



BRIEFLY...

COVID-19 Minimally Affected the Jobs for Veterans State Grants Program Amid Weaknesses in Eligibility Validation Practices

Why We Did the Audit

The Jobs for Veterans State Grants (JVSG) program allocates federal funds to 54 state workforce agencies (states) to support various positions, including Disabled Veterans' Outreach Program (DVOP) specialists, who provide career and training services to eligible veterans and spouses with significant barriers to employment (SBE). These services are also offered to other eligible persons, such as transitioning service members and caregivers of eligible veterans.

To evaluate program effectiveness, the Employment and Training Administration (ETA) establishes performance metrics to assess program outcomes and overall success. The Veterans' Employment and Training Service (VETS) provides states with technical assistance and oversight to support effective program implementation.

In March 2020, the COVID-19 pandemic was declared a national emergency. To assess the pandemic's impact, we conducted a performance audit to answer the following question:

How did the COVID-19 pandemic affect the JVSG program's operations and effectiveness in providing training and employment services to eligible veterans and spouses with significant barriers to employment, as well as other eligible persons?

What We Found

We found the COVID-19 pandemic minimally affected the overall operations and effectiveness of the JVSG program in providing training and employment services to eligible veterans and spouses with SBE, as well as other eligible persons, as evidenced by the program reportedly meeting or exceeding its employment rate goals. However, this apparent success may be misleading due to weaknesses identified in the program's eligibility validation practices. Specifically, while VETS' policy, developed in collaboration with ETA and issued in April 2014, allows individuals to self-attest their SBE eligibility without documentation to receive DVOP services, it does not include procedures for subsequent validation, calling into question the accuracy of the reported outcomes.

In June 2020 and October 2022, ETA issued guidance specifying documentation needed to validate eligibility, such as signed forms or electronic signatures for self-attestation. However, VETS did not update its policy to align with ETA's guidance, resulting in conflicting requirements that may have hindered validation efforts. Our review of case files for 180 JVSG program participants who received DVOP services from Program Year (PY) 2020 to PY 2022, covering periods before, during, and after the pandemic, across 45 states, found the files for 54 participants, or 30 percent, were incomplete, meaning they lacked documentation or contained inadequate documentation to validate their eligibility. These findings raise questions about the eligibility of those served and the accuracy of reported program outcomes for assessing program performance during the pandemic.

Additionally, among the reviewed case files for 12 participants from one state, files for 11 individuals indicated they did not meet the participant eligibility criteria for DVOP services. VETS' program staff later clarified that errors in the state's management information system had incorrectly recorded these individuals as participants. Because VETS' policy limits DVOP services to eligible veterans and spouses with SBE, as well as other eligible persons, these system errors raise questions about the eligibility of all participants who received DVOP services in this state from PY 2020 to PY 2022. Consequently, up to \$8.4 million in JVSG funds spent by the state to support DVOP specialists during that period may represent unsupported costs, indicating a potential waste of federal funds.

What We Recommended

We made three recommendations to VETS to revise its current program policies to strengthen eligibility validation procedures and conduct a comprehensive assessment to determine the full extent of unsupported costs caused by ineligible individuals recorded as program participants. VETS did not agree with two recommendations and partially agreed with one recommendation.

Read the Full Report

For more information, go to:
<https://www.oig.dol.gov/public/reports/oa/2026/06-26-001-02-203.pdf>.