



Testimony

Before the Subcommittee on Economic
Opportunity, Committee on Veterans'
Affairs, House of Representatives

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**TRANSITIONING
VETERANS**

**Improvements Needed in
DOD's Performance
Reporting and Monitoring
of the Transition
Assistance Program**

Statement of Cindy Brown Barnes, Director
Education, Workforce, and Income Security

Chairman Arrington, Ranking Member O'Rourke, and Members of the Subcommittee:

I am pleased to be here to discuss the report we are issuing today on the Transition Assistance Program (TAP). Over the past several years, hundreds of thousands of servicemembers have left the military with nearly as many more soon to follow. Some of these new veterans may face significant challenges as they transition to civilian life, such as finding and maintaining employment. To help them, the VOW to Hire Heroes Act of 2011 (VOW Act) mandates the Department of Defense (DOD) to require that all eligible separating servicemembers participate in TAP to receive counseling, employment assistance, and information on federal veteran benefits, among other supports.¹ Concurrently with implementing the VOW Act, an interagency task force led a redesign of TAP which, among other things, (1) developed a new, standardized TAP curriculum, (2) established an interagency governance structure, and (3) established Career Readiness Standards (CRS) and associated tasks to demonstrate servicemembers' readiness for civilian life.

My statement summarizes the findings from the report we issued today, which addresses: (1) the extent to which DOD is transparent in its public performance reporting, (2) how many servicemembers participated in TAP and what factors affected participation, (3) how many servicemembers met CRS or received referrals to partner agencies for additional services, and (4) the extent to which DOD monitors key areas of TAP implementation and how well TAP's performance measures inform these monitoring efforts.² In summary, we found:

¹VOW to Hire Heroes Act of 2011, Pub. L. No. 112-56, Title II, 125 Stat. 711, 713-733.

²GAO, *Transitioning Veterans: DOD Needs to Improve Performance Reporting and Monitoring for the Transition Assistance Program*. [GAO-18-23](#) (Washington, D.C.: Nov. 8, 2017). With respect to DOD's public reporting on TAP performance, DOD is required by federal law to prepare (1) strategic plans with long-term, outcome-oriented agency priority goals and objectives, (2) annual performance plans with goals linked to achieving the long-term priority goals in the strategic plan and indicators to measure performance against the goals, and (3) annual reports on the results achieved toward the goals in the performance plan. In fiscal year 2014, DOD named one of its six agency priority goals the Transition to Veterans. Since that time, DOD has monitored TAP performance indicators and reported them in each of its annual performance plans. These requirements stem from the Government Performance and Results Act of 1993 (GPRA) which was significantly enhanced by the GPRA Modernization Act of 2010 (GPRAMA).

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- DOD lacked data on nearly half of eligible National Guard and Reserve Members and its public reporting may have misstated TAP performance;
 - At least 85 percent of servicemembers participated in required courses but not always on time, and several factors were reported to affect participation;
 - While most servicemembers were deemed career ready or referred for additional services, just over half may not have completed this process on time; and
 - While DOD monitors many areas of TAP implementation, it does not monitor several important requirements.

We made six recommendations. DOD agreed with three of our recommendations, partially agreed to two others, and did not agree with our recommendation on access to additional 2-day classes. GAO believes this recommendation is still valid as discussed in the report.

For our report, we surveyed 181 DOD installations that conduct TAP full time and achieved a 100 percent response rate; analyzed DOD participation data for fiscal year 2016; reviewed TAP data reports and performance measures; interviewed officials from DOD and its partner agencies; and reviewed relevant federal laws, regulations, and policies. We also visited 7 installations (2 each for the Army, Navy, Air Force, and 1 for the Marine Corps) from July through December, 2016. We found DOD data on TAP participation and CRS attainment to be reliable for regular active duty servicemembers, but not for National Guard and Reserve members due to the high percentage of missing data.³ A more detailed explanation of our methodology is available in our November 2017 report. The work upon which this statement is based was conducted in accordance with generally accepted government auditing standards.

³In [GAO-18-23](#) and the referenced analysis, we included the number and percentage of National Guard and Reserve members DOD reported to have participated in TAP to illustrate the extent to which DOD is missing data for this population, but we excluded these populations from our participant-level analyses. Consequently, the scope of this testimony is generally relevant to active-duty servicemembers who are not members of the National Guard and Reserve, unless otherwise noted.

DOD Lacked Data on Nearly Half of National Guard and Reserve Members and Its Public Reporting May Have Misstated TAP Performance, Particularly for the National Guard and Reserve

DOD lacked TAP data for 48 percent of eligible National Guard and Reserve members and 12 percent of servicemembers who were not members of the National Guard and Reserve, based upon our analysis of DOD data for fiscal year 2016. According to DOD officials, DOD launched the TAP-IT Enterprise System in November 2016 to standardize data collection across the Services and improve data completeness and accuracy. DOD officials anticipate the system's reporting capabilities will be fully operational by October 2018.

In fiscal year 2016, DOD's public reporting on the four performance measures under its Transition to Veterans agency priority goal may have misstated the extent to which underlying TAP requirements were met for National Guard and Reserve members and all other TAP-eligible servicemembers.⁴ According to federal internal control standards, management should use quality information to achieve the entity's objectives and to communicate quality information to external parties.⁵ However, DOD's public reporting of TAP's performance did not disclose that the method it used to calculate the measures excluded the percent of TAP-eligible servicemembers for whom it was missing data. For example, DOD publicly reported that 94 percent of National Guard and Reserve members attended pre-separation counseling and the three required courses of TAP's core curriculum (mandatory elements). Had the reported measure included all TAP-eligible members of the National Guard and Reserve for whom data were missing, the percentage might have been substantially lower—possibly as low as 47 percent—and DOD might not have met its performance goal of 85 percent.⁶ Similarly, DOD publicly reported that nearly 97 percent of active duty servicemembers attended the mandatory elements of TAP. However, had that measure included all TAP-eligible active duty servicemembers, the percentage

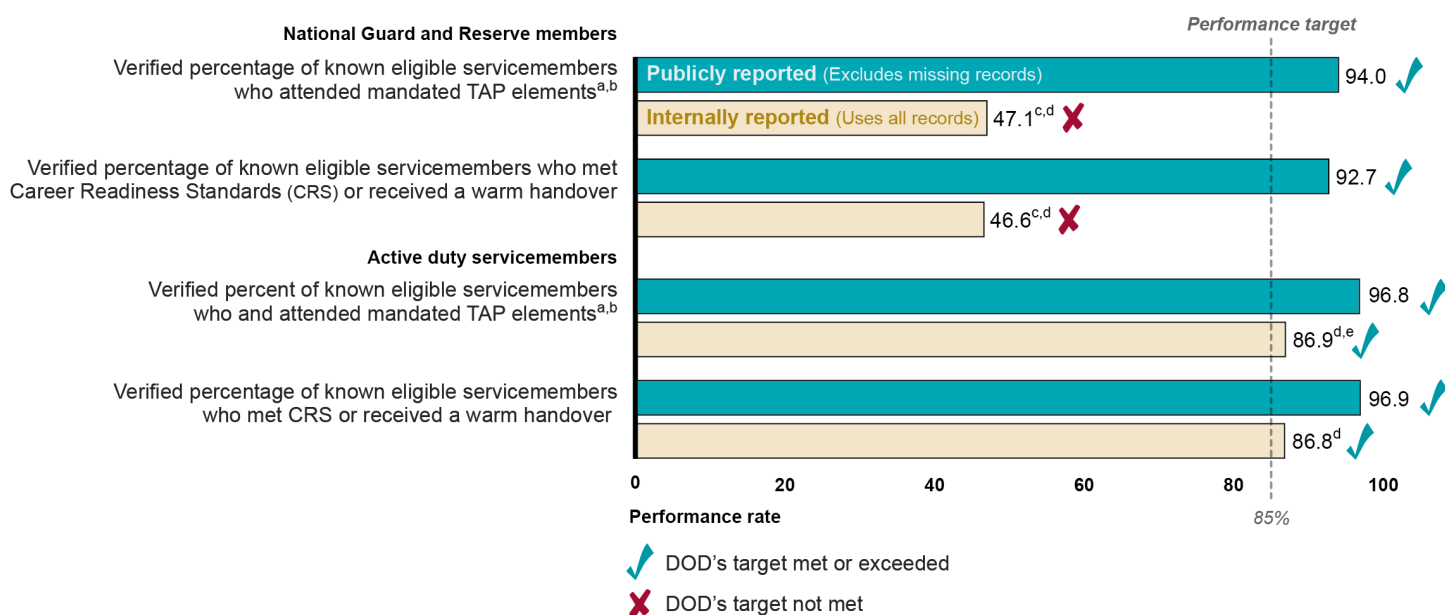
⁴Though federal law mandates that DOD require eligible servicemembers to participate in TAP, with some exceptions, DOD set performance goals below 100 percent participation among the population of servicemembers required to participate. 10 U.S.C. § 1144(c). DOD officials told us they assess performance goals each year and establish attainable but challenging performance goals.

⁵GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: Sept. 2014).

⁶The exact participation rate cannot be determined due to missing data. If none of the members of the National Guard and Reserve for whom data were missing completed TAP, the participation rate would be 47 percent. If the participation of members of the National Guard and Reserve with missing data mirrored the rate for members with available data, the rate would be 94 percent. If every member of the National Guard and Reserve with missing data completed TAP, the actual rate would be even higher—97 percent.

may have been as low as about 87 percent.⁷ In contrast, DOD’s internal reports to monitor TAP performance are more complete and transparent than its public reports since the internal reports include data for the entire TAP-eligible population and also quantify the extent of missing data (see fig. 1).

Figure 1: Comparison of Transition Assistance Program (TAP) Performance Outcomes between Department of Defense’s (DOD) Public and Internal Reports, Fiscal Year 2016



Source: GAO analysis of Department of Defense (DOD) fiscal year 2016 data. | GAO-18-225T

^aAttended (a) pre-separation counseling, (b) a Department of Labor Employment Workshop, and (c) Veterans Affairs Benefits Briefings prior to separation. In its internal reports, DOD refers to this as “VOW Compliance.”

^bDOD’s definition notes that the calculation is in accordance with statutory requirements that allowed exemptions determined by the Secretary of Defense in consultation with Department of Homeland Security, Department of Veterans’ Affairs, and Department of Labor.

^cDOD’s internal reports present rates of VOW compliance and CRS attainment separately for members of the National Guard and Reserve. To make it easier to compare DOD’s two methods for calculating performance outcomes, GAO used DOD’s reported numbers and methodology to calculate a combined measure that includes members of both the National Guard and Reserve.

^dActual participation rates may have differed from what available records show because DOD lacked participation data for 12 percent of eligible servicemembers and 48 percent of eligible members of the National Guard and Reserve. If the proportion of servicemembers or members of the National Guard or Reserve for whom data were missing completed TAP at the same rate as those for whom data were available, the percentage reported internally would likely parallel the percentage publicly

⁷The exact rate cannot be determined due to missing data.

reported. DOD officials said it is not accurate to calculate participation rates for servicemembers for whom data were missing because it is unknown whether those servicemembers met the performance criteria. However, we report this number to illustrate the discrepancy between what is known about performance for the entire TAP-eligible population and what DOD publicly reported.

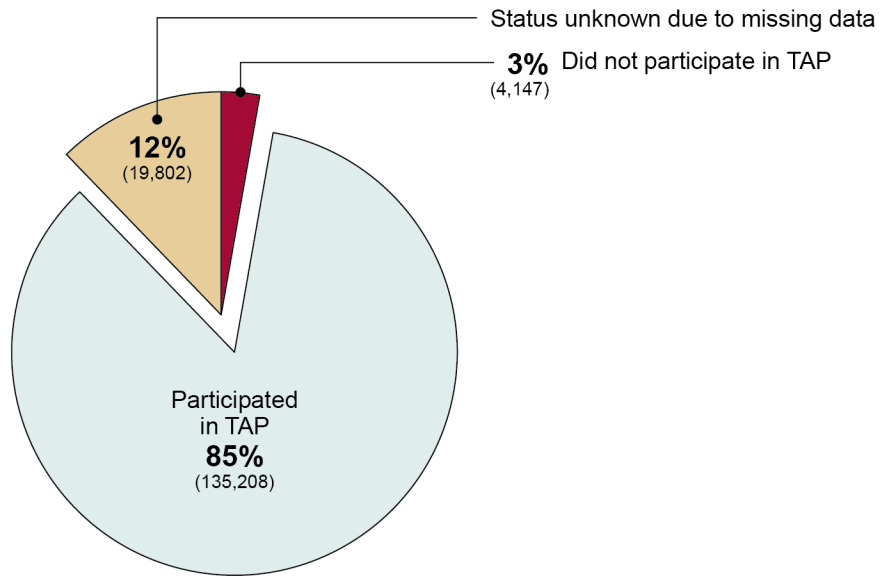
^eThis rate differs slightly from the rate GAO calculated using the participant level data provided by DOD, as shown in figure 1. DOD officials explained that GAO's calculation differs from the published rates because additional data were entered after the official performance measure calculation was completed.

We recommended that the Secretary of Defense publicly report DOD's performance regarding participation and CRS attainment for all TAP-eligible servicemembers and members of the National Guard and Reserve rather than exclude those for whom data are missing, or DOD should clarify the extent of missing data. DOD partially concurred with this recommendation, saying that compliance should be computed based only on known data, but said that in fiscal year 2018 all reports will describe the extent of missing data and DOD will continue working to reduce the extent of missing data.

At Least 85 Percent of Servicemembers Participated in Required Courses but Not Always on Time, and Several Factors Were Reported to Affect Participation

At least 85 percent of servicemembers participated in TAP's required courses—the Employment Workshop and VA Benefits I and II—according to our analysis of DOD data for fiscal year 2016 (see fig. 2).

Figure 2: Participation Rates in Transition Assistance Program's (TAP) Required Courses, Fiscal Year 2016



Source: GAO analysis of Department of Defense (DOD) fiscal year 2016 data. | GAO-18-225T

Note: The participation rate is a measure of all servicemembers who met the following requirements: 1) either completed the employment workshop or were exempt from the requirement to participate in that course, and 2) completed VA Benefits I and II courses. Thus, our participation rate differs slightly from DOD's VOW compliance rate, which also included mandatory pre-separation counseling. Because GAO determined participation data were reliable for servicemembers but not for National Guard and Reserve members, this figure does not include the latter. Actual participation rates may have differed from what available records show because DOD lacked participation data for 12 percent of eligible servicemembers. Percentages are rounded to the nearest whole number.

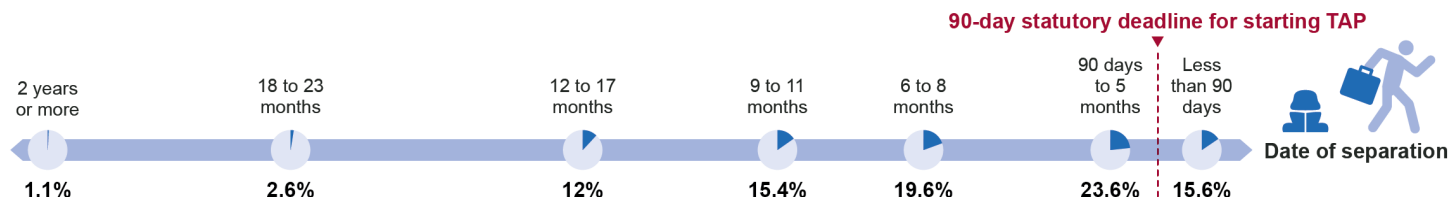
Therefore, DOD achieved its 85 percent performance goal for servicemember participation in mandatory portions of TAP.⁸ However,

⁸More specifically, this performance goal's underlying performance indicator measures all servicemembers who met all three of the following requirements: 1) participated in pre-separation counseling, 2) either completed the employment workshop or were exempt from the requirement to participate in that course, and 3) completed VA Benefits I and II courses. Our analysis of DOD data also showed that 85 percent of eligible servicemembers met all three of these requirements. Actual participation rates may have differed from what available records showed because DOD lacked participation data for 12 percent of eligible servicemembers. Federal law requires the Secretary of Defense and the Secretary of Homeland Security to require participation in TAP for members eligible for assistance, with some exceptions. 10 U.S.C. § 1144. DOD's GPRAMA priority goal performance goal for fiscal years 2016 and 2017 is set at 85 percent. The goal includes both servicemembers and members of the National Guard and Reserve. This performance goal is not a statutory requirement.

fewer than 15 percent of servicemembers participated in one or more of TAP's additional 2-day classes, which DOD does not consider mandatory unless the servicemember needs to attend to meet CRS. Those who participated in these additional 2-day classes primarily participated in the one on Accessing Higher Education.

Our analysis found that most servicemembers started TAP on time—90 days or more before their date of separation (see fig. 3).⁹ Specifically, we found that in fiscal year 2016, 74 percent of servicemembers started TAP on time. However, according to TAP staff at five of the seven installations we visited, servicemembers who start TAP less than 90 days before separating may face challenges completing TAP requirements or accessing additional transition resources.

Figure 3: Percent of Servicemembers Who Started the Transition Assistance Program (TAP) within Selected Time Frames, Fiscal Year 2016



Source: GAO analysis of Department of Defense (DOD) fiscal year 2016 data. | GAO-18-225T

Notes: Because GAO determined timeliness data were reliable for servicemembers but not National Guard and Reserve members, this figure does not include members of the National Guard or Reserve. Actual timeliness rates may have differed from what available records show because DOD lacked data on the timeliness of beginning TAP for 10.1 percent of eligible servicemembers. Percentages do not add to 100 due to the missing data. The 90-day statutory timeliness threshold does not apply when servicemembers undergo unanticipated, rapid separations. Therefore, in some cases timeliness standards may have been met although the servicemember started TAP less than 90 days before separating.

Several factors affected servicemember participation in TAP, according to our survey. The two most frequently cited factors were servicemembers going through rapid separations or starting the transition process too late to attend TAP. Other often-cited factors were servicemembers believing they could not leave their duties to attend training, or not being released from duties due to mission critical skills. To a lesser degree, lack of

⁹See 10 U.S.C. § 1142(a)(3). In cases of unanticipated separations or retirements when there are 90 days or fewer before discharge or release from active duty, servicemembers are required to begin as soon as possible within the remaining period of service.

support from direct supervisors and unit commanders was a factor that reportedly affected participation.

Despite such challenges, we generally heard positive feedback. TAP staff at all of the installations we visited said the redesigned program offered critical information and guidance and mandating participation had improved the program, such as by expanding awareness about the importance of transition preparation. Servicemembers also praised course facilitators and TAP staff, noting they were knowledgeable, dedicated, and supportive. Nonetheless, many servicemembers said attending TAP was like “trying to drink from a firehose” because of the volume of information presented in a short period of time.¹⁰

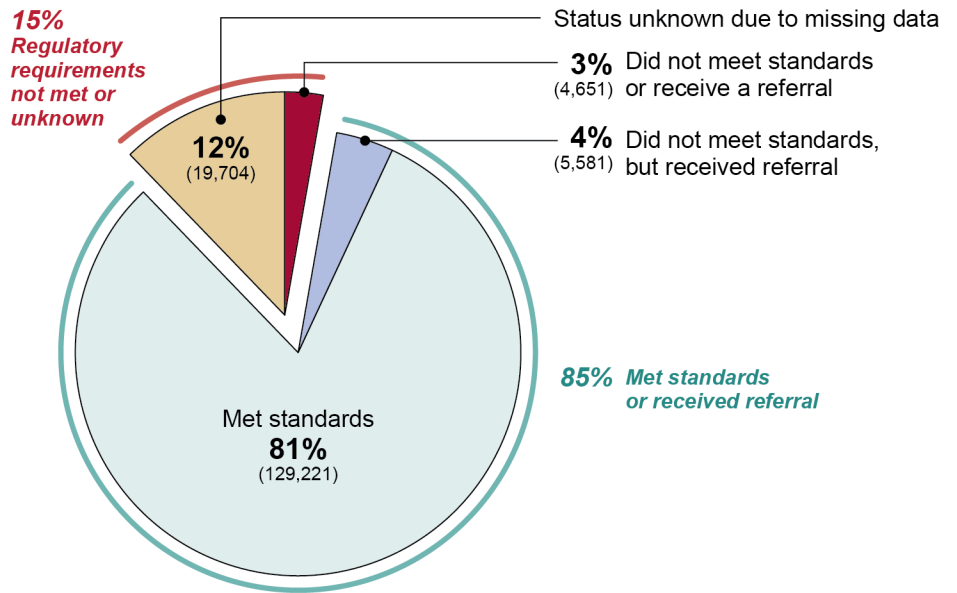
While Most Servicemembers Were Deemed Career Ready or Referred for Additional Services, Just over Half May Not Have Completed This Process on Time

DOD met its career readiness performance goal in fiscal year 2016 by ensuring at least 85 percent of servicemembers met their Career Readiness Standards (CRS) or were referred for services to an appropriate interagency partner or another appropriate resource—a process known as the “warm handover.”¹¹ In particular, about 81 percent of all active duty servicemembers met their CRS according to our analysis of DOD data. DOD ensured that another 4 percent of servicemembers received a warm handover because their CRS had not been met. Relatively few servicemembers—another 3 percent—did not meet CRS or receive a warm handover as required by regulations. Due to missing data, it is unknown whether DOD ensured the remaining 12 percent of servicemembers met CRS (see fig. 4).

¹⁰DOD officials noted that an ongoing DOD initiative to incorporate transition preparation throughout servicemembers careers—called the Military Lifecycle Transition Model—should help address this concern.

¹¹For fiscal years 2016 and 2017, DOD set an 85 percent target for this agency priority goal.

Figure 4: Number and Percent of Servicemembers Who Met Career Readiness Standards or Received a Warm Handover Referral, Fiscal Year 2016



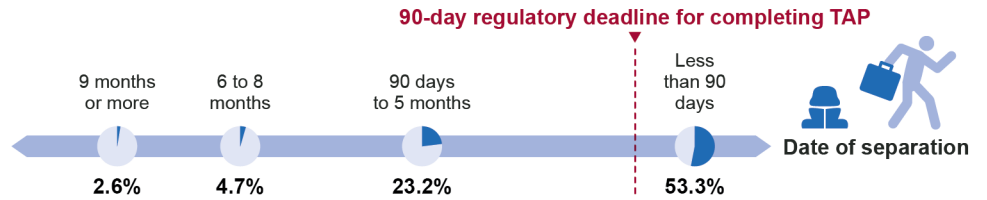
Source: GAO analysis of Department of Defense (DOD) data. | GAO-18-225T

Note: Commanders or their designees are required to ensure that servicemembers who do not meet one or more Career Readiness Standards or who need further assistance are referred to an appropriate interagency partner or another appropriate resource—a process known as a “warm handover.” Because GAO determined participation data were reliable for servicemembers but not for National Guard and Reserve members, this figure does not include members of the National Guard or Reserves. Actual participation rates may have differed from what available records show because DOD lacked participation data for 12 percent of eligible servicemembers. Percentages are rounded to the nearest whole number.

However, our analysis of DOD data showed more than 53 percent of servicemembers completed Capstone—the event that finalizes TAP completion by verifying attainment of CRS providing a referral—fewer than 90 days before their scheduled separation date. DOD regulations state that, preceding an anticipated separation, servicemembers must complete Capstone no later than 90 days before their date of anticipated separation, with some exceptions (see fig. 5).¹²

¹²The 90-day regulatory timeliness threshold does not apply when servicemembers undergo unanticipated, rapid separations. Therefore, in some cases timeliness standards may have been met although the servicemember completed TAP less than 90 days before separating.

Figure 5: Percent of Servicemembers Who Completed Required Transition Assistance Program (TAP) Activities, within Selected Time Frames, Fiscal Year 2016



Source: GAO analysis of Department of Defense (DOD) fiscal year 2016 data. | GAO-18-225T

Note: Because GAO determined career readiness standard data were reliable for servicemembers but not National Guard and Reserve members, this figure does not include members of the National Guard or Reserve. Actual Career Readiness Standards attainment rates may have differed from what available records show because DOD lacked career readiness data for 16 percent of eligible servicemembers. Percentages do not add to 100 due to the missing data. The 90-day timeliness threshold does not apply when servicemembers undergo unanticipated, rapid separations. Therefore, in some cases timeliness standards may have been met although the servicemember started TAP less than 90 days before separating.

While DOD Monitors Many Areas of TAP Implementation, It Does Not Monitor Several Important Requirements

DOD does not currently monitor the timeliness of TAP participation, although DOD regulations establish a time frame for completing TAP requirements. We recommended that the Secretary of Defense monitor and report on the extent to which servicemembers participate in TAP within prescribed time frames. DOD concurred with this recommendation and said it will begin implementing it once DOD establishes system requirements and identifies associated costs of data collection; DOD anticipates starting data collection in fiscal year 2019 at the earliest.

DOD also does not monitor and report on the extent to which servicemembers wanted to attend one of the additional 2-day classes, but were not able to participate, although federal law requires that DOD ensure that servicemembers who elect to participate in these classes are able to receive the training. We recommended that the Secretary of Defense monitor and report on the extent to which servicemembers who elect to take additional 2-day classes are able to do so. DOD disagreed with our recommendation saying that it ensures access by offering 2-day classes both in classrooms and online. Moreover, it stated that the purpose of 2-day classes is to help servicemembers achieve Career Readiness standards. However, GAO does not believe this is sufficient for DOD to know whether it is ensuring compliance with this particular law. We continue to believe that DOD needs to track whether those who elect to take these classes are able to receive the training.

In addition, agency officials told us that DOD does not systematically monitor and report on the prevalence of online TAP participation, although DOD regulations state that DOD and the military services must generally ensure servicemembers participate in TAP in a classroom setting, with some exceptions.¹³ We recommended that the Secretary of Defense monitor and report on the extent to which servicemembers attend TAP in a classroom setting unless allowed by regulation to participate online. DOD agreed to address this recommendation once it has identified system requirements and associated costs for collecting the data. DOD anticipates the earliest it will be able to monitor and report such data will be fiscal year 2019.

Moreover, DOD currently lacks a mechanism to generate performance data at the installation and unit command level related to the timeliness of TAP participation, access to additional 2-day classes, and method of course delivery. We recommended that once DOD monitors and reports data in these three areas, the Secretary of Defense should enable unit and higher-level commanders to access this information to help ensure their specific units are TAP compliant. DOD partially concurred with our recommendation in that it agreed to make data available to commanders with regard to timeliness and online participation—but not access to the 2-day classes—once it had the data collection and reporting capability.

Finally, we found that DOD's performance measures related to CRS attainment lack objectivity.¹⁴ GAO criteria state that subjective considerations or judgments should not greatly affect a measure's outcome. However, we found that assessing some of the CRS—the individual transition plan and resume portion of the job application package—requires professional judgment in determining whether a

¹³According to DOD regulations, those eligible servicemembers who can use the virtual curricula include (1) those whose duty locations are in remote or isolated geographic areas, and (2) those undergoing short-notice separation who cannot access brick-and-mortar curricula in a timely manner. 32 C.F.R. pt. 88 app. G. Isolated geographic areas are defined as being 50 or more miles away from the installation to which the servicemember is assigned.

¹⁴Previous GAO reports provide established criteria for assessing performance measurement systems. (For example, see GAO, *Tax Administration: IRS Needs to Further Refine its Tax Filing Season Performance Measures*, [GAO-03-143](#), (Washington D.C. November 2002.) Specifically, for that report, GAO has identified nine key attributes of successful performance measures: measurable target, linkage, clarity, objectivity, reliability, limited overlap, balance, government-wide priorities, and core program activities. For more information, see [GAO-18-23](#).

servicemember has met the particular standard, and DOD has not developed guidance or quality standards that could minimize the subjectivity of such decisions.^{15, 16} We recommended that the Secretary of Defense seek ways to minimize the subjectivity involved in making career readiness determinations. DOD concurred with this recommendation and said that by the end of fiscal year 2018, it will collaborate with the military departments and the Department Labor (DOL) to examine and implement ways, as appropriate, to minimize the subjectivity in assessing individual CRS. DOD noted that installations have personnel trained in resume writing and career planning, who can assist servicemembers, and that installations can also call upon their local DOL partners for further support.

Chairman Arrington, Ranking Member O'Rourke, and Members of the Subcommittee, this concludes my prepared statement. I would be happy to answer any questions you may have.

GAO Contact and Staff Acknowledgments

If you or your staff have any questions about this testimony, please contact me at (202) 512-7215 or brownbarnesc@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this statement. GAO staff who made key contributions to this testimony include Meeta Engle, Amy MacDonald, and David Forgosh. Additional assistance was provided by James Bennett, Holly Dye, Ted Leslie, Shelia McCoy, Jean McSween, Benjamin Sinoff and Almeta Spencer.

¹⁵Other Career Readiness Standards—such as whether servicemembers documented requirements and eligibility for licensure, certification, and apprenticeship—do not require subjective judgments.

¹⁶To meet Career Readiness Standards, servicemembers must demonstrate they have a viable individual transition plan and have completed a job application package, which include a resume.

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