Representatives

Dear Mr. Chairman:

On October 27, 1982, you requested us to develop information on federal programs providing employment and training services to veterans and to identify areas warranting additional work. In later meetings with your office, we discussed the preliminary information gathered on such programs. At our May 18, 1983, meeting, we agreed to focus our future efforts on making a review of the employment and followup services provided to veterans who complete the Veterans Administration's (VA's) vocational rehabilitation program.

The Veterans' Rehabilitation and Education Amendments of 1980 (Public Law 96-466) amended VA's vocational rehabilitation program, which was established in 1943 by Public Law 78-16. Title I of Public Law 96-466 expanded the program's purpose to provide for all services and assistance necessary to enable service-disabled veterans to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment.

As agreed with your office, we made our review at 8 of VA's 58 regional offices and examined the case files of veterans who completed vocational rehabilitation training in April, May, and June 1982. Our review was directed at determining (1) the employment status of veterans who had completed training and, if they were employed, whether their jobs were in fields related to their training; (2) the type of employment assistance VA provided; and (3) the extent of VA's followup to determine the veterans' employment status.

The Department of Veterans Benefits' Vocational Rehabilitation and Counseling Service in VA's central office is responsible for developing national policies and procedures for the vocational rehabilitation program as well as for overall program administration. VA regional offices are responsible for the delivery of services to disabled veterans and the program's day-to-day operations.

Most of the provisions of Public Law 96-466 that significantly altered the program's purpose and operations, including those dealing with employment assistance, became effective on April 1, 1981. To implement these program changes, VA's central office developed a series of comprehensive instructions on the law's provisions affecting the direct delivery of services. These instructions detailed both policies and procedures for the VA regional staff to follow in administering the provisions. We refer to these instructions in this report as VA procedures.

VA procedures require the regional staff to provide veterans a range of employment services, including (1) preparing individualized employment assistance plans for program participants at least 60 days before completion of training, (2) following up with rehabilitated veterans to determine their employment status and employment assistance needs, and (3) providing direct or indirect employment assistance depending on the veterans' needs.

The scope and methodology of our review and our findings are detailed in appendix I. Appendix II provides pertinent characteristics of the veterans whose case files we reviewed. In summary, we found that:

--During April, May, and June 1982, 208 veterans completed vocational rehabilitation training in the eight regions reviewed. VA's latest contact with the veterans, which occurred anywhere from April 1982 to August 1983, showed that 102 (49 percent) were employed and 47 (23 percent) were unemployed. The case files did not show whether the remaining 59 veterans (28 percent) had obtained employment. Of the employed veterans, 76 (74 percent) were working in fields related to their training.

--All eight regional offices provided indirect employment services to rehabilitated veterans, such as assistance with resume preparation and referral to other agencies or offices that provide employment services. However, seven of the offices did not provide required direct placement

services to rehabilitated veterans who encountered difficulty finding suitable employment. Also, in some cases (78 of 208) the regional offices did not prepare required individualized employment assistance plans (IEAPs). Further, when prepared, some IEAPs lacked essential data required by VA procedures, such as the employment services to be provided, job search techniques to be undertaken, or a systematic plan for VA followup. Our analysis showed that 55 percent of those veterans with IEAPs (72 of 130) were employed, whereas 38 percent of those without IEAPs (30 of 78) were employed. Because regional offices generally did not provide direct placement services and prepare IEAPs on all veterans, some rehabilitated veterans may not have received all the employment services to which they were entitled.

- The regional offices had not adequately performed required preemployment followup to assist, encourage, and support job search activities or postemployment followup to assure satisfactory adjustment to and suitability of employment. In 103 (50 percent) of the 208 cases reviewed, the offices did not meet VA's minimum criteria of two followup contact attempts. The lack of adequate followup hindered the regions' ability to identify veterans who were unable to obtain suitable employment or to satisfactorily adjust to their jobs and who may have needed further assistance.
- VA central office onsite reviews of regional program operations at two of the regional offices did not address employment assistance and followup services. Also, reviews at two other regional offices identified employment assistance and followup problems. Both regions agreed with the central office recommendations to correct the problems and indicated that corrective action would be taken. However, problems in these areas still existed when we visited about 2 years later.
- Deficiencies in VA's automated management information system, which we previously brought to VA's attention, still existed at the time of our review. In February 1980, we reported that because the system contained inaccurate and inadequate data, it did not provide an adequate basis for monitoring and managing the vocational rehabilitation program. Problems in VA's information system were also reported in a 1982 independent research organization's report on employment services available to disabled veterans. In October 1983 VA initiated action

to improve the collecting and reporting of information on the vocational rehabilitation program, through the use of its TARGET system.) According to VA officials, this advanced online computer system should give management better information on which to manage the program and evaluate its effectiveness.

FACTORS THAT CONTRIBUTED TO THE LIMITED PROVISION OF EMPLOYMENT SERVICES

The following factors contributed to the inadequacy of VA's employment assistance and followup services:

- Officials at some regional offices told us they gave employment services a low priority, providing them on a time-available basis.
- Some regional office officials claimed that inadequate staff resources and the lack of adequate staff training in providing employment services, particularly direct placement services, hampered their ability to provide these services.
- Some regional officials contended that Disabled Veterans Outreach Program specialists, who are state employees hired to work in local employment service offices and at some VA facilities, generally have been ineffective in developing suitable jobs for rehabilitated veterans because they lack the necessary skills and training.
- VA central office onsite reviews of regional program operations did not always address employment services, and when these services were addressed and deficiencies identified, the central office did not effectively follow up to determine if corrective action was taken.
- VA's automated management information system did not contain sufficient and reliable data on the program to assist program managers in identifying potential employment service problems.

CONCLUSIONS

Our analysis of available data showed that the regional offices had not provided to rehabilitated veterans all the employment assistance and followup services required by VA procedures. Consequently, many veterans may not have been furnished

all the employment services to which they were entitled to help them obtain and maintain suitable employment--the program's goal.

We recognize that several factors unrelated to VA's services can contribute to the number of veterans who are unemployed or whose employment status is unknown, such as a worsening of a veteran's disability or general health, lack of suitable jobs, lack of work experience, and lack of veteran cooperation. Nevertheless, we believe that VA regions should improve the extent to which they provide employment assistance and followup services to rehabilitated veterans.

We also realize that our review at 8 VA regional offices represents a small portion of the 58 total offices. However, the conditions we found in the offices visited and the reasons cited by program officials for not always providing required employment services to rehabilitated veterans seem to be the type that could also exist in other VA offices. If this is the case, the Administrator of Veterans Affairs may be faced with a dilemma. While VA procedures seem to set out a reasonable approach for providing employment services to rehabilitated veterans to help them obtain and maintain suitable employment, the regional staff may perceive other aspects of the vocational rehabilitation program as having a higher priority on their resources. Thus, the Administrator is faced with deciding how to ensure that employment services are provided as required while ensuring that the other aspects of the program continue to receive the attention they require. We therefore asked the Administrator for his views on what actions VA might take to address the reasons cited by regional officials that precluded them from always providing required employment services.

#### AGENCY COMMENTS

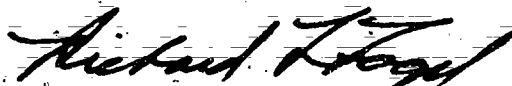
In commenting on a draft of this report, VA said our findings were not surprising since they deal with the regional staffs' initial attempts to provide employment assistance services. Developing and refining service delivery in this critical element of the vocational rehabilitation program, according to VA, has taken considerably more time than anticipated. VA cited actions already taken which it says have resulted in substantial improvements in service delivery. Also, VA said it will continue to take all necessary steps to assure that improved comprehensive employment assistance services are provided to veterans who complete the program. VA's complete comments are included as appendix III.



B-215006

As arranged with your office, we are sending copies of this report to the Administrator of Veterans Affairs and other interested parties. Copies will also be made available to others upon request.

Sincerely yours,



Richard L. Fogel  
Director

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ABBREVIATIONS

AMIS	automated management information system
DVOP	Disabled Veteran Outreach Program
GAO	General Accounting Office
IEAP	individualized employment assistance plan
VA	Veterans Administration
VR&C	Vocational Rehabilitation and Counseling
VRS	vocational rehabilitation specialist

VA CAN PROVIDE MORE EMPLOYMENT  
ASSISTANCE TO VETERANS WHO COMPLETE ITS  
VOCATIONAL REHABILITATION PROGRAM

INTRODUCTION

On October 27, 1982, the Chairman, House Committee on Veterans' Affairs, requested that we develop information on federal programs providing employment and training services to veterans and that we identify areas warranting additional work. In later meetings with his office, we discussed the preliminary information gathered on such programs. At our May 18, 1983, meeting, we agreed to focus our future efforts on making a review of the employment and followup services provided disabled veterans who complete the Veterans Administration's (VA's) vocational rehabilitation program.

Background

VA's vocational rehabilitation program was established in 1943 by Public Law 78-16. Before October 1980, the program's purpose was to restore a veteran's employability lost through a service-connected disability. On October 17, 1980, the Veterans' Rehabilitation and Education Amendments of 1980 (Public Law 96-466) were enacted. Title I of this law expanded the program's purpose to provide for all services and assistance necessary to enable service-disabled veterans to achieve maximum independence in daily living and, to the maximum extent feasible, to become employable and to obtain and maintain suitable employment. Accordingly, the program's scope now includes placement and postplacement employment services.

Most of the provisions of Public Law 96-466 that significantly altered the program's purpose and operation, including those dealing with employment assistance, became effective on April 1, 1981. To implement these program changes, VA developed a series of comprehensive instructions on the law's provisions affecting direct delivery of services. These instructions detailed both policies and procedures for regional staff to follow in administering the provisions. Most of the instructions were issued on April 7, 1981. However, the instructions dealing with employment services were not issued until December 30, 1981. We refer to these instructions in the report as VA procedures.

When Public Law 96-466 was enacted, VA decided to replace the existing series of program regulations with a new, reorganized set of regulations. The proposed regulations were published in the Federal Register in five parts on the following dates: April 29 and September 15, 1982; and May 10, September 15, and October 3, 1983. The final part included policy for providing employment services. According to VA, final regulations combining all five parts are expected to be issued by August 1984.

Public Law 96-466 authorizes a range of direct and indirect services and assistance to help veterans obtain employment. VA procedures state that such services are not considered completed until followup over a reasonable period of time reveals that all necessary employment services were provided, that the employment is suitable, that the veteran and employer are satisfied, and that the veteran is expected to have some job permanency.

#### Program administration and operation

The Department of Veterans Benefits' Vocational Rehabilitation and Counseling Service in VA's central office is responsible for developing policies and procedures for the vocational rehabilitation program as well as for overall program administration. The 58 VA regional offices are responsible for the delivery of services to disabled veterans and the program's day-to-day operations. In each region the Vocational Rehabilitation and Counseling (VR&C) Division is responsible for determining whether a veteran needs training and, if so, developing and implementing a rehabilitation plan and providing services needed to help the veteran restore his or her employability and obtain suitable employment.

The VR&C Division is comprised of counseling psychologists, vocational rehabilitation specialists (VRSs), and clerical (technical support) personnel. Counseling psychologists provide an initial evaluation through which program eligibility and entitlement are determined and information needed for program planning is developed. If the veteran is determined eligible for training, the counseling psychologist, the VRS, and the veteran then collaboratively prepare a specific rehabilitation plan. The VRS is responsible for implementing the plan, including provisions dealing with employment services and follow-up.

Generally, vocational rehabilitation must be accomplished within a basic 12-year period of eligibility beginning with the

veteran's date of discharge. To receive vocational rehabilitation training, a veteran must meet certain basic entitlement requirements. The veteran must (1) have been discharged or separated from the service under other than dishonorable conditions, (2) have a compensable service-connected disability incurred on or after September 16, 1940, and (3) need training as determined by VA to overcome an employment handicap<sup>1</sup> materially caused by the disability. Veterans can receive various services, including education and vocational training, counseling, tutorial assistance, medical treatment, employment and job adjustment assistance, and other incidental services.

Normally, a veteran may receive up to 48 months of education and training to restore lost employability. Veterans can receive training at any VA-approved school or college, receive on-the-job training, receive institutional on-farm training, or choose any combination of these. VA pays service providers directly for tuition, fees, books, supplies, and equipment. In addition, veterans receive a monthly subsistence allowance during training. This allowance varies depending upon the type of training the veteran is pursuing and the number of dependents he or she has. For example, monthly allowances for veterans training full time in an educational institution range from \$282 for a single veteran to \$411 for a veteran with two dependents, plus \$30 for each additional dependent. Veterans also receive an additional 2-month employment adjustment allowance after completing training to help cover preemployment expenses.

Program costs and the number of participants for fiscal years 1979-84 are shown below.

<u>Fiscal year</u>	<u>Number</u>	<u>Cost</u> (millions)
1979	29,470	\$ 96.4
1980	28,666	88.0
1981	29,818	113.9
1982	30,919	116.2
1983	30,574	117.6
1984 (est.)	32,500	130.9

<sup>1</sup>The term "employment handicap" refers to an impairment of a veteran's ability to prepare for, obtain, or retain employment consistent with his or her abilities, aptitudes, and interest.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our review objectives were to determine (1) the employment status of veterans who had completed training under the program and, if they were employed, whether their jobs were in fields related to their training; (2) the type of employment assistance VA provided; and (3) the extent of VA's followup to determine the veterans' employment status. Our review was limited to these aspects of the program.

We selected 8 of the 58 VA regional offices (Los Angeles and San Diego, California; Denver, Colorado; St. Petersburg, Florida; Boston, Massachusetts; New York, New York; Providence, Rhode Island; and Houston, Texas) for review. These offices were judgmentally selected to provide some geographic dispersion and to include both small and large offices in terms of the number of program participants. The information obtained represents only these locations and cannot be projected.

We visited the eight VA regional offices between April and August 1983 and reviewed the case files of 208 veterans<sup>2</sup> who had completed training in April, May, and June 1982. We selected this period because it (1) generally provided us with the largest number of participants completing training in a single quarter in 1982 and (2) allowed VA sufficient time to implement changes following the enactment of Public Law 96-466. The 208 cases represent about 30 percent of those veterans completing training in these regional offices during 1982.

We examined program policies and procedures and reviewed pertinent records and reports at VA's central office in Washington, D.C., and at the regional offices visited. We also reviewed Public Law 96-466, VA's proposed implementing regulations, and an independent Department of Labor-funded study on employment services available to disabled veterans. Further, we interviewed program officials at each location visited.

From our review of the case files and discussions with program officials, we obtained information addressing each of our review objectives. We also collected from the files characteristics on the veteran, such as sex, age, disability rating, and

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<sup>2</sup>Additional veterans were reported by the regions as having completed training during this quarter. However, some case files were not available for review, and some veterans who were reported as having completed training in this quarter had actually completed training in the prior quarter.

whether he or she was a Vietnam-era veteran. Appendix II presents these and other characteristics on the veterans whose case files we reviewed.

We did not review the type or extent of employment services provided rehabilitated veterans<sup>3</sup> by school placement and state employment offices. Nor did we attempt to ascertain the employment status of veterans through direct contact; instead, we relied on VA case file documentation.

Our review was performed in accordance with generally accepted government auditing standards.

#### EMPLOYMENT STATUS OF REHABILITATED VETERANS

During April, May, and June 1982, 208 veterans completed vocational rehabilitation training in the eight regions reviewed. VA's latest contact with the veterans, which occurred anywhere from April 1982 to August 1983, showed that 102 veterans (49 percent) were employed and 47 (23 percent) were unemployed. The case files did not show whether the other 59 (28 percent) had obtained employment. Of those employed, 76 (74 percent) were, in our opinion, in fields related to their training (see app. II, table 1, for a breakdown by region).

The following table shows the veterans' employment status as of the last VA followup contact attempt.

<u>Location</u>	<u>Employed</u>		<u>Not employed</u>		<u>Status unknown</u>		<u>Total number</u>
	<u>Num-ber</u>	<u>Per-cent</u>	<u>Num-ber</u>	<u>Per-cent</u>	<u>Num-ber</u>	<u>Per-cent</u>	
Denver	8	21	8	21	22	58	38
Boston	5	33	-	-	10	67	15
St. Petersburg	19	44	16	37	8	19	43
New York	7	50	6	43	1	7	14
San Diego	22	61	8	22	6	17	36
Houston	18	64	6	22	4	14	28
Providence	6	67	1	11	2	22	9
Los Angeles	17	68	2	8	6	24	25
<b>Total</b>	<b>102</b>	<b>49</b>	<b>47</b>	<b>23</b>	<b>59</b>	<b>28</b>	<b>208</b>

<sup>3</sup>The term "rehabilitated veteran," as used in this report, refers to a veteran who has successfully completed the vocational rehabilitation program.

As shown, the percentage of employed veterans, unemployed veterans, and veterans with an unknown employment status varied considerably among the eight regions. For instance, the Providence, Los Angeles, San Diego, and Houston regions had employment rates over 60 percent. Conversely, the Boston and Denver regions had employment rates of 33 percent and 21 percent, respectively. These employment rates were low because the employment status of many veterans was unknown (67 percent and 58 percent, respectively) because of inadequate VA followup. The percentage of veterans identified as unemployed ranged from 8 percent in the Los Angeles region to 43 percent in the New York region.

We recognize that several factors unrelated to VA's services can contribute to the number of veterans who are unemployed or whose unemployment status is unknown. According to program officials, for example, some veterans are not employed because of

- a lack of available jobs in their field,
- a worsening of their disability or general health,
- a lack of work experience, and
- financial disincentives or a lack of desire to work.

In addition, a veteran's employment status can be unknown because of the veteran's transient nature or failure to cooperate with VA followup efforts. For example, in June 1982 a 20-percent disabled veteran completed a locksmith training program. The veteran told VA that his school placement office would help him in finding a job, but that he needed tools to obtain employment. In late June 1982, VA purchased \$635 worth of tools for him. In July 1982, VA learned that he had not yet contacted his school for employment assistance. Three attempts to contact the veteran failed--one by VA in August 1982, one by his school placement office in November 1982, and another by VA in July 1983.

VA EMPLOYMENT ASSISTANCE AND  
FOLLOWUP NEED IMPROVEMENT

Although all eight regional offices provided indirect employment assistance geared to the veterans' needs, only one office provided required direct placement services to rehabilitated veterans encountering difficulty finding suitable employment. Also, the offices in some cases did not prepare required



individualized employment assistance plans (IEAPs), and when they were prepared, some lacked essential data. Further, the offices had not adequately performed required preemployment and postemployment followup with rehabilitated veterans to determine their employment status and employment assistance needs. As a result, many rehabilitated veterans may not have received all the employment services to which they were entitled to help them obtain and maintain suitable employment--the program's goal.

Regions provided indirect employment assistance

VRSS are responsible for providing employment assistance to rehabilitated veterans. VA regional officials said that the type and extent of employment assistance required depends on the veteran's needs. In all regions, VRSS provided indirect employment assistance, which consisted primarily of (1) referrals to school placement offices, (2) referrals to other state and federal agencies that provide employment services, and (3) assistance with preparing resumes and job applications.

According to VA regional officials, the best source of employment assistance for rehabilitated veterans is the placement office of the institution where the veteran received training. They said many veterans are able to secure employment through these offices or through their own efforts and, thus, do not require VA assistance to obtain employment. San Diego VR&C officials estimated that 50 percent of the rehabilitated veterans in their region find jobs on their own.

In addition to school placement offices, VRSS in each region used the services of Disabled Veterans Outreach Program (DVOP) specialists to provide employment assistance to rehabilitated veterans. DVOP, a Department of Labor-funded program, was established to provide outreach and intensive job development and placement services to disabled, Vietnam-era, and other veterans. VRSS refer rehabilitated veterans to DVOP specialists, who are state employees hired to work in local employment service offices and at some VA facilities. DVOP specialists' responsibilities include developing networks of employer contacts and working with community groups and veteran organizations to develop job opportunities for disabled veterans in both the public and private sectors.

VA regional officials had mixed views about the effectiveness of DVOP specialists. In six of the eight regions, VR&C officials told us that DVOP specialists generally have been

ineffective in developing suitable jobs for rehabilitated veterans. Some of these officials said that the specialists lack the skills and training necessary to be effective employment specialists. Conversely, San Diego and Denver VR&C officials said that the specialists are helpful in providing employment assistance to rehabilitated veterans. For example, in San Diego, employer outreach efforts performed by VRs and DVOP specialists, who are colocated, have resulted in a number of rehabilitated veterans being placed with Navy, Marine, and Air Force installations in the area.

Most regions were not providing direct placement services

VA procedures require that direct placement services be provided to rehabilitated veterans when such services appear necessary to effect suitable employment. The San Diego regional staff has been successful in providing direct placement services to unemployed rehabilitated veterans. As mentioned, the San Diego VR&C staff worked effectively with state DVOP specialists to help rehabilitated veterans obtain jobs. In the other seven regional offices visited, direct placement services were not provided to veterans whose case files we reviewed. VA procedures require such services when job placement difficulties are anticipated or later when followup shows

- the veteran diligently followed the job search procedures outlined in the IEAP for 90 days, but failed to find employment;
- the veteran encountered resistance from a prospective employer although he or she was well qualified for the job in question; or
- the veteran encountered depressed labor market conditions which created an unusual shortage of available jobs in the field for which he or she was qualified.

Direct placement services include employer outreach, job development, and job placement. The following are examples of veterans rehabilitated during our sample quarter who did not receive such services:

- A 10-percent disabled veteran graduated on June 2, 1982, with a bachelor's degree in business management. As of March 22, 1983, he was unemployed. Because depressed labor market conditions had created a job shortage, the veteran sought VA employment assistance in October 1982

and again in March 1983. There was evidence in his case file that the VRS reviewed his resume, but no evidence of direct placement assistance.

--A 20-percent disabled veteran graduated in May 1982, with an associate's degree in electronics. As of VA's last contact, on September 19, 1982, he was unemployed. The veteran was actively following the job search procedures outlined in his IEAP, and VA was aware that he was encountering difficulties in obtaining employment, but there was no evidence in his case file that VA provided direct placement assistance. Eventually he reentered training under the GI Bill.

Most VA regional officials told us they have neither the time, the resources, nor adequate training and experience to provide direct placement services. Because such services were not being provided in seven of the regions in 1982, some unemployed rehabilitated veterans did not receive the assistance that might have helped them to obtain suitable employment. Denver regional officials told us that in February 1983 they hired a VRS who will devote full time to providing employment assistance, including direct placement services.

#### IEAPs were not prepared in some cases

VA procedures require that an IEAP be prepared for each program participant at least 60 days before completion of training. An IEAP should outline the employment objective, the specific employment services to be provided, the job search techniques to be undertaken, and a systematic plan for VA followup. As shown in the following table, an IEAP was prepared for about 63 percent of the 208 veterans whose case files we reviewed, although in a few regions--Denver, Boston, and St. Petersburg--53 to 76 percent of the files we looked at showed no evidence that an IEAP had been prepared.

<u>Location</u>	<u>Prepared</u>		<u>Not prepared</u>		<u>Total</u>
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>	
Denver	9	24	29	76	38
Boston	5	33	10	67	15
St. Petersburg	20	47	23	53	43
New York	9	64	5	36	14
Los Angeles	21	84	4	16	25
Providence	8	89	1	11	9
San Diego	32	89	4	11	36
Houston	26	93	2	7	28
<u>Total</u>	<u>130</u>	<u>63</u>	<u>78</u>	<u>37</u>	<u>208</u>

Our analysis showed that veterans with IEAPs had a higher employment rate than veterans without them. Fifty-five percent of those veterans with IEAPs (72 of 130) were employed, whereas 38 percent of those without IEAPs (30 of 78) were employed.

As shown in the following examples, however, some IEAPs lacked essential data required by VA procedures, such as specific employment services to be provided, job search techniques to be used, or a systematic plan for VA followup.

--An IEAP was prepared for an 80-percent disabled veteran who graduated with a bachelor's degree in sociology. The veteran's employment status was unknown. The IEAP did not identify specific employment services to be provided and job search techniques to be used.

--An IEAP was prepared for a 20-percent disabled veteran who completed a training course in offset printing. The veteran's employment status was unknown. The IEAP did not contain a systematic plan for followup.

Some regional office officials told us that because of the lack of resources and the low priority given employment assistance services, IEAPs were not prepared for all veterans or were sometimes prepared in a perfunctory manner. When an IEAP is not prepared or is inadequately prepared, a critical element of the employment assistance process is absent. This could lessen a veteran's chances of obtaining suitable employment.

#### Regions were often not performing required followup on veterans

The regions had not adequately performed required preemployment and postemployment followup with rehabilitated

veterans. In 103 (50 percent) of the 208 cases we reviewed, the number of followup contacts attempted did not meet VA's minimum criterion. VR&C officials cited inadequate staff resources and a lack of veteran cooperation as factors contributing to inadequate followup.

The VRS, by providing followup services, helps veterans obtain and maintain suitable employment. Preemployment followup contacts--a basic element of the veteran's IEAP--are designed to assist, support, and encourage job search activities. Postemployment followup contacts are to be made at 1- and 3-month intervals after the veteran is employed to document and assure satisfactory adjustment to and suitability of the veteran's employment. Services should be continued, as necessary, until VA determines that the veteran's employment is suitable.

According to the VA central office, a VRS should make at least two followup contact attempts with each rehabilitated veteran--as many preemployment contacts as necessary to help a veteran with his or her job search and at least two postemployment contacts. However, as shown in the following table, the regions attempted fewer than two followup contacts in 103 (50 percent) of 208 cases reviewed. Noncompliance was particularly high in the Boston, Providence, and New York regions, where fewer than two such contacts were attempted in 32 of 38 (84 percent) cases we reviewed.

<u>Location</u>	<u>Number of followup contacts attempted for each case<sup>a</sup></u>							<u>Total</u>
	<u>0</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	
Los Angeles	1	4	13	5	-	-	2	25
Providence	2	5	1	1	-	-	-	9
Boston	8	7	-	-	-	-	-	15
New York	2	8	-	-	2	2	-	14
Denver	13	9	6	8	2	-	-	38
Houston	8	9	8	2	-	1	-	28
San Diego	-	9	17	6	4	-	-	36
St. Petersburg	7	11	14	8	3	-	-	43
<b>Total</b>	<b>41</b>	<b>62</b>	<b>59</b>	<b>30</b>	<b>11</b>	<b>3</b>	<b>2</b>	<b>208</b>
<b>Percent of total</b>	<b>20</b>	<b>30</b>	<b>28</b>	<b>14</b>	<b>5</b>	<b>2</b>	<b>1</b>	

<sup>a</sup>The regions were given credit for a contact attempt even when the veteran initiated the contact rather than the VRS.

The case files of the 103 veterans with whom fewer than two followup contacts were attempted showed that 48 (47 percent) were employed, 17 (16 percent) were unemployed, and the employment status of 38 (37 percent) was unknown.

We have brought followup problems to VA's attention in the past. In February 1980, we reported that VA was not making the required followup contacts to determine the employment status of rehabilitated veterans.<sup>4</sup> At that time, VA procedures required followup contacts to be made 1 month and 6 months after the veteran completed training. Specifically, we found:

- No documented evidence that VA had contacted any of the rehabilitated veterans in our sample regarding their employment status 1 month after they completed training.
- That only 30 percent of the veterans who completed training received 6-month followup letters from VA to see if they were still employed or in need of assistance. Although some of the veterans who responded indicated they needed further assistance, there was no record in the files that VA provided it.

Further, in July 1979 VA's Office of Planning and Program Evaluation completed a study entitled Vocational Rehabilitation: A Program Evaluation. This study found that VA regulations on followup contacts were often not being implemented. The degree to which followup contact was pursued seemed to depend on the personal inclination and industriousness of the VR&C staff and the severity of the veteran's disability. Thus, followup varied considerably from location to location. We found this to be a generally accurate summary of the services provided to the veterans covered in our current review.

Some VA regional officials cited inadequate staff resources as the major reason for inadequate followup. Another reason cited was the lack of veteran cooperation with VRS followup efforts. For example, veterans often failed to (1) respond to followup inquiries, (2) provide new addresses and phone numbers,

<sup>4</sup>New Legislation and Stronger Program Management Needed to Improve Effectiveness of VA's Vocational Rehabilitation Program, HRD-80-47, February 26, 1980.

and (3) keep scheduled appointments. In addition, some regional offices, because they placed more emphasis on the training component, gave employment assistance and followup a low priority and provided such services on a time-available basis. Because of the lack of adequate followup, the regions could not identify veterans who were unable to obtain suitable employment or to satisfactorily adjust to their jobs and who may have needed further assistance.

As mentioned, inadequate staff resources were also a reason cited by regional officials for not providing direct placement services and preparing IEAPs on all veterans. The Director of VA's Vocational Rehabilitation and Counseling Service told us that he has not requested and does not intend to request additional staff resources to provide specific employment assistance and followup services. He believed that some regions needed to provide additional staff training or to reorder their staff priorities to assure that these services are provided.

VA CENTRAL OFFICE REVIEWS OF PROGRAM  
OPERATIONS COULD BE IMPROVED

VA requires its Vocational Rehabilitation and Counseling Service staff in the central office to make onsite reviews at regional offices about every 18 months. Their purpose is to review, evaluate, and make recommendations to improve regional VR&C operations. Between June 1981 and September 1983 (when we completed our fieldwork), VA's central office completed eight reviews in seven of the regions we visited. No onsite review was made at the Houston regional office during this period.

These onsite reviews of VR&C operations did not address employment assistance and followup services provided by some regions, or when these services were addressed and deficiencies identified, the central office did not effectively follow up to determine if corrective action was taken.

After each onsite review, a staff visit report is prepared and a copy sent to the regional office director by the appropriate VA region field director.<sup>5</sup> The regional office must then submit to the field director (1) its comments and a statement of action to be taken on each report recommendation within 30 days from the date the report is received and (2) a status report on the actions taken in 90 days. When received, the responses are provided to the Vocational Rehabilitation and Counseling Service.

The central office made onsite reviews at the St. Petersburg and Boston regional offices in June and July 1981, respectively. These reviews pointed out problems with employment assistance and followup. VR&C officials in both regions agreed with the central office recommendations to correct the problems and indicated that corrective action would be taken. As mentioned, however, problems in these areas, such as preparation of IEAPs and followup on veterans completing the program, still existed when we visited about 2 years later.

The central office made onsite reviews at the New York and Denver offices in September 1982 and March 1983, respectively. Neither report addressed employment assistance or followup activities. Our review, however, showed that employment assistance and followup problems existed in these offices.

Two reviews were performed at the Los Angeles regional office, one in June 1982 and another in June 1983. Both reported employment assistance problems. For example, the 1983 report stated that in the first 7 months of fiscal year 1983, 62 veterans completed training, but only 13 were confirmed as suitably employed. The report also stated that a number of IEAPs reviewed lacked information on the specific employment services to be provided and approaches to be taken. The report recommended, among other things, that a concerted effort be made to increase the effectiveness and success of employment assistance by

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<sup>5</sup>Under the vocational rehabilitation program, the VA region field directors, not the Vocational Rehabilitation and Counseling Service, have line authority over the VR&C Divisions in the regional offices. Each of the three regions--Eastern, Central, and Western--has a field director. These directors, like the Service, are under the Department of Veterans Benefits in VA's central office.



- developing more comprehensive IEAPs;
- fully using the state employment service, including DVOP representatives on station;
- providing special training for VR&C staff members in job placement skills; and
- developing other innovative and creative approaches needed to accomplish the task.

The central office made onsite visits at the Providence and San Diego regional offices in June 1983. The reports on these reviews pointed out problems similar to those we noted. For example, the Providence report stated that VR&C involvement in the IEAP was sometimes relegated to acting as a referral agent to outside community services without maintaining adequate followup contact and assistance.

We asked the Assistant Director for Operations and Program Coordination, Vocational Rehabilitation and Counseling Service, why some onsite reviews did not address employment assistance and followup. He said the reviews address only those areas of regional VR&C operations that the central office believes warrant attention. These areas are identified through past experience, previous review of case files, complaints, etc. We also questioned the assistant director as well as the Eastern Region field director about their followup procedures. Both officials said that they had no systematic mechanism for periodically following up on central office onsite review recommendations to determine if corrective action has been taken. However, in commenting on a draft of this report, VA said, and we confirmed, that followup procedures have now been established.

VA HAS INITIATED ACTION TO OBTAIN ADDITIONAL  
EMPLOYMENT DATA NEEDED TO BETTER MANAGE  
THE VOCATIONAL REHABILITATION PROGRAM

Previous reports by us and an independent research organization<sup>6</sup> pointed out deficiencies in VA's automated management information system (AMIS) which hampered VA's ability to evaluate the effectiveness of its vocational rehabilitation program. At the time of our review, deficiencies still existed. According to VA central office officials, however, VA initiated action

<sup>6</sup>T. R. Wilson and Diane B. Crafts, Employment Assistance to Disabled Veterans. Human Resources Research Organization, Alexandria, VA, May 1982.

in October 1983 to improve the program's management by revising and expanding the computer data processing environment supporting the program.

In our February 1980 report we stated:

"In keeping with its management-by-function approach, VA's automated management information system focuses on accumulating and disseminating data on broad functions and processes rather than results-oriented data on specific programs. While this may be acceptable for entitlement type programs, it does not provide an adequate basis for monitoring and managing mission-oriented programs, such as the chapter 31 vocational rehabilitation program."

"In addition to the problem with AMIS discussed above, inaccurate information is being put into the system. VA officials stated that the inaccurate information exists because AMIS is highly complex and is not easily understood or accepted."

We recommended, and VA concurred, that AMIS should be revised to include routine collection and reporting of data (including posttraining employment data) needed to monitor and evaluate the program's effectiveness in achieving its objective of restoring lost employability.

VA's information system still lacked necessary information to evaluate the employment assistance provided program participants at the time of the Human Resources Research Organization's study of employment services available to disabled veterans. This study was funded by the Department of Labor. Its May 1982 report contained the following statement.

"When we spoke with VA staff members who were knowledgeable about the VA record-keeping system, we were told that the VA's current information system on vocational rehabilitation clients makes it difficult to assess the kind of placements made and whether a client has received all appropriate job placement services. We urge that the VA develop necessary information so that employment assistance can be analyzed on a regular basis and needed action taken."

At the time, of our review, deficiencies in AMIS still existed. VA officials told us that AMIS is an antiquated system which contains inaccurate information. Consequently, in January 1983 VA's central office stopped using much of the information reported by AMIS relating to the vocational rehabilitation program because it lacked reliability. According to the officials, inaccuracies in AMIS data are attributed to weaknesses in the system, the submission of incorrect data by the regions, and the regions' failure to either correct detected errors or correct them in a timely manner. These deficiencies are compounded by the fact that AMIS is not a direct, online computer system which can provide VA up-to-date information on the status of its vocational rehabilitation program.

According to VA central office officials, effective October 24, 1983, VA initiated action to collect and include in its online TARGET system<sup>7</sup> data that can be used to evaluate its vocational rehabilitation program. The system will enable program managers to track each veteran's progress through various stages of the rehabilitation process and thereby help ensure that appropriate action is taken during specific stages of the process.

Computer-generated recurring reports will be produced based on program master record data which reflect program activity. For example, reports will be produced which contain information on:

- The number of participants in different types of training by service-connected disability percentage for the current month and fiscal year to date.
- The number of veterans in categories which comprise the VRS workload and the number of applications received during the month and fiscal year.

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<sup>7</sup>As relates to VR&C activity, TARGET establishes a combined statistical and payment data base, automates regional office processing (statistical and nonpayment data), and provides input to work measurement and operating performance reports.

- The number of participants currently in each case status<sup>8</sup> and the total number in the following case statuses: extended evaluation, independent living, rehabilitated to the point of employability, and employment services.
- The average number of days a participant was in a case status which has been closed.
- The number of participants in employment services status during the reporting month and during the fiscal year. This status is comprised of the number of veterans (1) trained to the point of employability, (2) receiving employment assistance, and (3) rehabilitated and their employment confirmed after 3 months.

Although we did not evaluate the TARGET system design changes, it appears that VA's action to improve the collecting and reporting of information on its vocational rehabilitation program, through the use of the TARGET system, could give management better information on which to manage the program and evaluate its effectiveness. However, because of the problems associated with the accuracy of AMIS data, we believe it is essential that management officials ensure the reliability of information put into the TARGET system relating to the vocational rehabilitation program.

### CONCLUSIONS

Our analysis of available data showed that the regional offices had not provided to rehabilitated veterans all the employment assistance and followup services required by VA procedures. Consequently, many veterans may not have been furnished all the employment services to which they were entitled to help them obtain and maintain suitable employment--the program's goal.

We recognize that several factors unrelated to VA's services can contribute to the number of veterans who are unemployed or whose employment status is unknown, such as a worsening of a veteran's disability or general health, lack of suitable jobs, lack of work experience, and lack of veteran cooperation.

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<sup>8</sup>Each veteran's case will be assigned to a specific case status from the point of initial contact (applicant status) until all appropriate steps in the rehabilitation process have been completed (rehabilitated status).

Nevertheless, we believe that VA regions should improve the extent to which they provide employment assistance and followup services to rehabilitated veterans.

We also realize that our review at 8 VA regional offices represents a small portion of the 58 total offices. However, the conditions we found in the offices visited and the reasons cited by program officials for not always providing required employment services to rehabilitated veterans seem to be the type that could also exist in other VA offices. If this is the case, the Administrator of Veterans Affairs may be faced with a dilemma. While VA procedures seem to set out a reasonable approach for providing employment services to rehabilitated veterans to help them obtain and maintain suitable employment, the regional staff may perceive other aspects of the vocational rehabilitation program as having a higher priority on their resources. Thus, the Administrator is faced with deciding how to ensure that employment services are provided as required while ensuring that the other aspects of the program continue to receive the attention they require.

#### AGENCY COMMENTS

In commenting on a draft of this report, VA said our findings were not surprising since they deal with the regional staffs' initial attempts to provide employment assistance services. Developing and refining service delivery in this critical element of the vocational rehabilitation program, according to VA, has taken considerably more time than anticipated. VA cited actions already taken which it says have resulted in substantial improvements in service delivery. Also, VA said it will continue to take all necessary steps to assure that improved comprehensive employment assistance services are provided to veterans who complete the program. VA's complete comments are included as appendix III.

CHARACTERISTICS OF VETERANS  
WHOSE CASE FILES GAO REVIEWED

Table 1

Extent to Which Veterans Were Employed  
in Field Related to Training

<u>Location</u>	<u>Number employed</u>	<u>Job related to training</u>					
		<u>Yes</u>	<u>Percent</u>	<u>No</u>	<u>Percent</u>	<u>Not known</u>	<u>Percent</u>
Denver	8	4	50	2	25	2	25
Houston	18	17	94	1	6	-	-
Los Angeles	17	14	82	1	6	2	12
San Diego	22	15	68	6	27	1	5
Boston	5	5	100	-	-	-	-
Providence	6	4	66	1	17	1	17
St. Petersburg	19	13	69	5	26	1	5
New York	7	4	57	2	29	1	14
Total	102	76	74	18	18	8	8

Table 2

Veterans' Employment Status by Age Group

<u>Age group</u>	<u>Employed</u>	<u>Not employed</u>	<u>Status unknown</u>	<u>Total</u>
18 - 24	4	-	3	7
25 - 29	12	5	16	33
30 - 34	25	11	15	51
35 - 39	12	6	4	22
40 - 49	28	13	15	56
50 - 60	19	10	4	33
Over 60	2	2	2	6
Total	102	47	59	208 <sup>a</sup>

<sup>a</sup>Of the 208 veterans, 196 (94 percent) were male.

Table 3

Age Group of Veterans

<u>Location</u>	<u>18-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40-49</u>	<u>50-60</u>	<u>Over 60</u>	<u>Total</u>
Denver	1	9	9	1	9	8	1	38
Houston	2	4	2	3	8	7	2	28
Los Angeles	1	4	9	4	4	3	-	25
San Diego	1	3	11	2	16	3	-	36
Boston	-	3	9	1	2	-	-	15
Providence	1	2	1	-	4	1	-	9
St. Petersburg	1	6	5	9	12	8	2	43
New York	-	2	5	2	1	3	1	14
Total	<u>7</u>	<u>33</u>	<u>51</u>	<u>22</u>	<u>56</u>	<u>33</u>	<u>6</u>	<u>208</u>
Percent of total	3	16	24	11	27	16	3	

Table 4

Veterans' Service-Connected Disability Rating

<u>Location</u>	<u>Disability rating (percent)</u>									<u>Total</u>
	<u>10</u>	<u>20</u>	<u>30</u>	<u>40</u>	<u>50</u>	<u>60</u>	<u>70</u>	<u>80</u>	<u>100</u>	
Denver		5	3	3	3	4	1	1	5	38
Houston	2	3	7	3	2	5	1	1	4	28
Los Angeles	9	2	3	4	2	1	-	1	3	25
San Diego	9	6	7	4	1	4	-	1	4	36
Boston	7	1	2	1	-	2	-	1	1	15
Providence	-	1	4	2	1	-	-	-	1	9
St. Petersburg	10	5	4	7	6	2	1	2	6	43
New York	<u>4</u>	<u>2</u>	<u>2</u>	<u>-</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>1</u>	<u>4</u>	<u>14</u>
Total	<u>54</u>	<u>25</u>	<u>32</u>	<u>24</u>	<u>16</u>	<u>18</u>	<u>3</u>	<u>8</u>	<u>28</u>	<u>208</u>
Percent of total	26	12	15	12	8	9	1	4	13	



Table 5Vietnam-era or Non-Vietnam-era Veterans

<u>Location</u>	<u>Vietnam-era veterans</u>	<u>Non- Vietnam-era veterans</u>	<u>Total</u>
Denver	33	5	38
Houston	20	8	28
Los Angeles	20	5	25
San Diego	33	3	36
Boston	13	2	15
Providence	6	3	9
St. Petersburg	34	9	43
New York	<u>6</u>	<u>8</u>	<u>14</u>
Total	<u>165</u>	<u>43</u>	<u>208</u>
Percent of total	79	21	

Office of the  
Administrator  
of Veterans Affairs

Washington DC 20420



**Veterans  
Administration**

APRIL 30 1984

Mr. Richard L. Fogel  
Director, Human Resources Division  
U.S. General Accounting Office  
Washington, DC 20548

Dear Mr. Fogel:

Your March 23, 1984 draft report "VA Can Provide More Employment Assistance to Veterans Who Complete Its Vocational Rehabilitation Program" has been reviewed. This report, which contains no formal recommendations, addresses delivery of employment assistance services at the time when policies and procedures had just been transmitted to field personnel for implementation.

The enclosure contains our comments on the managerial issues which were identified, the activities and corrective measures already instituted, and the substantial improvements in service delivery which resulted from those efforts. We will continue to take all necessary steps to assure that improved comprehensive employment assistance services are provided to veterans who complete the vocational rehabilitation program under chapter 31.

Sincerely,

A handwritten signature in cursive script, appearing to read "Harry N. Walters".

HARRY N. WALTERS  
Administrator

Deputy Administrator - For

Enclosure

ENCLOSURE

**VETERANS ADMINISTRATION RESPONSE TO THE MARCH 23, 1984  
GAO DRAFT REPORT "VA CAN PROVIDE MORE EMPLOYMENT  
ASSISTANCE TO VETERANS WHO COMPLETE ITS VOCATIONAL  
REHABILITATION PROGRAM"**

The employment assistance services mandated by Public Law 96-466 were addressed in Department of Veterans Benefits Circular 28-80-3, Appendix P, "Employment Services." Appendix P, issued December 30, 1981, contains detailed instructions for this complex, new program activity.

In order to provide the assistance services, it is necessary for staff in VA Regional Offices to be proficient in comprehensive planning; developing a network of contacts and referral sources for specialized help; assisting disabled veterans who are discouraged by lack of progress in obtaining employment; and developing simple, effective procedures for closely monitoring veterans' progress on a regular basis.

All the case files GAO reviewed were of veterans who completed training in April, May, or June 1982, only 3 to 5 months after Appendix P was published. Since the case sample reflects the staffs' initial attempts to provide employment assistance services, the findings are not surprising. Developing and refining service delivery in this critical element of the vocational rehabilitation program has taken considerably more time than anticipated.

In Fiscal Year (FY) 1983, suitable employment was confirmed for 3,600 (71 percent) of the 5,053 disabled veterans who were rehabilitated to the point of employability. In addition, 5,102 Individualized Employment Assistance Plans were developed, a 23 percent increase over the number developed in FY 1982.

Establishing an effective program of employment assistance services was stressed at the FY 82 and FY 83 Vocational Rehabilitation and Counseling (VR&C) Officers' Training Conferences, as well as during the planning for the June 1984 Conference; in VR&C conference calls; and in appraisal visits to almost every field station. The appraisal visits and Statistical Quality Review procedures identified field stations which have not met program goals. Formal recommendations were made to those stations and 30- and 90-day reports of progress are required. Followup procedures are continued until the stations correct the deficiencies.

We have been concerned about the quality and quantity of employment assistance services provided disabled veterans under chapter 31, but until recently, the Target system did not include chapter 31, and recurring reports were not available to continuously monitor stations' effectiveness. Earlier reports did not provide the timely data needed to identify and correct problems. With the October 1983 implementation of a new statistical data base and automated data recording system, we now have additional tools to monitor achievement of program goals.

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