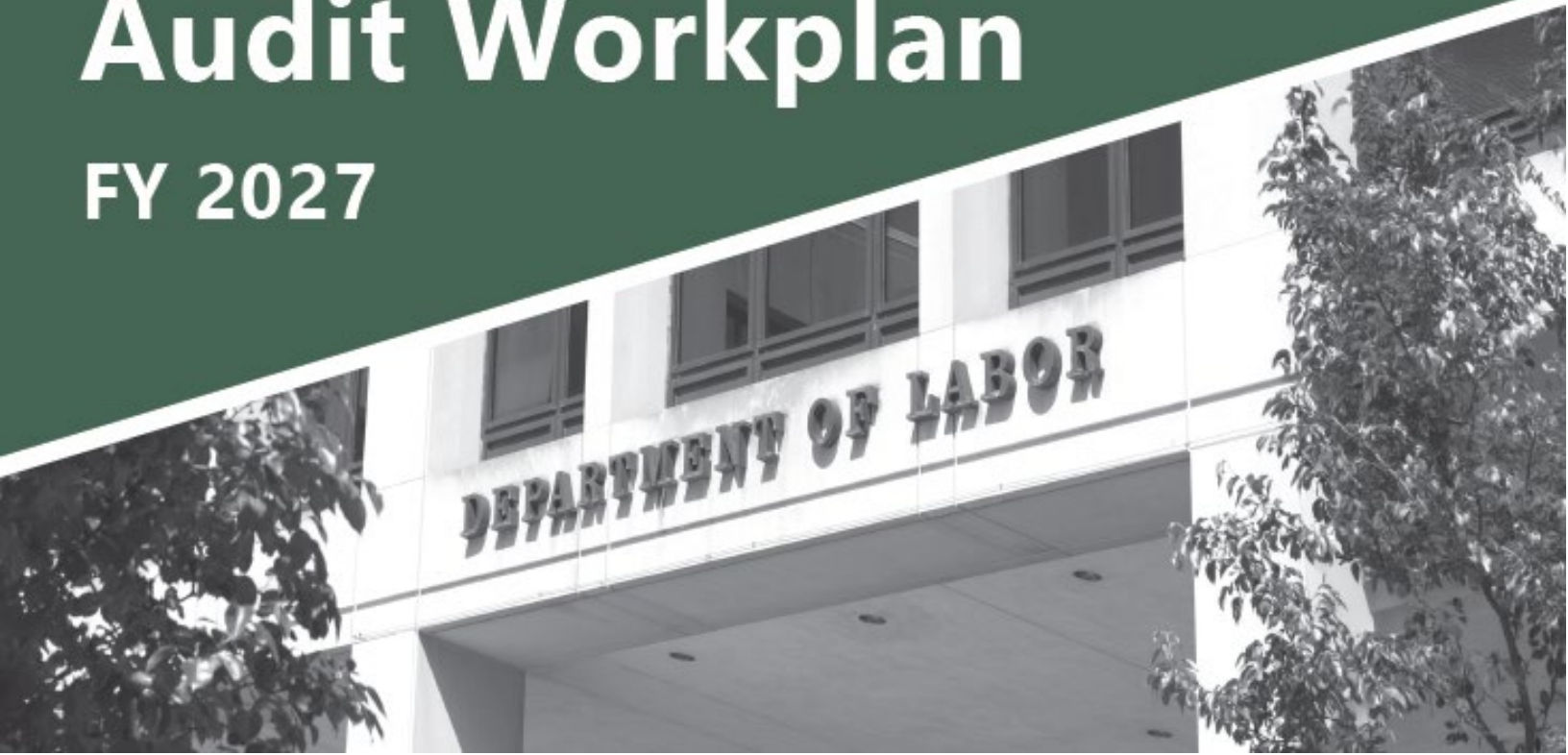
OFFICE OF INSPECTOR GENERAL
U.S. DEPARTMENT OF LABOR

Audit Workplan

FY 2027



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) 2027. 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 2027. 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.

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 2026–2030 Strategic Plan.

Sean Gilkerson
Assistant Inspector General for Audit (Acting)
U.S. Department of Labor

Table of Contents

FY 2027 Audit Workplan 4
- Benefits Review Board 4
- Bureau of Labor Statistics 5
- Employment and Training Administration 6
  - Job Corps 6
  - Contract and Grant Programs 6
  - Foreign Labor Certification Programs 8
  - Unemployment Insurance (UI) Program 9
- Mine Safety and Health Administration 11
- Office of Federal Contract Compliance Programs 12
- Occupational Safety and Health Administration 12
- Office of the Assistant Secretary for Administration and Management 13
- Office of the Chief Financial Officer 14
- Office of Workers' Compensation Programs 15
- Veterans' Employment and Training Service 16
- Wage and Hour Division 17
- Multi-Agency 17

FY 2027 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. 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 (including DBA) appeals. The DOL Adjudication Boards, which include the BRB, recently worked with the Office of the Chief Information Officer and its existing contractor to provide for a new, updated management system to manage 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 is reviewing BRB's case processing methods to identify current challenges and related mitigation efforts to expeditiously adjudicate Black Lung and Longshore (including DBA) appeals and reduce any backlog of appeal cases.

Bureau of Labor Statistics
(BLS)

Discretionary Audits

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. This audit is focusing on the challenges and related mitigation strategies of collecting and reporting Consumer Price Index and Producer Price Index data.

3. **BLS Evidence Act – New.** BLS is the principal fact-finding agency in the field of labor economics and statistics and measures labor market activity, working conditions, price changes, and productivity in the U.S. economy to support public and private decision-making. Public trust in federal statistics is essential to the agency's value and use in informing decisions across public and private sectors. This audit will assess whether BLS complied with the Foundations for Evidence-Based Policymaking Act of 2018 and the Office of Management and Budget's corresponding Trust Regulation[1], which outlines four fundamental responsibilities for recognized federal statistical agencies: (1) producing relevant and timely information, (2) conducting credible and accurate activities, (3) maintaining objectivity, and (4) protecting data confidentiality.

[1] 5 C.F.R. Part 1321 - https://www.govinfo.gov/content/pkg/FR-2024-10-11/pdf/2024-23536.pdf

Employment and Training Administration
(ETA)

Mandatory Audit

Job Corps

4. **Job Corps' Efforts to Address Program Challenges – New.** Job Corps is the largest nationwide residential career training program in the country and has been operating for more than 50 years. The program helps eligible youth, ages 16 through 24, complete their high school education, trains them for meaningful careers, and assists them with obtaining employment. However, the program has faced longstanding challenges, including low-performance outcomes, high costs, safety and security concerns, and ineffective service delivery. In May 2025, DOL announced a pause in operations at contractor-operated Job Corps centers, citing financial and programmatic concerns. Following litigation, in August 2026, DOL agreed to rescind the pause and related termination, allowing Job Corps centers to continue operating. We plan to assess the actions Job Corps has taken or plans to take to address key program challenges and improve program performance, cost effectiveness, safety and security, and participant outcomes.

Discretionary Audits

Contract and Grant Programs

5. **Department of Education (ED) and DOL Workforce Development Partnership – In Progress**. On July 15, 2025, ED and DOL announced a new partnership to integrate federal workforce development efforts. For its role in this partnership, DOL agreed to manage grant competitions, provide technical assistance, and integrate ED's Perkins and Workforce Innovation and Opportunity Act (WIOA) programs with the larger suite of workforce programs DOL already administers. ED in return retains statutory oversight while transferring program funds and detailing staff to DOL to support the programs. With hundreds of grants transferred from ED to DOL and at least $23 billion in new grant obligations shifted to DOL, this audit is assessing DOL's readiness to handle this influx of grant management responsibility.

6. **ETA's Administration of the Indian and Native American Program Grants – New.** WIOA authorizes Congress to provide funds for Indian and Native American Programs. This funding is designed 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[2] found a grant recipient mismanaged grant funds and did not always accurately report participant activities or meet performance goals. This audit will determine whether ETA has ensured the Indian and Native American Programs achieved grant objectives and assisted the intended populations.

7. **ETA Administration of Partners for Reentry Opportunities in Workforce Development (PROWD) Grants Program – New.** The First Step Act of 2018 (FSA) required the Bureau of Prisons to expand programs aimed at providing inmates with reentry services to support their return to the community as law-abiding citizens. In 2022, the U.S. Department of Justice (DOJ) and DOL partnered and launched the PROWD grant program. PROWD's vision is to align job training and skills development services provided to federally incarcerated individuals to the labor market needs of the community where they will live. During FYs 2022 and 2023 the BOP transferred nearly $120 million to the U.S. Department of Labor (DOL) to implement a joint grant program designed to offer vocational training, skills building, and other support services to inmates returning to the community. DOJ found that most responsibility for administering the program was assigned to DOL, and the BOP maintained limited oversight of how grant funds were spent and what type of programming was being offered. This audit will assess whether ETA effectively monitored the PROWD grant program to ensure grant funds were used appropriately and in support of the program's intended purpose.

8. **Office of Apprenticeship - Apprenticeship Building America Grants – New.** From FY 2021 through FY 2024, ETA awarded approximately $367 million in Apprenticeship Building America grants to strengthen, modernize, expand, and diversify its Registered Apprenticeship Program and enable more workers to "earn while they learn" and find reliable pathways to the middle class. This audit will assess the effectiveness of ETA's administration of the Apprenticeship Building America grant program.

9. **State Implementation of WIOA Data Validation – New.** During Program Year 2026, ETA allotted $3.7 billion in WIOA formula grants to states. These WIOA grant funds are intended to support efforts to train and place adults, dislocated workers, and youth into the workforce. However, in November 2022, the Government Accountability Office found DOL lacked complete information on individuals enrolled in multiple programs. In December 2025, ETA issued Training and Employment Guidance Letter No. 23-19, Change 3, which describes DOL Data Validation Requirements for performance reporting and indicates that states must validate the information for WIOA core programs. The Department

[2] https://www.oig.dol.gov/public/reports/oa/2013/02-13-202-03-355.pdf

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 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.

Foreign Labor Certification Programs

10. **Recruitment of U.S. Workers for Permanent Labor Certification Program (PERM) Applications with Foreign Workers who Hold H-1B Visas. – NEW.** 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. In FY 2025, 53 percent of PERM applications were submitted for a foreign worker already holding an H-1B visa. Further, ETA approved 93 percent of those applications. When applying for an H-1B visa, the H-1B employer is not required to recruit U.S. workers unless it is H-1B dependent or a previous willful violator of H-1B requirements. Recent investigations have focused on H-1B visa abuse that undermines U.S. labor markets, including cases where employers allegedly do not hire U.S. workers. This audit will focus on ETA's effectiveness in ensuring U.S. workers could fairly compete for these PERM jobs.

11. **Backlog of H-2B Temporary Non-agricultural Program Visa Applications – In Progress.** In 2018, the OIG issued a report[3] 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[4], we reported that ETA's processing of H-2B applications continued to be an area of concern, causing backlogs and impacting dependent businesses. This audit is focusing 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.

[3] https://www.oig.dol.gov/public/reports/oa/2018/06-18-002-03-321.pdf
[4] https://www.oig.dol.gov/public/reports/oa/2021/06-21-001-03-321.pdf

Unemployment Insurance (UI) Program

12. **COVID-19: Coronavirus Aid, Relief, and Economic Security Act UI Programs Results – In Progress.** At the start of the pandemic, we had significant concerns regarding the UI programs authorized by the Coronavirus Aid, Relief, and Economic Security 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.[5] 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 6 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. Today, we 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 the Department 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.

13. **UI Information Technology (IT) Modernization – In Progress.** 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, DOL provided targeted grants to states and territories, offered improved guidance, directed assistance, and piloted tech-driven solutions. This audit is assessing 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.

[5] 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

14. **Benefit Accuracy Measurement (BAM) Program and Estimated Improper Payment Rates – In Progress.** ETA's BAM system is 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 UI program has experienced some of the highest improper payment rates across the Federal Government, with an estimated rate above 10 percent for 19 of the last 22 years. DOL has used BAM to report historically high estimated improper payment rates for the UI program for 2 of the last 5 years—18.71 percent in FY 2021 and 21.52 percent in FY 2022. Although the FY 2023, FY 2024, and FY 2025 estimated improper payment rates gradually dropped to 14.83, 14.41, and 13.14 percent, respectively, these rates still exceeded pre-pandemic levels and failed to meet federal requirements. This audit is assessing 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.

15. **UI Claimant Identity Verification – New.** Weaknesses in verifying claimant identities expose the UI program to significant improper payment risk. State UI programs are a target for fraud involving stolen and synthetic identities. While states are required to perform identity verification, prior oversight work has found gaps in both the implementation and effectiveness of these tools. ETA has taken steps to assist states in strengthening their identity verification procedures, such as providing states with identity verification services through Login.gov, in-person verification through the United States Postal Service, or both. ETA is in the process of onboarding additional states and transitioning currently participating states to enhanced services. If identity verification tools fail to detect ineligible individuals, then UI benefits may be improperly paid. Furthermore, according to states and ETA, these same tools add time to the initial processing of claims, which can affect the timeliness of states' payments to claimants—a tension ETA must manage as it strengthens identity verification. This audit will assess ETA's oversight of states' use of identity verification tools.

Mine Safety and Health Administration
(MSHA)

Discretionary Audits

16. **MSHA Grant Programs – In Progress.** MSHA is responsible for administering two types of annual grant programs. The State Grant Program distributes formula grants to state, tribal, and territorial governments to assist them in developing and enforcing state mining laws and regulations, improve state workers' compensation and mining occupational disease laws and programs, and improve safety and health conditions in the nation's mines. 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 $250,000, respectively. 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, potentially resulting in deteriorated program oversight or performance. This audit is assessing 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.

17. **MSHA Dams and Impoundments – New**. Mines build impoundments, using dams, to hold water or waste, control runoff, and prevent flooding. One of the worst impoundment failures in history occurred in 1972, resulting in 125 fatalities, more than 1,100 injuries, and the destruction of homes and businesses. Impoundment failures still occur today; a failure in May 2025 resulted in a fatality when a contractor's excavator overturned and became engulfed in the released material. MSHA publicly reports approximately 1,640 dams in its inventory, with 400 classified as having high hazard potential, meaning their failure would probably cause loss of human life. MSHA's inspection requirements range from semiannually to quarterly based on the hazard classification of the impoundment. Given the OIG has previously reported issues with MSHA's completion of mandatory mine inspections and the severe consequences that can result from impoundment failures,[6] this audit will assess whether MSHA is sufficiently inspecting dams and impoundments under its jurisdiction.

[6] https://www.oig.dol.gov/public/reports/oa/2024/19-24-001-06-001.pdf
https://www.oig.dol.gov/public/reports/oa/2025/05-25-002-06-001.pdf

Office of Federal Contract Compliance Programs (OFCCP)

Discretionary Audit

18. **OFCCP's Operational Wind Down and Transition of Enforcement Authorities – New**. On January 21, 2025, Executive Order 14173 revoked Executive Order 11246 and directed OFCCP to cease enforcement of Executive Order 11246's affirmative action and nondiscrimination obligations for federal contractors. This removed OFCCP's primary enforcement authority and resulted in a significant organizational drawdown, with staffing decreasing from 458 on-board employees in FY 2025 to 76 in FY 2026. During this period, OFCCP's funding dropped less than 10 percent from $111 million in FY 2025 to approximately $100 million for FY 2026. In addition, the President's FY 2027 Budget proposes eliminating OFCCP and transferring enforcement responsibilities for Section 503 of the Rehabilitation Act of 1973 (Section 503) and the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA) to the proposed Office of Civil Rights within the Department. Considering this proposed transfer and OFCCP's significantly reduced staffing, this audit will determine whether OFCCP's appropriations were used appropriately, including assessing how effectively the agency managed its Section 503 and VEVRAA responsibilities.

Occupational Safety and Health Administration (OSHA)

Discretionary Audits

19. **OSHA's Severe Violator Enforcement Program (SVEP) – New**. OSHA established SVEP in 2010 as its highest level of enforcement for employers that repeatedly demonstrate indifference to their obligations under the Occupational Safety and Health Act through willful, repeated, or failure-to-abate violations. In 2022, OSHA substantially revised the program by expanding the criteria for inclusion and modifying program procedures in an effort to strengthen enforcement. Because SVEP is OSHA's primary enhanced enforcement program for its most severe violators, effective administration is important to ensure enhanced enforcement resources are directed and carried out as intended. This

audit will determine whether OSHA consistently administered SVEP in accordance with its established guidance.

20. **OSHA Workplace Violence – New.** Workplace violence remains a significant occupational hazard affecting workers across multiple industries. Between 2021 and 2022, the BLS recorded 57,610 nonfatal workplace violence cases requiring at least one day off, with a median absence of 7 days. The health care and social assistance sector had the highest incidence, making up 72.8 percent of private industry cases over that period. In 2022, there were 524 workplace fatalities from homicides, up almost 9 percent from 2021; gunshot wounds accounted for 83 percent of these deaths. OSHA has developed guidance for responding to workplace violence activity and determining the appropriate enforcement response. This audit will assess the effectiveness of OSHA's actions taken to address workplace violence.

Office of the Assistant Secretary for Administration and Management

(OASAM)

Mandatory Audit

21. **Federal Information Security Modernization Act of 2014 (FISMA) Audit – Annual.** In performing its various missions, the Department collects and processes sensitive information through approximately 60 FISMA reportable 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 DOL's information security program in implementing an effective framework to secure DOL information systems.

Discretionary Audits

22. **IT Third Party Oversight – In Progress.** Since FY 2017, DOL has been required to comply with Executive Order 13800, 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. The OIG's FISMA testing has repeatedly 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 the Department'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.

23. **Amazon Web and Cloud Services Review – New**. DOL increasingly relies on Amazon Web Services (AWS) and other cloud environments to host critical infrastructure and sensitive data. Recent FISMA audits have flagged recurring cloud-related control weaknesses and rated DOL's FY 2026 information security program as "not effective." As those audits assess maturity broadly across the enterprise, it is possible that specific cloud misconfigurations can go unexamined. Prior year findings have also persisted, including system-level policies not updated to comply with National Institute of Standards and Technology Special Publication 800-53, Revision 5. Weak identity, access, and configuration controls raise the risk of unauthorized access, data exfiltration, and undetected malicious activity. If these gaps are not resolved, they expose sensitive data and undermine compliance with FISMA and Federal Risk and Authorization Management Program requirements. This review will test how DOL's AWS controls are configured across the areas of identity and access management, data protection, configuration, and logging and monitoring with the intent to identify any specific misconfigurations.

Office of the Chief Financial Officer
(OCFO)

Mandatory Audits

24. **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, 2027. We will consider the Department'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.

25. **U.S. Department of Labor's Compliance with the Payment Integrity Information Act of 2019 - Annual.** In FY 2025, the UI program and the Federal Employees' Compensation Act (FECA) program reported outlays of $37.7 billion and $4 billion, respectively, with an estimated improper payment rate of 13.14 percent and 2.78 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 the Department 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.

26. **Stop Secret Spending Act – Biennial.** Congress enacted the Stop Secret Spending Act of 2025, which amended the Federal Funding Accountability and Transparency Act of 2006, to expand requirements for federal agencies to report expenditures on the USAspending.gov website to include other transaction agreement expenditures. This review will assess: (1) the completeness, timeliness, accuracy, and quality of data submitted by DOL for publication on USAspending.gov; and (2) DOL's implementation and use of the Government-wide data standards established by OMB and Treasury.

Office of Workers' Compensation Programs
(OWCP)

Mandatory Audits

27. **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, 2027, 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.

28. **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, 2027.

29. **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, 2027.

30. **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, 2026, through June 30, 2027.

Discretionary Audits

31. **DEEOIC Home and Residential Health Care Benefits Improper Payments – New.** OWCP's Division of Energy Employees Occupational Illness Compensation (DEEOIC) provides benefits to current or former U.S. Department of Energy (DOE) employees (or their survivors) and contractors for home and residential health care when they develop illnesses from toxic exposure while employed at DOE facilities. Spending on these benefits has risen from $100 million in 2010 to approximately $1.86 billion in FY 2025.[7] This audit will review DEEOIC's efforts to detect and mitigate improper payments in this program.

32. **FECA Improper Disability Payments – New.** OWCP's Division of Federal Employees' Compensation handles claims for medical expenses and compensation benefits, including adjudicating new claims, managing ongoing cases, paying expenses and benefits to injured workers and survivors, and helping employees return to work when they are medically able. In FY 2024, OWCP paid about $3 billion in benefits, including over $2 billion for wage-loss compensation. This audit will review OWCP's efforts to detect and mitigate improper disability payments.

Veterans' Employment and Training Service
(VETS)

Discretionary Audit

33. **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.

[7] DOL OIG Semiannual Report to Congress, Volume 93 (October 1, 2024–March 31, 2025), available at: https://www.oig.dol.gov/public/semiannuals/93.pdf

Wage and Hour Division
(WHD)

Discretionary Audit

34. **WHD's Enforcement of Child Labor Provisions of the Fair Labor Standards Act (FLSA) – In Progress.** WHD enforces laws that prohibit the improper use of child labor. In September 2025, we reported several challenges hindering WHD's increased enforcement efforts, including resource constraints, communication barriers, and confusion caused by differences in state and federal child labor laws. In response, we initiated this follow-on audit to review WHD's efforts to protect minor workers and address egregious and systemic violations of the FLSA.

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. **Review of DOL's Certification of U and T Visas – New**. The U and T Visa programs were established by the Victims of Trafficking and Violence Protection Act of 2000. These programs are intended to encourage victims of certain crimes—including human trafficking—to report offenses and assist law enforcement, while affording them protection and legal status. The Department of Homeland Security delegated DOL, specifically through the Wage and Hour

Division and the Occupational Safety and Health Administration, authority to complete and submit certifications (Supplement B forms) for U and T visa applicants when the qualifying criminal activity arises in the context of an employment relationship or work environment to the Department of Homeland Security's U.S. Citizenship and Immigration Services (USCIS). Because of integrity concerns with this program highlighted by the Department of Homeland Security OIG, and due to those identified by DOL OIG in other foreign labor visa programs—such as approving applications based on self-attestations and investigations related to visa fraud—this review will examine how and to what extent DOL's role in the certification process factors into the sufficiency of controls in place to ensure proper use of these visas.