



Office of Inspector General's Audit Workplan

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Building



United States
Department
of Labor

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Fiscal Year 2026

Message from the Assistant Inspector General for Audit

I am pleased to provide the Office of Inspector General's (OIG) Audit Workplan for Fiscal Year (FY) 2026. We prepared this workplan to inform U.S. Department of Labor (DOL or Department) agencies and Congress of audits and reviews that will be completed or initiated in FY 2026. Our audits in the workplan are presented by DOL agency and then further broken down into mandatory and discretionary audits. This workplan does not include unanticipated work that will come from legislative mandates, congressional requests, DOL requests, or emerging programmatic issues. However, it does include an audit of the Job Corps Program, pending the Federal Court's decision on the continuance of program operations.

Mandatory audits are those required by law or regulation. For example, the Chief Financial Officers Act of 1990 requires an annual audit of DOL's financial statements, which is our largest mandatory audit. Other mandatory audits relate to DOL's mission critical information systems and the Workers' Compensation Programs.

After we commit resources to all mandatory audits, we use our remaining funds for discretionary audits. We decide which discretionary audits to conduct based on risk and potential impact on DOL's mission and goals. Additionally, we use these funds to perform audits in response to allegations of fraud, waste, and abuse from various sources.

We prepared this Audit Workplan by considering risks to major DOL programs that may prevent DOL from achieving strategic goals and objectives under its FY 2022–2026 Strategic Plan.



Laura B. Nicolosi
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FY 2026 Audit Workplan

Benefits Review Board (BRB)

Discretionary Audit

- 1. BRB's Black Lung and Longshore and Harbor Worker Appeal Case Processing – In Progress.** The BRB decides appeals from the Office of Administrative Law Judges under the Black Lung Benefits Act, the Longshore and Harbor Workers' Compensation Act, and the Longshore and Harbor Workers' Compensation Act extensions, including the Defense Base Act (DBA). Since 2019, the number of DBA cases received by the Department has increased significantly, and DOL predicts DBA cases will continue to increase into FY 2026 and beyond, thus increasing BRB's appeal case inventory and ability to process appeals timely. In FY 2026, the BRB estimates that the average case processing times will be 13 months for Black Lung appeals and 16 months for Longshore (DBA) appeals. The DOL Adjudication Boards, which include the BRB, recently worked with OCIO and its existing contractor to provide for a new, updated management system to manage the approximately 3,000 cases involving over 70 statutes each year. The continued increase of DBA appeal cases, along with new Black Lung and Non-DBA Longshore appeal cases, could impact the BRB's appeal case processing times and result in claimants' delayed receipt of vital benefits. This audit will review BRB's case processing methods to identify current challenges and related mitigating efforts to expeditiously adjudicate Black Lung and Longshore (DBA) appeals and reduce any backlog of appeal cases.

Bureau of Labor Statistics
(BLS)

Discretionary Audit

2. BLS Challenges in Collecting and Reporting Economic Data – In Progress.

BLS is the principal federal agency responsible for measuring labor market activity, working conditions, and price changes in the nation's economy. The President, Congress, federal policymakers, public institutions, and private citizens use the economic information developed by BLS to guide and support decision-making. Due to resource constraints, BLS announced in June 2025 that data collection activities would be reduced for two closely watched inflation measures that play a vital role in the U.S. economy: (1) the Consumer Price Index and (2) the Producer Price Index. Furthermore, on August 1, 2025, BLS issued a downward revision of its estimate of new jobs in the monthly Employment Situation Report for May and June 2025. The original estimates for May and June were cut by 87 percent and 90 percent, respectively. According to a news report, it was the largest 2-month reduction since 1979, except for the beginning of the pandemic in March and April 2020. This review will focus on the challenges and related mitigating strategies of: (1) Consumer Price Index and Producer Price Index data and (2) collecting and reporting, including revisions, monthly employment data.

3. BLS's Protection of Embargoed Data – In Progress. BLS issues a number of reports and statistics that include "leading economic indicators" such as the Employment Situation Report and the Consumer Price Index. BLS follows the Office of Management and Budget's statistical policy when establishing the exact release time to protect the integrity and credibility of BLS and to ensure no one can gain an economic or political advantage through advanced knowledge of the information. On multiple occasions in 2024, BLS allegedly released economic data early. Most recently, on August 21, 2024, BLS reportedly provided unreleased economic data to select analysts who called BLS before it was released to the public. Early or unauthorized releases could have given some traders a significant economic advantage in trading decisions compared to other traders and the public who did not receive confidential information. This will focus on how BLS protects economic data from early or unauthorized disclosure.

Employment and Training Administration (ETA)

Mandatory Audit

Job Corps

4. **Job Corps Minor Students – New.**¹ Job Corps' students are ages 16 to 24 upon entry into the program. The significant age range poses numerous challenges. Given the occurrence of sexual assaults and harassment on center campuses, there is an inherent risk of having adults up to 27 years of age co-enrolled with minors as young as 16 years old. Furthermore, some Job Corps minors may: (1) have been encouraged to enroll by their parents or guardians, (2) not take the program seriously, and (3) disrupt program instruction, which impacts the educational experience of other students. Also, minor students may not meet minimum age requirements for certain trades. This affects their ability to obtain employment and possibly leads to lower Job Corps program outcomes. This audit will focus on whether Job Corps took appropriate measures to mitigate program disruptions and ensure the safety of and meet the program's intent for its minor students.

Discretionary Audits

Contract and Grant Programs

5. **Department of Education (ED) and DOL Workforce Development Partnership – New.** On July 15, 2025, ED and DOL announced a new partnership to integrate the federal workforce development efforts. DOL will manage grant competitions, provide technical assistance, and integrate ED's Perkins and WIOA programs with the larger suite of workforce programs DOL already administers. ED will retain statutory oversight while transferring program funds and detailing staff to DOL to support the programs. With hundreds of grants expected to transfer from ED to DOL, and approximately \$2.67 billion in new grant obligations potentially shifting to DOL, this audit will assess DOL's readiness to handle this influx of grant management responsibility.
6. **ETA's Administration of the Indian and Native American Program Grants – New.** Workforce Innovation and Opportunity Act (WIOA) authorizes Congress to provide funds for Indian and Native American Programs. This funding is designed

¹ The OIG previously suspended this audit in FY 2024 to focus on a time-sensitive project but expects to resume the audit in FY 2026 depending on the outcome of the federal court case regarding the continuation of program operations and resource availability.

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to support employment and training activities to more fully develop academic, occupational, and literacy skills; make individuals more competitive in the workforce; and promote economic and social development in accordance with the goals and values of such communities. A previous OIG audit found a grant recipient mismanaged grant funds, failed to use excess carryover funds while participants waited for services, and did not meet performance goals. This audit will focus on determining whether ETA has ensured the Indian and Native American Programs achieved grant objectives and assisted the intended populations.

7. Office of Apprenticeship - Apprenticeship Building America Grants – New.

ETA awarded the Apprenticeship Building America grants to strengthen, modernize, expand and diversify its Registered Apprenticeship Program to enable more workers to earn while they learn and find reliable pathways to the middle class. From FY 2021 through FY 2024, approximately \$367 million in Apprenticeship Building America grants were awarded. Recently, the Secretary of Labor has emphasized the limitless potential of apprenticeships for American workers and her commitment to empower American workers to fill high-demand jobs that will secure economic prosperity. Our prior audit of an Office of Apprenticeship grant program found issues with grant recipients not achieving program goals as well as ETA's execution of the program, to include the planning and award processes. This audit will assess the effectiveness of ETA's administration of the Apprenticeship Building America Grant Program.

8. State Implementation of WIOA Data Validation – New. During Program Year 2022, ETA allotted \$3.2 billion in WIOA formula grants to states. These WIOA grant funds are intended to support efforts to train and place adults, dislocated workers, and youths into the workforce. However, in November 2022, the Government Accountability Office found DOL lacked complete information on individuals enrolled in multiple programs. Additionally, we have previously issued findings regarding data states reported to ETA that were inaccurate and/or lacked support. In October 2022, ETA issued Training and Employment Guidance Letter No. 23-19, Change 1, which describes DOL Data Validation Requirements for performance reporting and indicates that states must validate the information for WIOA core programs. DOL recommends that all grant recipients engage in data validation activities on a quarterly basis to ensure their data are accurate. Establishing quarterly data reviews is a best practice for identifying and correcting errors to improve performance reporting and for ensuring that the data accurately reflects program participants, services, and outcomes. This audit will focus on states' efforts to meet ETA's data validation requirements and report accurate, supported performance data.

9. COVID-19: ETA Grantee Sub-Recipient – In Progress. In March 2020, the COVID-19 pandemic caused many of ETA's job training programs to cease operation. This interrupted participants' job training, potentially preventing them from completing their training and getting a job in the areas in which they were

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trained. This series of audits will focus on how effectively ETA ensured workforce development grant funds were used as intended in selected states during the pandemic.

- 10. ETA Registered Apprenticeship Program – In Progress.** In February 2021, the Registered Apprenticeship Program was expanded to support nearly 1 million apprenticeship opportunities and focus on increasing access for underrepresented groups. Congress subsequently invested \$285 million into Registered Apprenticeships in FY 2023. However, a prior OIG audit of the American Apprenticeship Initiative Grant Program found systematic weaknesses in the execution of the grants, as well as the planning and awarding processes. This audit will assess the effectiveness of ETA's administration of the Registered Apprenticeship Grant Program.

Foreign Labor Certification Programs

- 11. Effectiveness of ETA's Permanent Labor Certification Program (PERM) Application Processing Time – New.**² The PERM program allows employers to hire foreign workers when: (1) there are not sufficient U.S. workers able, willing, qualified, and available to accept the job opportunity in the area of intended employment; and (2) the employment of foreign workers will not adversely affect the wages and working conditions of similarly employed U.S. workers. When submitting a PERM application, the employer is required to execute recruiting efforts for U.S. workers within 6 months of filing an application. Based on August 2022 data, once the employer submits the application to ETA, the average processing time to receive an approved application from ETA is between 8 and 11 months, depending on ETA's review process. Due to the lengthy average processing time for applications, there is little assurance by the time a foreign worker is approved for permanent resident status that a U.S. worker was still not available and able to perform the same job. This audit will focus on ETA's PERM application review process and effectiveness in ensuring U.S. workers were still not available and able to perform the job.

- 12. Backlog of H-2B Temporary Non-agricultural Program Visa Applications – In Progress.** In 2018, the OIG issued a report that found ETA's lack of key controls over the processing of H-2B visa applications had negatively impacted businesses that depended on H-2B workers. ETA could not demonstrate its processing of applications provided enough time for the U.S. Department of Homeland Security and the U.S. Department of State to perform their functions and enable employers to hire H-2B workers within the timeframe required. Any delays, particularly for seasonal industries, would have serious adverse effects on business owners and local economies. Furthermore, in 2020, we reported that ETA's processing of H-2B applications continued to be an area of concern,

² The OIG previously suspended this audit in FY 2024 to focus on a time-sensitive project but expects to resume the audit when resources become available.

causing backlogs and impacting dependent businesses. This audit will focus on ETA's processing of H-2B applications, specifically the timeliness of processing prevailing wage determinations and whether improvements to the review process have reduced the application backlog.

Unemployment Insurance (UI) Program

13. Benefit Accuracy Measurement (BAM) Program and Estimated Improper Payment Rates – New.

ETA's BAM system was designed to determine the accuracy of the UI program's paid and denied benefit claims, as well as to identify the root causes of improper payments. To do so, each state randomly selects weekly samples of UI claims, which BAM investigators audit based on federal and state laws, administrative codes, rules, and policies to determine if claimants were properly paid or denied benefits. However, the BAM program may not accurately estimate the UI improper payment rate because it relies on sampling and complex assessment criteria. The Department used BAM to report historically high estimated improper payment rates for the UI program for 2 of the last 4 years. Specifically, DOL reported an estimated improper payment rate of 18.71 percent for FY 2021 and 21.52 percent for FY 2022. Based on our audit and investigative work, the actual improper payment rates for these periods were likely higher. Although the FY 2023 and FY 2024 estimated improper payment rates were reported as 14.83 and 14.41 percent, respectively, these rates still exceeded pre-pandemic levels and failed to meet federal requirements. This audit will assess ETA's use of the BAM program as a tool to estimate the accuracy of states' UI benefit payments and the resulting improper payment rates of UI programs at both the state and federal levels.

14. COVID-19: Coronavirus Aid, Relief, and Economic Security (CARES) Act UI Programs Results – New.

At the start of the pandemic, we had significant concerns regarding the UI programs authorized by the CARES Act. These concerns were based on both previous OIG work regarding ETA and states' ability to implement emergency responses, and on the high-risk nature of the programs. The early pandemic period saw the largest increase in UI claims since the Department began tracking data in 1967—a level far higher than states' systems were designed to handle.³ During the first three phases of our pandemic response oversight work, we focused on identifying areas for improvement related to the implementation and administration of emergency UI programs and impacts on operations. Over the past 4 years, our reporting has identified continuing program weaknesses in internal controls, reporting, and program monitoring. We estimated states made at least \$191 billion in pandemic UI benefit payments that could have been paid improperly, with a significant portion attributable to fraud. As we wrap up our pandemic response oversight work, we

³ COVID-19: States Struggled to Implement CARES Act Unemployment Insurance Programs, Report No. 19-21-004-03-315 (May 28, 2021), available at: <https://www.oig.dol.gov/public/reports/oa/2021/19-21-004-03-315.pdf>

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remain significantly concerned about the expeditious and effective deployment of UI benefits, especially in response to natural disasters and emergencies. Developing lessons learned is key to adequate preparation and proactive strengthening of the UI program for both ordinary circumstances and in advance of the next emergency. Leveraging these pandemic-era lessons will require DOL to focus on prevention. This assessment will present overall program results from our oversight of: (1) DOL's UI pandemic response, (2) impacts on agency operations, and (3) how lessons learned are assisting DOL in improving its unemployment programs and operations in advance of future emergencies.

15. UI Information Technology (IT) Modernization – New. After the pandemic's emergence in early 2020, we reported on states' struggles to implement pandemic-related UI programs and prevent improper payments, including fraud, while processing the drastically increased number of claims. We found that this occurred in part because states' IT systems were not modernized. Responding to the COVID-19 pandemic, Congress funded \$2 billion but later reduced this to \$1 billion to modernize the nation's UI systems. The initiative focused on three main goals: (1) fraud detection and prevention, (2) timely benefit delivery, and (3) promoting equitable access. To achieve these goals, the Department provided targeted grants to states and territories, offered improved guidance, directed assistance, and piloted tech-driven solutions. This audit will assess how well the Department's efforts have assisted states in upgrading state IT systems and prepared states' UI programs to: (1) operate more effectively and efficiently and (2) handle emergency situations in the future.

16. COVID-19: ETA and States' Efforts to Address UI Claimants Filing with Social Security Numbers of Federal Prisoners – In Progress. In September 2022, we alerted DOL to over \$45 billion we had identified in potential fraud paid in four high-risk areas. One high-risk area was UI claimants filing with Social Security numbers of federal prisoners. Through ETA, the OIG provided states with our underlying methodology, as well as specific claimant information for follow-up action. This audit will examine the extent to which ETA and states have taken action to address potentially fraudulent CARES Act UI claims filed with Social Security numbers of federal prisoners.

Mine Safety and Health Administration (MSHA)

Discretionary Audit

- 17. MSHA Grant Programs – New.** MSHA is responsible for administering two types of annual grant programs. The State Grant Program distributes formula grants to state agency programs in 49 states and the Navajo Nation to support health and safety training and reduce mining accidents, injuries, and illness. The Brookwood-Sago Mine Safety Grants Program distributes competitive grants to develop education and training programs to better identify, avoid, and prevent unsafe working conditions in and around mines. The 2025 funding announcements for these two programs were \$10.5 million (with an estimated 56 grant recipients) and up to \$750,000 (for up to 5 grant recipients), respectively. MSHA designs the goals of each grant program based on evolving training priorities. Grant recipients report funding and performance data quarterly to MSHA, which it uses for monitoring and evaluating program success. Without sufficient internal controls, the accuracy and reliability of data reported by grant recipients could be compromised and result in deteriorated program oversight or performance. This audit will assess whether MSHA properly designed and executed the grant programs and established sufficient internal controls within its grant recipient reporting system(s) to help ensure programmatic success.
- 18. Mine Rescue Response Plan – In Progress.** When disaster strikes, a well prepared mine rescue effort can mean the difference between life and death for trapped miners. Insufficient personnel, equipment, or training could hamper MSHA's ability to respond quickly and effectively in mine rescue situations. Prior OIG work found MSHA had not provided adequate oversight of mine emergency response plans, which included planning by both mine operators and MSHA. This audit will assess MSHA's preparedness in responding to emergencies requiring mine rescue operations.

Occupational Safety and Health Administration (OSHA)

Discretionary Audit

19. Assessment of OSHA's Actions to Address and Prevent Workplace

Violence – New. Workplace violence is a major concern for employers and employees nationwide. According to OSHA, workplace violence is any act or threat of physical violence, harassment, intimidation, or other threatening disruptive behavior that occurs at the worksite. It ranges from threats and verbal abuse to physical assaults and even homicide. Acts of violence and other injuries are currently the third leading cause of fatal occupational injuries in the United States. According to the BLS Census of Fatal Occupational Injuries, of the 5,486 fatal workplace injuries that occurred in the United States in 2022, 849 were cases of intentional injury by another person. In September 2001, the OIG issued a report to evaluate how OSHA handles issues pertaining to workplace violence. The report found OSHA: (1) can take additional steps to address workplace violence issues, (2) needs to assess its training and outreach efforts on workplace violence, and (3) needs to develop a recordkeeping system on information related to workplace violence. This audit will determine the actions OSHA has taken to address and prevent workplace violence.

Office of the Assistant Secretary for Administration and Management (OASAM)

Mandatory Audit

20. Federal Information Security Management Act (FISMA) Audit – Annual. In performing its various missions, DOL collects and processes sensitive information through approximately 77 major information systems. FISMA recognizes the significant risks involved with IT and its important role in fulfilling agency missions. As such, FISMA sets a framework for securing all federal government systems by developing security standards and methods for measuring the effectiveness of those standards. This audit will focus on the status of the DOL Information Security Program in implementing an effective framework to secure DOL information systems.

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Discretionary Audits

21. IT Third Party Oversight – In Progress. Per the federal government’s strategy from FY 2017 to current fiscal year, DOL has been required to comply with Executive Order 13800 related to Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure. The intention of this Executive Order was to place critical and sensitive infrastructure in redundant cloud first environments. On a regular basis, the OIG’s FISMA testing identified inadequate testing and oversight of third party and cloud environments. These environments require periodic testing for contingency controls and operational or service readiness. If the Office of the Chief Information Officer does not have a comprehensive contingency plan addressing third party and cloud oversight, then DOL’s IT environments and core services are at risk. Risks include losing the ability to restore vital DOL operations and data after a disaster or significant service downtime. This audit will review the contingency planning for third party and cloud related services and will examine if plans account for traditional controls and oversight, as would be expected from internal continuity planning.

Office of the Assistant Secretary for Policy (OASP)

Mandatory Audit

22. DOL Implementation of Geospatial Data Audit – Biannual. Congress enacted the Geospatial Data Act of 2018 (GDA) to foster efficient management of geospatial data, technologies, and infrastructure through enhanced coordination among federal, state, local, and tribal governments, along with the private sector and academia. The GDA applies to federal agencies that collect, produce, acquire, maintain, distribute, use, or preserve geospatial data. To improve the management and oversight of geospatial data and related investments, the GDA identified 13 requirements for federal agencies to implement. This audit will focus on the extent to which DOL implemented the requirements and improved its management of geospatial data.

Office of the Chief Financial Officer
(OCFO)

Mandatory Audits

23. DOL Consolidated Financial Statements Audit – Annual. We will determine if DOL’s consolidated financial statements present fairly, in all material respects, the financial position of DOL as of September 30, 2026. We will consider DOL’s internal controls over financial reporting and test DOL’s compliance with applicable laws, regulations, contracts, and grant agreements that have a direct and material effect on the consolidated financial statements.

24. Review of DOL’s Improper Payment Reporting in the Annual Financial Report – Annual. In FY 2024, the UI program and the Federal Employees’ Compensation Act (FECA) program reported outlays of \$35.2 billion and \$3.6 billion, respectively, with an estimated improper payment rate of 14.41 percent and 2.34 percent, respectively. Based on DOL’s risk assessments, the UI and FECA programs continue to be considered the most susceptible to improper payments of all DOL programs. This audit will determine if DOL complied with the Payment Integrity Information Act of 2019, which required DOL to: (1) conduct a program-specific risk assessment for each required program or activity, (2) publish and meet annual reduction targets for each program assessed to be at risk for improper payments, and (3) report information on the efforts of each program to reduce improper payments.

Office of Disability Employment Policy
(ODEP)

Discretionary Audit

25. ODEP Oversight of RETAIN Program Grants – New. The Retaining Employment and Talent after Injury/Illness Network (RETAIN) grants focus on implementing and evaluating stay-at-work and return-to-work strategies to help people remain effective contributors to the labor force following illness or injury. States use grant funds to improve coordination among employers, health care providers, and other stakeholders able to help workers find alternatives as they decide whether to stay at or return to work. It is a collaborative effort between ODEP, in partnership with ETA, and the U.S. Social Security Administration. ODEP has awarded grants to states with a focus on underserved and underrepresented communities. This audit will focus on ODEP’s oversight of the

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RETAIN grants, including the effectiveness of the grants in helping newly injured and ill workers remain in the workforce.

Office of Workers' Compensation Programs (OWCP)

Mandatory Audits

- 26. Report Relating to the Federal Employees' Compensation Act Special Benefit Fund – Annual.** We will determine if: (1) the Schedules of Actuarial Liability, Net Intra-Governmental Accounts Receivable, and Benefit Expense was fairly presented for the year ending September 30, 2026, and (2) internal controls over financial reporting related to the Schedule were in compliance with laws and regulations that could have a direct and material effect on the Schedule.
- 27. Longshore and Harbor Workers' Compensation Act (LHWCA) Special Fund – Annual.** We will determine if DOL's LHWCA Special Fund financial statements presented fairly, in all material respects, the financial position of the LHWCA Special Fund as of September 30, 2026.
- 28. District of Columbia Workmen's Compensation Act (DCCA) Special Fund Financial Statement Audits – Annual.** We will determine if DOL's DCCA Special Fund financial statements presented fairly, in all material respects, the financial position of the DCCA Special Fund as of September 30, 2026.
- 29. FECA Statement on Standards for Attestation Engagements No. 18 – Annual.** We will determine if DOL's Integrated Federal Employees' Compensation System transaction processing for application and general controls, as described in the report, were fairly presented, suitably designed, and effectively operating for the period October 1, 2025, through June 30, 2026.

Discretionary Audits

- 30. DEEOIC Home and Residential Health Care Benefits Improper Payments – New.** OWCP's Division of Energy Employees Occupational Illness Compensation (DEEOIC) provides home and residential health care benefits to current or former U.S. Department of Energy (DOE) employees (or their survivors) and contractors who develop illnesses because of toxic exposure while employed at DOE facilities. DEEOIC's spending on home and residential health care services has

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risen from \$100 million in 2010 to approximately \$1.6 billion in FY 2024.⁴ This audit will review DEEOIC's efforts to detect and mitigate improper payments of home and residential health care costs.

- 31. FECA Improper Disability Payments – New.** OWCP's Division of Federal Employees' Compensation adjudicates new claims for benefits and manages ongoing cases; pays medical expenses and compensation benefits to injured workers and survivors; and helps injured employees return to work when they are medically able to do so. In FY 2024, OWCP paid approximately \$3 billion in benefits to workers and survivors for work-related injuries or illnesses, including over \$2 billion for wage-loss compensation. This audit will focus on OWCP's efforts to detect and mitigate improper disability payments to claimants.

Veterans' Employment and Training Service (VETS)

Discretionary Audit

- 32. Effectiveness of Homeless Veterans' Reintegration Program (HVRP) Grants – New.** HVRP is the only federal grant to focus exclusively on competitive employment for homeless veterans. Of all VETS programs, veterans experiencing homelessness were the most difficult population to serve during the COVID-19 pandemic. VETS experienced challenges pivoting to and providing virtual services to this population during the pandemic. The pandemic has passed, yet these veterans still face unique challenges and barriers to finding jobs. This audit will focus on the effectiveness of HVRP in meeting the needs of homeless veterans, as well as VETS' oversight of the program.
- 33. COVID-19: Jobs for Veterans State Grants (JVSG) Program – In Progress.** The COVID-19 pandemic presented new challenges for VETS in its mission to: (1) prepare America's veterans and transitioning service members for meaningful careers, (2) provide them with employment resources and expertise, (3) protect their employment rights, and (4) promote their employment opportunities. VETS's JVSG program provides individualized career services to veterans with significant barriers to employment, especially veterans who are economically or educationally disadvantaged. The program also aims to increase employment opportunities for veterans and encourage the hiring of disabled veterans. To this end, it conducts outreach to employers and business associations and engages in advocacy efforts with hiring executives. The audit will focus on how the

⁴ DOL OIG Semiannual Report to Congress, Volume 93 (October 1, 2024–March 31, 2025), last accessed on June 9, 2025, available at: <https://www.oig.dol.gov/public/semiannuals/93.pdf>

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pandemic impacted the JVSG program as well as the effectiveness of the program during a health crisis.

Wage and Hour Division (WHD)

Discretionary Audit

34. WHD's Enforcement of Child Labor Laws for Vulnerable Populations – In Progress. WHD enforces laws that prevent the improper use of child labor. Violations of child labor laws are increasing nationwide. In response to allegations of illegal work performed by children, WHD launched a National Strategic Enforcement Initiative on Child Labor in 2023 to put additional emphasis on addressing this critical issue. WHD found 5,792 children were working in violation of child labor laws in FY 2023 compared to 3,876 children in FY 2022. Children who are employed in violation of federal labor laws may be injured or even killed in the workplace. The National Institute for Occupational Safety and Health estimates that 160,000 American children suffer occupational injuries every year, and 54,800 of these injuries are serious enough to warrant emergency room treatment. Both federal and state laws govern the employment of young workers, and, when both are applicable, the law with the stricter standard must be obeyed.⁵ This audit is a follow-on to our recent work looking at WHD's efforts to curtail child labor violations and will focus on the extent of WHD's efforts to protect minor workers—a vulnerable population—and address egregious and systemic violations of federal child labor laws.

⁵ DOL, WHD's website, "Fact Sheet #43: Child Labor Provisions of the Fair Labor Standards Act (FLSA) for Nonagricultural Occupations" (Revised December 2016), last accessed August 21, 2024, available at: <https://www.dol.gov/agencies/whd/fact-sheets/43-child-labor-non-agriculture#:~:text=Children%20of%20any%20age%20are,has%20declared%20to%20be%20hazardous>

Multi-Agency

Mandatory Audits

- 35. Charge Card Risk Assessment – Annual.** The Government Charge Card Abuse Prevention Act of 2012 was designed to prevent recurring waste, fraud, and abuse of government charge cards, and requires agencies to implement safeguards and internal controls to reduce these risks. This audit will determine if DOL established controls over its purchase and travel card programs to detect and prevent illegal, improper, or erroneous purchases and payments.
- 36. Single Audit Compliance, Quality Control Reviews of Single Audit Reports – Annual.** We will determine: (1) if selected independent auditors complied with the requirements of the Office of Management and Budget's Uniform Guidance, government auditing standards, and generally accepted auditing standards and (2) if there is a need for any follow-up work.

Discretionary Audit

- 37. DOL Common Interest Agreement – In Progress.** The Committee on Education and Workforce requested the OIG investigate allegations that DOL's Office of the Solicitor (SOL) and Employee Benefits Security Administration (EBSA) inappropriately shared confidential information regarding employee benefit plans and their fiduciaries with plaintiffs' attorneys during class action lawsuits. Department Leadership requested we also review whether other DOL agencies, specifically WHD, similarly shared information with plaintiffs' law firms. This audit will assess SOL's, EBSA's, and WHD's controls for sharing information with non-governmental entities involved in class action litigation.