

FY 2017

CONGRESSIONAL BUDGET JUSTIFICATION

VETERANS' EMPLOYMENT AND TRAINING SERVICE

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VETERANS' EMPLOYMENT AND TRAINING SERVICE

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APPROPRIATION LANGUAGE

Not to exceed [~~\$271,110,000~~] \$235,520,000 may be derived from the Employment Security Administration Account in the Unemployment Trust Fund to carry out the provisions of chapters 41, 42, and 43 of title 38, United States Code, of which:

(1) \$175,000,000 is for Jobs for Veterans State grants under 38 U.S.C. 4102A(b)(5) to support disabled veterans' outreach program specialists under section 4103A of such title and local veterans' employment representatives under section 4104(b) of such title, and for the expenses described in section 4102A(b)(5)(C), which shall be available for obligation by the States through December 31, [~~2016~~] 2017 and not to exceed 3 percent for the necessary Federal expenditures for data systems and contract support to allow for the tracking of participant and performance information: *Provided, That*, in addition, such funds may be used to support such specialists and representatives in the provision of services to transitioning members of the Armed forces who have participated in the Transition Assistance Program and have been identified as in need of intensive services, to members of the Armed Forces who are wounded, ill, or injured and receiving treatment in military treatment facilities or warrior transition units, and to the spouses or other family caregivers of such wounded, ill or injured members;

(2) [~~\$14,100,000~~] \$14,600,000 is for carrying out the Transition Assistance Program under 38 U.S.C. 4113 and 10 U.S.C. 1144;

(3) [~~\$40,487,000~~] \$42,506,000 is for Federal administration of chapters 41, 42, and 43 of title 38, United States Code; and

(4) \$3,414,000 is for the National Veterans' Employment and Training Services Institute under 38 U.S.C. 4109:

Provided, that the Secretary may reallocate among the appropriations provided under paragraphs (1) through (4) above an amount not to exceed 3 percent of the appropriation from which such reallocation is made.

In addition, from the General Fund of the Treasury, \$50,000,000 is for carrying out programs to assist homeless veterans and veterans at risk of homelessness who are transitioning from certain institutions under sections 2021, 2021A, and 2023 of title 38, United States Code: *Provided, That* notwithstanding subsections (c) (3) and (d) of

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section 2023, the Secretary may award grants through September 30, [2016] 2017 to provide services under such section: *Provided further*, That services provided under section 2023 may include, in addition to services to the individuals described in subsection (e) of such section, services to veterans recently released from incarceration who are at risk of homelessness. (*Department of Labor Appropriations Act, 2016.*)

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AMOUNTS AVAILABLE FOR OBLIGATION						
(Dollars in Thousands)						
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request	
	FTE	Amount	FTE	Amount	FTE	Amount
A. Appropriation	0	\$38,109	0	\$38,109	0	\$50,000
Appropriation, Revised	0	\$38,109	0	\$38,109	0	\$50,000
<i>Subtotal Appropriation</i>	<i>0</i>	<i>\$38,109</i>	<i>0</i>	<i>\$38,109</i>	<i>0</i>	<i>\$50,000</i>
Offsetting Collections From:						
Trust Funds	230	\$231,872	230	\$233,001	230	\$235,520
Other Supplementals and Rescissions	0	\$0	0	\$0	0	\$0
<i>Subtotal</i>	<i>230</i>	<i>\$269,981</i>	<i>230</i>	<i>\$271,110</i>	<i>230</i>	<i>\$285,520</i>
B. Gross Budget Authority	230	\$269,981	230	\$271,110	230	\$285,520
Offsetting Collections From:						
Deduction:	0	\$0	0	\$0	0	\$0
Reimbursements	0	\$0	0	\$0	0	\$0
<i>Subtotal</i>	<i>230</i>	<i>\$269,981</i>	<i>230</i>	<i>\$271,110</i>	<i>230</i>	<i>\$285,520</i>
C. Budget Authority Before Committee	230	\$269,981	230	\$271,110	230	\$285,520
Offsetting Collections From:						
IT Crosscut	0	\$0	0	\$0	0	\$0
<i>Subtotal</i>	<i>230</i>	<i>\$269,981</i>	<i>230</i>	<i>\$271,110</i>	<i>230</i>	<i>\$285,520</i>
D. Total Budgetary Resources	230	\$269,981	230	\$271,110	230	\$285,520
Other Unobligated Balances	0	\$0	0	\$0	0	\$0
Unobligated Balance Expiring	0	\$214	0	\$0	0	\$0
FTE Lapse	-1	\$0	0	\$0	0	\$0
E. Total, Estimated Obligations	229	\$269,767	230	\$271,110	230	\$285,520

VETERANS' EMPLOYMENT AND TRAINING SERVICE

SUMMARY OF CHANGES

(Dollars in Thousands)

	FY 2016 Enacted	FY 2017 Request	Net Change
Budget Authority			
General Funds	\$38,109	\$50,000	+\$11,891
Trust Funds	\$233,001	\$235,520	+\$2,519
Total	\$271,110	\$285,520	+\$14,410

Full Time Equivalents

General Funds	0	0	0
Trust Funds	230	230	0
Total	230	230	0

FY 2017 Change

Explanation of Change	FY 2016 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Increases:								
A. Built-Ins:								
To Provide For:								
Costs of pay adjustments	230	\$21,177	0	\$359	0	\$0	0	\$359
Personnel benefits	0	\$6,365	0	\$130	0	\$0	0	\$130
Two days less of Pay	0	\$0	0	\$0	0	\$0	0	\$0
Federal Employees' Compensation Act (FECA)	0	\$0	0	\$0	0	\$0	0	\$0
Benefits for former personnel	0	\$29	0	\$0	0	\$0	0	\$0
Travel and transportation of persons	0	\$1,561	0	\$0	0	\$0	0	\$0
Transportation of things	0	\$0	0	\$0	0	\$0	0	\$0
Rental payments to GSA	0	\$907	0	\$29	0	\$0	0	\$29
Communications, utilities, and miscellaneous charges	0	\$222	0	\$0	0	\$0	0	\$0
Printing and reproduction	0	\$842	0	\$0	0	\$0	0	\$0
Advisory and assistance services	0	\$2	0	\$0	0	\$0	0	\$0
Other services from non-Federal sources	0	\$17,674	0	\$0	0	\$0	0	\$0
Working Capital Fund	0	\$8,532	0	\$225	0	\$0	0	\$225
Other Federal sources (Census Bureau)	0	\$0	0	\$0	0	\$0	0	\$0
Other Federal sources (DHS Charges)	0	\$59	0	\$0	0	\$0	0	\$0
Other goods and services from Federal sources	0	\$1,308	0	\$0	0	\$0	0	\$0
Operation and maintenance of facilities	0	\$109	0	\$0	0	\$0	0	\$0
Operation and maintenance of equipment	0	\$746	0	\$0	0	\$0	0	\$0
Supplies and materials	0	\$112	0	\$0	0	\$0	0	\$0

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FY 2017 Change

Explanation of Change	FY 2016 Base		Trust Funds		General Funds		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
Equipment	0	\$50	0	\$0	0	\$0	0	\$0
Grants, subsidies, and contributions	0	\$211,334	0	\$0	0	\$0	0	\$0
Insurance claims and indemnities	0	\$50	0	\$0	0	\$0	0	\$0
Built-Ins Subtotal	230	+\$271,079	0	+\$743	0	\$0	0	+\$743
B. Programs:								
Funding HVRP at the \$50 Million Authorized Level	0	\$38,109	0	\$0	0	\$11,891	0	\$11,891
Long - term Veterans Data System collaboration	0	\$0	0	\$1,000	0	\$0	0	\$1,000
Increase for the Phase-in of a new Transition Assistance Program (TAP) Facilitation Contract	0	\$14,100	0	\$500	0	\$0	0	\$500
Restoration of Inflationary Built-Ins Not Provided in FY 2016 Omnibus	0	\$0	0	\$479	0	\$0	0	\$479
Programs Subtotal			0	+\$1,979	0	+\$11,891	0	+\$13,870
Total Increase	230	+\$271,079	0	+\$2,722	0	+\$11,891	0	+\$14,613
Decreases:								
A. Built-Ins:								
To Provide For:								
Two days less of Pay	0	\$0	0	-\$197	0	\$0	0	-\$197
Federal Employees' Compensation Act (FECA)	0	\$31	0	-\$6	0	\$0	0	-\$6
Built-Ins Subtotal	0	+\$31	0	-\$203	0	\$0	0	-\$203
B. Programs:								
Total Decrease	0	+\$31	0	-\$203	0	\$0	0	-\$203
Total Change	230	+\$271,110	0	+\$2,519	0	+\$11,891	0	+\$14,410

VETERANS' EMPLOYMENT AND TRAINING SERVICE

SUMMARY BUDGET AUTHORITY AND FTE BY ACTIVITY								
(Dollars in Thousands)								
	FY 2015 Enacted		FY 2016 Enacted		FY 2017 Request		Diff. FY17 Request / FY16 Enacted	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
State Grants	0	175,000	0	175,000	0	175,000	0	0
Unemployment Trust Funds	0	175,000	0	175,000	0	175,000	0	0
Transition Assistance Program	0	14,000	0	14,100	0	14,600	0	500
Unemployment Trust Funds	0	14,000	0	14,100	0	14,600	0	500
Homeless Veterans' Reintegration Program	0	38,109	0	38,109	0	50,000	0	11,891
General Funds	0	38,109	0	38,109	0	50,000	0	11,891
National Veterans' Employment and Training Service Institute	0	3,414	0	3,414	0	3,414	0	0
Unemployment Trust Funds	0	3,414	0	3,414	0	3,414	0	0
Federal Administration - USERRA Enforcement	229	39,458	230	40,487	230	42,506	0	2,019
General Funds	0	0	0	0	0	0	0	0
Unemployment Trust Funds	229	39,458	230	40,487	230	42,506	0	2,019
Total	229	269,981	230	271,110	230	285,520	0	14,410
General Funds	0	38,109	0	38,109	0	50,000	0	11,891
Unemployment Trust Funds	229	231,872	230	233,001	230	235,520	0	2,519

NOTE: 2015 reflects actual FTE.

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BUDGET AUTHORITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
	Full-Time Equivalent				
	Full-time Permanent	230	230	230	0
	Total	230	230	230	0
	Average ES Salary	\$168,102	\$168,102	\$170,624	\$2,522
	Average GM/GS Grade	12/5	12/6	12/6	0
	Average GM/GS Salary	\$86,932	\$87,802	\$88,829	\$1,027
11.1	Full-time permanent	21,415	20,980	21,501	521
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	203	197	197	0
11.9	Total personnel compensation	21,618	21,177	21,698	521
12.1	Civilian personnel benefits	6,429	6,396	6,611	215
13.0	Benefits for former personnel	45	29	29	0
21.0	Travel and transportation of persons	1,565	1,561	1,561	0
22.0	Transportation of things	10	0	0	0
23.1	Rental payments to GSA	889	907	965	58
23.3	Communications, utilities, and miscellaneous charges	320	222	222	0
24.0	Printing and reproduction	840	842	842	0
25.1	Advisory and assistance services	2	2	2	0
25.2	Other services from non-Federal sources	18,162	17,674	18,174	500
25.3	Other goods and services from Federal sources 1/	6,031	9,899	10,124	225
25.4	Operation and maintenance of facilities	308	109	109	0
25.7	Operation and maintenance of equipment	1,664	746	1,746	1,000
26.0	Supplies and materials	100	112	112	0
31.0	Equipment	200	50	50	0
41.0	Grants, subsidies, and contributions	211,748	211,334	223,225	11,891
42.0	Insurance claims and indemnities	50	50	50	0
	Total	269,981	271,110	285,520	14,410
	1/Other goods and services from Federal sources				
	HHS Services	260	500	0	-500
	Services by Other Government Departments	766	808	1,308	500
	Working Capital Fund	4,946	8,532	8,757	225
	DHS Services	59	59	59	0

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AUTHORIZING STATUTES

- | Public Law / Act | Legislation |
|---|---|
| • Pub. Law 107-288 Section: 38 U.S.C. Chapter 2021 | • Jobs for Veterans Act |
| • Pub. Law 105-339 | • Veterans Employment Opportunities Act |
| • Pub. Law 103-353 | • Uniformed Services Employment and Reemployment Rights Act of 1994 |
| • Pub. Law 96-22 Section: 38 U.S.C. Chapter(s) 4100, 4200, 4300 | • Vietnam Era Veterans' Readjustment Assistance Act of 1974 |
| • Pub. Law 107-288 Section: 38 U.S.C. Chapter 2021 | • Jobs for Veterans Act |
| • Modified for HVRP by Section 203, Pub. Law 109-233 | • Homeless Veterans' Reintegration Program |
| • Pub. Law 112-56 | • VOW to Hire Heroes Act |
| | • NVTI |

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APPROPRIATION HISTORY					
(Dollars in Thousands)					
	Budget Estimates to Congress	House Allowance	Senate Allowance	Appropriations	FTE
2007					
Base Appropriation	\$224,887	\$223,189	\$223,189	\$223,189	240
2008					
Base Appropriation	\$228,096	\$228,198	\$231,198	\$228,096	234
2009					
Base Appropriation...1/	\$238,439	\$239,439	\$239,439	\$239,439	234
2010					
Base Appropriation	\$255,127	\$255,127	\$256,127	\$256,127	234
2011					
Base Appropriation...2/	\$262,494	\$255,127	\$256,127	\$255,614	228
2012					
Base Appropriation...3/	\$261,036			\$264,438	218
2013					
Base Appropriation...4/	\$258,870			\$250,604	218
2014					
Base Appropriation	\$300,518			\$269,523	227
2015					
Base Appropriation	\$269,981			\$269,981	230
2016					
Base Appropriation	\$271,110	\$271,110	\$269,981	\$271,110	230
2017					
Base Appropriation	\$285,520				230

1/ Reflects a \$2,243 reduction pursuant to P.L. 109-149.

2/ This bill was only reported out of Subcommittee and was not passed by the Full House.

3/ Reflects a \$501 reduction pursuant to P.L. 112-74

4/ Reflects a 0.2 percent across-the-board rescission pursuant to P.L. 113-6 and the sequestration reduction pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985.

VETERANS' EMPLOYMENT AND TRAINING SERVICE

OVERVIEW

Introduction

The Veterans' Employment and Training Service (VETS) administers programs that address the employment, training, and job security needs of Americans who have served in uniform. VETS is part of an integrated veterans employment, training, and employment law enforcement enterprise in the Department of Labor, preparing transitioning service members and military spouses for civilian employment and providing employment and training services to eligible veterans and their spouses. VETS also protects service members and veterans by ensuring employers respect their rights to employment and reemployment, and ensures that federal employers give appropriate preferential hiring to veterans.

For Fiscal Year (FY) 2017, the Agency is requesting \$285,520,000. This includes funding for:

- Jobs for Veterans State Grants, in the amount of \$175,000,000
- Transition Assistance Program, in the amount of \$14,600,000
- Homeless Veterans' Reintegration Program, in the amount of \$50,000,000
- National Veterans' Training Institute, in the amount of \$3,414,000
- Federal Administration - USERRA Enforcement, in the amount of \$42,506,000

The VETS budget is formulated through five budget activities:

(1) **Jobs for Veterans State Grants (JVSG)** – The FY 2017 request is \$175,000,000.

VETS assists veterans in obtaining and maintaining meaningful employment through services provided at American Job Centers (AJC) and other locations. VETS awards the JVSG grants as a formula grant to each state, the District of Columbia, Guam, Puerto Rico, and the Virgin Islands. Under this program, funds are allocated to State Workforce Agencies (SWA) in direct proportion to the number of veterans seeking employment in the particular state and the number of unemployed persons in the state. The grant supports two types of staff positions in the AJC network:

- Disabled Veterans' Outreach Program (DVOP) specialists, who provide intensive services targeted at meeting the employment needs of disabled veterans and other veterans with significant barriers to employment; and
- Local Veterans' Employment Representatives (LVER), who conduct outreach to employers and engage in advocacy efforts with hiring executives to increase employment opportunities for veterans, and encourage the hiring of veterans.

The FY 2017 request will support a total of approximately 1,600 DVOP specialists and 600 LVER staff.

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VETS will continue to focus on increasing the rate of intensive services to veterans, including comprehensive and specialized assessments of skill levels and needs; development of an individual employment plan; group and individual career counseling and planning; and short-term skills development (such as interview and communication skills), in order to improve employment outcomes for these individuals.

In addition to American Job Centers, VETS continues to collaborate with the Department of Veterans Affairs' Vocational Rehabilitation and Employment (VR&E) Service by stationing DVOP specialists at VA Regional Offices and other points of entry to help VR&E participants find good jobs.

(2) Transition Assistance Program (TAP) - The FY 2017 request is \$14,600,000.

TAP is jointly operated by the Department of Defense (DoD), the Department of Veterans Affairs (VA), and the Department of Labor. The Department of Labor provides the TAP Employment Workshop, a standardized, comprehensive three-day workshop which assists veterans in transitioning to civilian employment. TAP Employment Workshops are provided on military installations both domestically and abroad and are facilitated by an all-contract staff. At the request level, TAP Employment Workshops will be delivered to over 200,000 transitioning service members and spouses. Also at the request level, VETS will fund a phase in period of a new TAP facilitation contract.

VETS expects the demand for the TAP Employment Workshop to remain constant over the next few years.

(3) Homeless Veterans' Reintegration Program (HVRP) – The FY 2017 request is \$50,000,000.

The Department is proposing an increased investment in this program at the fully-authorized level in order to advance the Administration's goal of ending veteran homelessness. HVRP is the only federal nationwide program focusing exclusively on the employment of veterans who are homeless. The program provides job training, counseling, and placement services, including job readiness, literacy, and skills training, to aid in the re-integration of homeless veterans into the labor force. HVRP funds are awarded to state and local workforce investment boards; state and local public agencies; and private non-profit organizations, including faith-based and community organizations through an annual competitive grant.

Grantees provide an array of services to homeless veterans through a comprehensive case management approach, which includes critical linkages to a variety of support services available in local communities. Grantees conduct outreach to homeless veterans through collaboration with other entities, such as Grant and Per Diem (GPD) grantees, Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) grantees, and Health and Human Services (HHS) grantees.

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(4) **National Veterans' Training Service Institute (NVTI)** – The FY 2017 request is \$3,414,000.

NVTI was established to ensure a high level of proficiency and training for staff that provide veterans employment services. NVTI provides training to federal staff and veteran service providers, including DVOP specialists and LVER staff who provide or oversee grant services, and federal staff who perform compliance and enforcement activities under USERRA and Veterans' Preference.

At the requested level, NVTI will be able to train veteran service providers in order to meet the training requirements of the Veterans' Benefits Act of 2010 (Public Law 111-275). This statutory requirement calls for DVOP specialists and LVER staff to complete training within 18 months of assignment to their positions. NVTI will also continue required proficiency testing of DVOP and LVER participants.

(5) **Federal Administration - USERRA Enforcement** – The FY 2017 request is \$42,506,000.

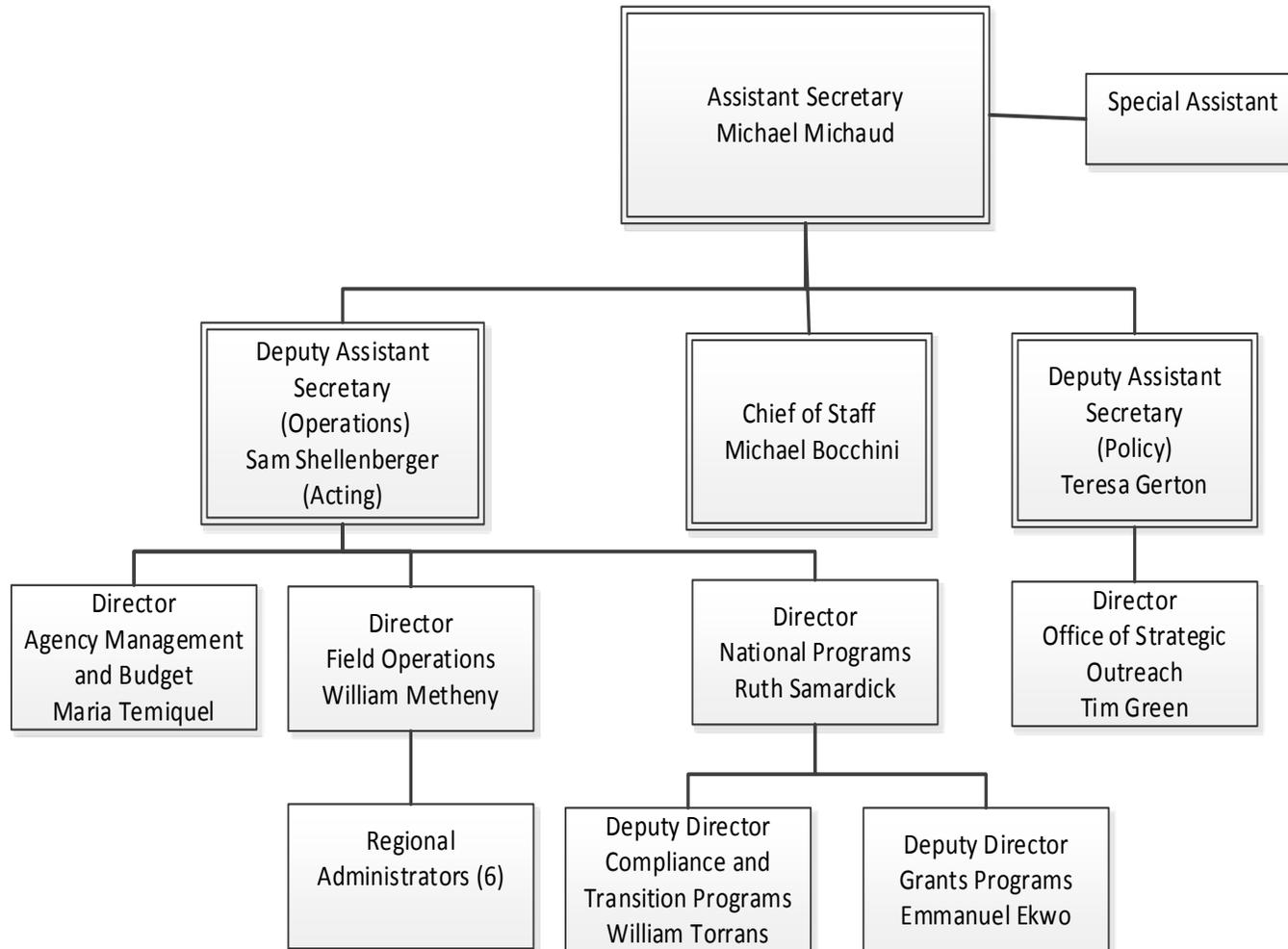
The Federal Administration budget activity supports the management and oversight necessary to implement the Agency's activities, programs, initiatives, and administrative and oversight functions. The request will fund VETS staff distributed across each state, the District of Columbia and Puerto Rico; six regional offices; and the national office. Due to inflationary cost increases related to compensation, benefits, and rent, the FY 2016 request included resources for built-ins in these areas. Funding for these costs was not provided for VETS in the FY 2016 appropriations. The FY 2017 request includes resources to cover these personnel and rent costs as a program increase.

The request includes \$1,000,000 for a long-term interagency data warehouse system that will consolidate veteran and service member data across the government to better understand the needs of this population and assess the impact of federal programs designed to serve this population.

This budget activity also funds compliance investigations that protect the employment and reemployment rights of veterans and members of the National Guard and Reserve Forces through investigation and resolution of claims from protected individuals under two labor laws. Under the provisions of the Uniformed Services Employment and Reemployment Rights Act (USERRA), VETS protects the civilian reemployment rights of Reservists and National Guard members who are called to active duty. Under the Veterans' Employment Opportunities Act, VETS helps to ensure that qualified veterans obtain the required preference in Federal agency hiring and retention actions by investigating claims of violations of those rights.

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ORGANIZATION CHART



STATE GRANTS

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	175,000	175,000	175,000	0
FTE	0	0	0	0

Introduction

The state grants budget activity funds the Jobs for Veterans State Grants (JVSG) program. The JVSG program functions primarily as a staffing grant, providing salaries and benefits for state merit employees who provide employment and specialized services to:

- veterans and eligible spouses with significant barriers to employment;
- transitioning service members identified as in need of intensive services;
- wounded or ill service members in military treatment facilities, and their family caregivers; and,
- other populations of veterans specified by the Secretary.

This program assists the Department of Labor in meeting its Performance Goal 1.1 of Strategic Goal 1: *Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships.*

The grants are distributed on a formula basis to State Workforce Agencies to support the Disabled Veterans' Outreach Program (DVOP) specialists and the Local Veterans' Employment Representative (LVER) staff. These staff provide employment services in various locations in 50 states, Puerto Rico, the District of Columbia, Guam, and the Virgin Islands. Sites include the network of American Job Centers, Department of Veterans Affairs (VA) facilities, military medical treatment facilities, and Warrior Transition Units. Warrior Transition Units are located at major military treatment facilities and provide support to wounded, ill and injured soldiers who require at least six months of rehabilitative care and complex medical management.

DVOP specialists are authorized by Section 4103A of Title 38, United States Code. DVOP specialists provide intensive services to veterans and eligible spouses with significant barriers to employment. Additionally, beginning in FY 2014, appropriation language was amended to allow DVOP specialists to provide to transitioning service members in need of intensive services, and to wounded, ill, or injured service members and their caretakers. Intensive services include job readiness assessments, interview preparation, development of an Individual Development Plan (IDP), and career guidance through group or individual counseling. DVOP specialists also provide recovery and employment assistance to wounded and injured servicemembers receiving care at Department of Defense (DoD) military treatment facilities and Warrior Transition Units, with special consideration being given to economically or educationally disadvantaged veterans. DVOP specialists also provide intensive employment-

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related services to eligible veterans served through the Homeless Veterans' Reintegration Program and Incarcerated Veterans' Transition Program.

Intensive services will remain an Agency Priority Goal for the Department through FY 2017. DOL has set an aggressive target of providing 90 percent of DVOP specialist participants with intensive services by September 30, 2016, and maintaining that level through FY 2017. Since 2010, intensive service rates have increased dramatically, from 20 percent to over 75 percent in FY 2015. The Department released refocusing guidance in April 2014 that emphasized the responsibility of DVOP specialists to provide intensive services. Federal staff have provided technical assistance and oversight of this guidance, to include quarterly reviews of performance and onsite audits at American Job Centers. LVER staff are authorized by Section 4104, Title 38, United States Code. LVER staff conduct outreach to employers and engage in advocacy efforts with local businesses to increase employment opportunities for veterans, encourage the hiring executives to increase employment opportunities for veterans, encourage the hiring of disabled veterans, and generally facilitate and support veterans in gaining and retaining employment. In addition, LVER staff maintain cooperative working relationships with community organizations that provide complementary services and reciprocal referrals.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$160,582	0
2013	\$162,025	0
2014	\$175,000	0
2015	\$175,000	0
2016	\$175,000	0

FY 2017

In FY 2017, the Department requests \$175,000,000, maintaining funding at the FY 2016 level. The JVSG program will continue to serve veterans and eligible spouses with significant barriers to employment, other populations defined by the Secretary, as well as the expanded populations first included in the FY 2014.

FY 2016

In FY 2016, JVSG funding level is \$175,000,000, which maintains funding at the FY 2015 level. The JVSG program will continue to serve veterans and eligible spouses with significant barriers to employment, other populations defined by the Secretary, as well as the expanded populations first included in FY 2014. Further, DOL will continue to pursue an ambitious increase in the number of participants receiving intensive services. DOL has set a target of 90 percent by September 30, 2016.

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To assist states with meeting this goal, federal staff will continue to conduct both regular oversight activities and formal audits of AJCs, based on the JVSG refocusing guidance released in April 2014. In FY 2016, DOL will improve audit tools and processes based on the first full year of auditing conducted in FY 2015 by using a risk-based approach to identify AJCs for formal audits. This approach relies on a review of AJC-level data, to include referrals of veterans to JVSG and services provided by DVOP specialists and LVER staff.

In FY 2016, DOL will continue to implement the Workforce Innovation and Opportunity Act (WIOA), which will include aligning the JVSG program with core programs identified in WIOA. This includes the development and implementation of state plans, and beginning July 1, 2016, the implementation of new WIOA performance metrics.

FY 2015

The enacted level of \$175,000,000 provided employment services for 185,590 job-seeking veterans and eligible spouses. The number of participants sharply decreased as a result of guidance released by DOL and improving economic conditions nationwide. This guidance defined those veterans who had one or more significant barrier to employment as individuals who should be referred to a DVOP specialist for intensive services.

To meet the goal of DVOP specialists providing increasing rates of intensive services, and to provide services to the expanded populations identified in FY 2014, the FY 2015 funding level maintains the nearly \$14,000,000 increase from the FY 2013 level.

Additionally, to assist states in meeting this goal, federal staff conducted both regular oversight activities and formal audits of AJCs. In FY 2015, all regions met or exceeded the FY target of 20 percent for JVSG audits conducted. Auditing ensures that veterans are referred to the appropriate workforce program, intensive services are provided to veterans with significant barriers to employment, and DVOP specialists and LVER staff are performing their respective roles and responsibilities. Upon completion of the audits, State Workforce Agencies received a formal report of identified issues and best practices that can be replicated in other AJCs. Federal staff worked with State Workforce Agencies to implement corrective action, when necessary.

Finally, DOL continued the implementation of WIOA, which moves federal and state governments toward a unified workforce and education system to better serve the American worker. Programs are required to partner in both the planning and performance process to streamline services and referrals, and ensure agencies are measuring programs in a standardized way. Though JVSG is not identified as one of the six core programs in the law, it is a required partner, and we have been in lockstep with our workforce and education partners to ensure that the JVSG program is included in all stages of this transformation. The Department has recognized the important role JVSG plays in serving veterans across the country and has included JVSG-specific language in much of the proposed rulemaking language.

STATE GRANTS

DETAILED WORKLOAD AND PERFORMANCE							
		PY 2014 Enacted		FY/PY 2015 Enacted		FY/PY 2016 Enacted	FY/PY 2017 Request
		Target	Result	Target	Result	Target	Target
State Grants							
Strategic Goal 1 - Prepare workers for better jobs							
Strategic Objective 1.1 - Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships							
VETS-DVOP-01	Entered Employment Rate for veterans served by DVOP specialists	57.0%	54.9%	59.0%	57.3%	60.0%	60.0%
VETS-DVOP-03	Employment Retention Rate for veterans served by DVOP specialists	81.0%	80.2%	81.0%	81.4%	81.0%	81.0%
VETS-JVSGBudget-01	Number of Participants	375,000	332,165	325,000	185,590	180,000	175,000
VETS-JVSGBudget-02	Cost/Participant	\$467.00	\$527.00	\$538.00	\$942.00	\$972.00	\$1,000.00
VETS-JVSGBudget-03	State FTE	2,157	2,213	2,213	2,225	2,225	2,225
VETS-JVSGBudget-04	Cost per FTE	\$81,131.00	\$79,078.00	\$79,078.00	\$78,652.00	\$78,652.00	\$78,652.00
VETS-DVOP-07	Percent of JVSG Veterans receiving intensive services - FY basis	50.0%	47.4%	75.0%	75.9%	90.0%	90.0%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

STATE GRANTS

Workload Narrative Summary

The chart above details the performance measures DOL uses to measure the JVSG program and services to participants.

The number of participants in the JVSG program has dramatically decreased, consistent both with refocusing guidance released in April 2014, and improving economic conditions across the nation. In fact, as the economy has improved American Job Centers are seeing fewer jobseekers, including jobseekers who are veterans. Additionally the refocusing guidance emphasized that only those veterans with significant barriers to employment be referred to a DVOP specialists, as opposed to all veterans, which was the previous practice of many states. The reduction in the number of participants allows DVOP specialists to devote increased case time to each veteran, providing them with the intensive services required to mitigate their significant barriers to employment. This also results in an increase to the cost per participant.

The two employment outcome measures, Entered Employment Rate and Employment Retention Rate, are the outcomes of participants served by DVOP specialists. Both measures have increased over the past three program years, consistent with the economic recovery nationwide.

The Department anticipates that these two measures will change with the implementation of the Workforce Innovation and Opportunity Act (WIOA), signed into law in July 2014. Beginning in PY 2016, WIOA requires changes to key common measures for employment and education programs. However, given that these measures have not yet been formalized, VETS has provided already established PY 2017 targets for current measures.

One of the Department's key goals is to achieve the FY 2016 target rate of 90 percent rate of veterans receiving intensive services from DVOP specialists. These services include career planning and counseling, skill assessment, referral to training and support services, and post-transition follow-up; providing participants with an individualized plan for mitigating employment barriers; and easing the transition into the civilian workforce. The Department anticipates these services will result in better employment outcomes for veterans with significant barriers to employment.

STATE GRANTS

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
21.0	Travel and transportation of persons	0	0	0	0
23.3	Communications, utilities, and miscellaneous charges	0	0	0	0
25.2	Other services from non-Federal sources	714	750	750	0
25.3	Other goods and services from Federal sources 1/	647	1,025	1,025	0
25.7	Operation and maintenance of equipment	0	0	0	0
41.0	Grants, subsidies, and contributions	173,639	173,225	173,225	0
	Total	175,000	175,000	175,000	0
	1/Other goods and services from Federal sources				
	HHS Services	260	500	0	-500
	Services by Other Government Departments	387	525	1,025	500

STATE GRANTS

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments		\$0
Travel and transportation of persons		0
Communications, utilities, and miscellaneous charges		0
Other services from non-Federal sources		0
Other Federal sources (Census Bureau)		0
Other goods and services from Federal sources		0
Operation and maintenance of equipment		0
Grants, subsidies, and contributions		0

Built-Ins Subtotal **\$0**

Net Program **\$0**

Direct FTE **0**

	Estimate	FTE
Base	\$175,000	0
Program Increase	\$0	0
Program Decrease	\$0	0

TRANSITION ASSISTANCE PROGRAM

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	14,000	14,100	14,600	500
FTE	0	0	0	0

Introduction

The Transition Assistance Program (TAP) for separating and retiring service members and their spouses, codified in 10 U.S.C. 1144, is a cooperative effort between DOL, the Departments of Defense (DoD), Homeland Security (DHS), and Veterans Affairs (VA). VETS administers the DOL Employment Workshop (DOLEW) as a component of TAP, both domestically and at overseas installations, providing job preparation and employment services to assist transitioning service members entering the civilian workforce. The DOLEW is an intense three-day workshop focused on the fundamentals of career transition and the mechanics of getting a job; it includes developing a job search plan, networking, creating an effective resume, and interviewing techniques. DOL provides Employment Workshops based on the demand of the Armed Services. VETS' estimates for TAP are based on DoD's projections of approximately 200,000 service members attending the DOLEW in the coming year. VETS uses an average class size of 30 participants, based on historical data, to determine the estimated number of workshops that will be needed. Printing and distribution costs are based on the DoD projections of the number and location of workshops.

TAP supports the Department of Labor in meeting its Performance Goal 1.1 of Strategic Goal 1: *Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships.*

The Veterans Opportunity to Work (VOW) to Hire Heroes Act of 2011 was signed into law in November 2011, making participation in the DOLEW mandatory for all transitioning service members, with certain exemptions. This included, for the first time, a mandate requiring National Guard and Reserve Component members to attend the DOLEW prior to completing demobilization.

After passage of the VOW Act, the President's Veterans Employment Initiative Task Force, a collaboration of several agencies across the Government, established requirements for each of the military services and interagency partners to develop their respective sections of the TAP program. DOL works closely with DoD to project the demand for Employment Workshops and has consistently met this demand.

DOL VETS will recompute the current facilitation contract during FY 2017 in order to ensure the program gets the best possible value, and will award the new contract in the fourth quarter of FY 2017. The new contract will include a 90-day phase-in period to allow the new vendor to prepare for full facilitation of the DOLEW in the second quarter of FY 2018. The requested

TRANSITION ASSISTANCE PROGRAM

increase will allow VETS to fund the phase-in of the new contract while ensuring full coverage of workshops requested by DoD.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$13,483	0
2013	\$13,524	0
2014	\$14,000	0
2015	\$14,000	0
2016	\$14,100	0

FY 2017

The request level of \$14,600,000, which is an increase of \$500,000, will allow the agency to provide services for nearly 6,700 employment workshops with a planned class size of no more than 35 exiting service members or spouses. DoD's projected demand for the DOLEW is expected to remain consistent with projections of previous years, about 200,000 participants. This funding level will allow DOL to continue to deliver the employment workshops through a combination of instructor led brick-and-mortar workshops, synchronous workshops delivered in a virtual classroom, and asynchronous web-based content.

Additionally, VETS will implement the newly developed mobile application for the online delivery of curricula. The mobile application will allow DOL to make more cost effective updates to the DOLEW participant material, and result in cost savings over printing, storage, and distribution of printed material. This will provide a modern method of delivering the curricula to transitioning service members and allow them to access specific modules through their transition.

Further, the Department's Chief Evaluation Office will continue a formal impact evaluation that began in FY 2015 of the TAP DOL Employment Workshop. The evaluation is estimated to be completed in FY 2017.

FY 2016

The enacted level of \$14,100,000 will allow the agency to provide services for nearly 6,700 employment workshops with a planned class size of no more than 35 exiting service members or spouses. DoD's projected demand for the DOLEW is expected to remain consistent with projections of previous years, about 200,000 participants. This funding level will allow DOL to continue to deliver the employment workshops through a combination of instructor led brick-and-mortar workshops, synchronous workshops delivered in a virtual classroom, and asynchronous web-based content.

TRANSITION ASSISTANCE PROGRAM

In FY 2016, the revised TAP DOLEW curriculum will be implemented with the following modifications:

- Tighten the focus of the DOLEW to four core competencies:
 1. Developing and executing a job search plan;
 2. Planning for success in the civilian work environment;
 3. Creating resumes, cover letters, and other self-marketing materials; and
 4. Engaging in successful interviews and networking conversations.
- Increase the hands-on activities associated with the core competencies.
- Expand and improve the content on American Job Center (AJC) resources, social media, and resume samples

Additionally, VETS will develop a mobile application for the online delivery of curricula. The mobile application will allow DOL to make more cost effective updates to the DOLEW participant material, and result in cost savings over printing, storage, and distribution of printed material. This will provide a modern method of delivering the curricula to transitioning service members and allow them to access specific modules through their transition.

Further, the Department's Chief Evaluation Office will continue a formal impact evaluation of the TAP DOL Employment Workshop initiated in FY 2015.

FY 2015

The enacted level of \$14,000,000 allowed the agency to provide services for 180,793 participants with an average class size of 28 exiting service members or spouses. DOL delivered 6,450 employment workshops through a combination of instructor led brick-and-mortar workshops, synchronous workshops delivered in a virtual classroom, and asynchronous web-based content.

VETS monitors TAP DOLEW sites regularly to ensure that the TAP DOLEW program is working effectively and is compliance with the mandates outlined in Public Law 101-510 (codified at 10 U.S.C. § 1144). Beginning in FY 2014, VETS implemented a standardized assessment tool and process for the TAP DOLEW, including 10 standardized elements for evaluating facilitators.

In FY 2015, DOL conducted a complete review of the TAP DOLEW curriculum to update the employment information and strategies provided to participants. The curriculum was updated to include employment protections for veterans under the Equal Employment Opportunity (EEO) and Americans with Disabilities Act (ADA). In addition, VETS added content on the Veterans' Employment Center portal and expanded the information covering American Job Centers (AJC) and Registered Apprenticeships. This incorporated extensive input from TAP stakeholders to include military transition services personnel, transitioning service members, private sector employers, and Veterans Service Organizations (VSOs).

The Department's Chief Evaluation Office began a formal impact evaluation to study the effectiveness of the TAP DOL Employment Workshop.

TRANSITION ASSISTANCE PROGRAM

In January 2015, VETS completed the two-year Off Base Transition Training (OBTT) pilot program to provide the TAP DOL Employment Workshop to veterans and their spouses at locations other than military installations as stipulated in the Dignified Burial and Other Veterans' Benefits Improvement Act of 2013 (P.L. 112-260). In total, VETS conducted 21 pilot workshops in three states: Georgia, Washington, and West Virginia. VETS submitted its second annual report on the OBTT pilot to Congress in FY 2015.

TRANSITION ASSISTANCE PROGRAM

DETAILED WORKLOAD AND PERFORMANCE					
		FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
		Target	Result	Target	Target
Transition Assistance Program					
Strategic Goal 1 - Prepare workers for better jobs					
Strategic Objective 1.1 - Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships					
VETS-TAP-01a	Number of TAP DOL Employment Workshops delivered in response to DoD demand	6,700[p]	6,450	6,700[p]	6,700[p]
VETS-TAP-02	DoD Estimated Number of Participants	200,000[p]	180,793	200,000[p]	200,000[p]
VETS-TAP-08	Percent of domestic TAP DOL Employment Workshop sites assessed	100.0%	105.6%	100.0%	100.0%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

Note: VETS has a targeted number of site visits annually, based on the availability of resources and workload of field staff. In FY 2015, the Agency exceeded the number of planned site visits.

TRANSITION ASSISTANCE PROGRAM

Workload Summary Narrative

This chart shows the workload measures the Department uses to ensure this budget activity meets the Department's goals. The Transition Assistance Program budget activity measures include the number of TAP Employment Workshops, the number of TAP workshop participants, and the percent of site assessments conducted. The number of TAP workshops and participants is based on the demand from the Department of Defense.

TRANSITION ASSISTANCE PROGRAM

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
21.0	Travel and transportation of persons	0	0	0	0
22.0	Transportation of things	0	0	0	0
24.0	Printing and reproduction	800	800	800	0
25.2	Other services from non-Federal sources	13,200	13,300	13,800	500
25.3	Other goods and services from Federal sources 1/	0	0	0	0
25.7	Operation and maintenance of equipment	0	0	0	0
41.0	Grants, subsidies, and contributions	0	0	0	0
	Total	14,000	14,100	14,600	500
	1/Other goods and services from Federal sources				

TRANSITION ASSISTANCE PROGRAM

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Travel and transportation of persons	0
Transportation of things	0
Printing and reproduction	0
Other services from non-Federal sources	0
Other goods and services from Federal sources	0
Operation and maintenance of equipment	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$0**

Net Program **\$500**

Direct FTE **0**

	Estimate	FTE
Base	\$14,100	0
Program Increase	\$500	0
Program Decrease	\$0	0

HOMELESS VETERANS' REINTEGRATION PROGRAM

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	38,109	38,109	50,000	11,891
FTE	0	0	0	0

Introduction

The Homeless Veterans' Reintegration Program (HVRP) is authorized under 38 U.S.C. 2021, and is a key program in meeting the Administration's goal of ending veteran homelessness. HVRP provides services to help veterans experiencing homelessness obtain meaningful employment and to develop effective service delivery systems to address the complex problems facing homeless veterans. Funds are awarded on a competitive basis to eligible applicants, including: state and local Workforce Investment Boards, public agencies, for-profit/commercial entities, and non-profit organizations, including faith- and community-based organizations.

- In addition to HVRP grants, funding in this budget activity is also used to serve specific subsets of the homeless veteran population, through the following grants:
 - The Homeless Female Veterans and Veterans with Families grants specifically target the subpopulation of female veterans experiencing homelessness and veterans with families experiencing homelessness.
 - The Incarcerated Veterans' Transition grants provide employment services to incarcerated veterans at risk of becoming homeless.
 - Stand Down grants are awarded for local events typically held for one to two days, during which a variety of social services are provided to veterans experiencing homelessness.

HVRP supports the Department of Labor in meeting its Performance Goal 1.1 of Strategic Goal 1: *Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships.*

HVRP grantees use a case management approach to assist homeless veterans, and provide critical linkages for a variety of support services available in their local communities. The program is employment focused; veterans receive the employment and training services they need in order to re-enter the labor force. Direct services include placement in employment, skills training, job development, career counseling, and resume writing. Support services such as clothing, provision of or referral to temporary, transitional, and permanent housing, referral to medical substance abuse treatment, and transportation assistance are also available.

HOMELESS VETERANS' REINTEGRATION PROGRAM

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$38,185	0
2013	\$36,188	0
2014	\$38,109	0
2015	\$38,109	0
2016	\$38,109	0

FY 2017

The FY 2017 budget requests \$50,000,000, the full authorization level, which is \$11,891,000 greater than the \$38,109,000 FY 2016 funding level for the HVRP program.

With this additional funding, HVRP can increase program enrollment from 17,000 participants to over 22,000 participants. According to the Department of Housing and Urban Development's (HUD's) 2015 Point-in-Time Survey¹, 47,725 homeless individuals, or one in ten homeless adults, identified as a veteran.

In addition to increasing the number of grantees with the additional funding, VETS will consider raising the level of funding awarded to each grant, which the agency currently caps at \$300,000 for urban grants and at \$200,000 for non-urban grants. While the number of homeless veterans decreases, those with the most significant barriers (clinical depression, bipolar disorder, etc.) to employment remain. Additionally, the rate of female veteran homelessness continues to rise as a proportion of the total homeless population. The hardest-to-serve homeless veterans, including the chronically homeless, require more intense levels of service and longer duration of service in order to successfully transition into civilian employment.

VETS is also working with DOL's Chief Evaluation Office to launch a rigorous and comprehensive evaluation of this program in FY 2016 to identify effective strategies and interventions for serving this population. The additional resources requested for 2017 will ensure a robust sample size for this evaluation.

FY 2016

The FY 2016 enacted level was \$38,109,000 for the HVRP program. At this level, DOL estimates awarding 29 newly-competed HVRP grants. In addition, the funding will provide for the award of an additional option year to 122 HVRP grantees, which would include 12 Homeless Female Veterans and Veterans with Families grants.

¹ "The 2015 Annual Homeless Assessment Report (AHAR) to Congress," U.S. Department of Housing and Urban Development. November 2015. <https://www.hudexchange.info/resource/4832/2015-ahar-part-1-pit-estimates-of-homelessness/>

HOMELESS VETERANS' REINTEGRATION PROGRAM

This amount will allow DOL to provide HVRP services to approximately 17,000 homeless veterans nationwide, including homeless women veterans. HVRP grantees will provide an array of services to homeless veterans through a comprehensive case management approach, which includes critical linkages to a variety of support services available in local communities. Grantees will conduct outreach to homeless veterans through collaboration with other entities, such as Veterans Affairs (VA) Grant and Per Diem (GPD) grantees, Housing and Urban Development and Veterans Affairs Supportive Housing (HUD-VASH) grantees, and Health and Human Services (HHS) grantees.

FY 2015

At the FY 2015 funding level of \$38,109,000, DOL awarded funds to 160 grantees. Specifically, 38 newly-competed grants were awarded, and 122 existing/current grantees received first or second option-year funding. The FY 2015 grants included 12 Homeless Female Veterans and Veterans with Families grants and 8 Incarcerated Veterans' Transition Program grants.

DOL anticipates providing HVRP services to approximately 17,000 homeless veterans nationwide, including homeless women veterans. HVRP grantees provided an array of services to homeless veterans through a comprehensive case management approach, which included critical linkages to a variety of support services available in local communities. Grantees conducted outreach to homeless veterans through collaboration with other entities, such as VA GPD, HUD-VASH, and HHS grantees.

HOMELESS VETERANS' REINTEGRATION PROGRAM

DETAILED WORKLOAD AND PERFORMANCE							
		PY 2014 Enacted		PY 2015 Enacted		PY 2016 Enacted	PY 2017 Request
		Target	Result	Target	Result	Target	Target
Homeless Veterans' Reintegration Program							
Strategic Goal 1 - Prepare workers for better jobs							
Strategic Objective 1.1 - Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships							
VETS- HVRP-01a	HVRP placement rate (including IVTP & HFVWWF participants)	66.0%	63.4%	65.0%	68.7%	65.0%	65.0%
VETS- HVRP-03c	Homeless Female Placement Rate (including female participants in HVRP, IVTP & HFVWWF)	62.0%	58.9%	62.0%	64.0%	62.0%	62.0%
VETS- HVRP- Budget-05	Number of HVRP Participants	17,000[e]	16,132	17,000[e]	17,000[e]	17,000[e]	22,000[e]
VETS- HVRP- Budget-01	Number of Grants	153[e]	154	154	156	153[e]	TBD
VETS- HVRP- Budget-02	Cost per Participant	\$2,242	\$2,362	\$2,242	\$2,242	\$2,242	\$2,273

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

HOMELESS VETERANS' REINTEGRATION PROGRAM

Workload Summary

This chart shows the workload and performance measures the Department uses to assess the effectiveness of the HVRP program. Under the HVRP budget activity, the percent of participants placed into employment, as well as the percent of female participants placed into employment are key outcome measures.

The Department has set a placement rate target of 65 percent for FY 2017, despite a result of 68.7 percent for FY 2015. Given the reduction in the homeless veteran population since 2010, those remaining homeless veterans consist of the chronically homeless or hardest to serve. Placing 65 percent of these veterans in employment remains an aggressive target to the workload summary.

Additional measures (cost per participant, and number of grants) help explain the relationship between funding level and outputs. Cost per participant allows a comparison to the other employment programs such as VETS' State Grants and the VA's Vocational Rehabilitation Program. The number of grants for FY 2017 is still being determined as VETS is considering raising the level of funding awarded to each grant, which the agency currently caps at \$300,000 for urban grants and \$200,000 for non-urban grants.

HOMELESS VETERANS' REINTEGRATION PROGRAM

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
11.1	Full-time permanent	0	0	0	0
11.9	Total personnel compensation	0	0	0	0
25.2	Other services from non-Federal sources	0	0	0	0
25.3	Other goods and services from Federal sources 1/	0	0	0	0
25.4	Operation and maintenance of facilities	0	0	0	0
41.0	Grants, subsidies, and contributions	38,109	38,109	50,000	11,891
	Total	38,109	38,109	50,000	11,891
	1/Other goods and services from Federal sources				

HOMELESS VETERANS' REINTEGRATION PROGRAM

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$0
Other services from non-Federal sources	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Grants, subsidies, and contributions	0

Built-Ins Subtotal **\$0**

Net Program **\$11,891**

Direct FTE **0**

	Estimate	FTE
Base	\$38,109	0
Program Increase	\$11,891	0
Program Decrease	\$0	0

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	3,414	3,414	3,414	0
FTE	0	0	0	0

Introduction

The National Veterans' Training Institute (NVTI) was established in 1986 as a grant awarded to the Colorado Department of Labor, and then codified into law in 1988, 38 U.S. Code § 4109 - National Veterans' Employment and Training Services Institute.

NVTI supports the Department's mission by developing the skills and knowledge of employment service providers and federal staff. Specifically, this training supports the Department's Performance Goal 1.1 of Strategic Goal 1: *Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships.*

Currently under a five-year, \$12,200,000 contract administered by DOL, NVTI provides competency-based training to further develop and enhance the professional skills of employment service providers nationwide. Training is provided to:

- DVOP specialists, LVER staff, and others who provide direct services to veterans; and
- Federal staff in USERRA investigative techniques, Veterans' Preference law, and grants management.

The Veterans' Benefits Act of 2010 (Public Law 111-275) established the timeline for DVOP specialists and LVER staff to complete NVTI training within 18 months of beginning employment. Further, DOL requires that all federal DOL staff who will be assigned investigations attend the USERRA and Veterans' Preference training sessions prior to actively investigating complaints from veterans. Federal DOL staff who oversee formula and competitive grants programs attend the Advanced Grants Management course.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$2,439	0
2013	\$3,284	0
2014	\$3,414	0
2015	\$3,414	0
2016	\$3,414	0

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

FY 2017

The FY 2017 budget requests \$3,414,000 for the NVTI, the same as FY 2016. In FY 2017, NVTI will continue to provide competency-based training to DVOP specialists, LVER staff, other State Workforce Agency staff, and federal staff. Additionally, in FY 2017, DOL will begin the next five-year contract for NVTI.

FY 2016

The FY 2016 enacted funding level for NVTI is \$3,414,000. In addition to NVTI providing ongoing training for respective staff, in FY 2016, conversion of LVER staff to DVOP specialists will continue, requiring newly hired or converted DVOP specialists to attend training. In FY 2016, DOL will begin the process to procure the next five-year contract for NVTI.

FY 2015

NVTI provided competency-based training to further develop and enhance the professional skills of DVOP specialists, LVER staff, other State Workforce Agency staff and federal staff through a competitively-awarded contract with VETS. Newly-appointed DVOP specialists and LVER staff must receive job-related training within 18 months of their appointment. In FY 2015, 100 percent of staff completed core training, including 669 staff completing the Intensive Services course, 545 staff completing the Facilitating Veterans Employment course, and 362 staff completing the Employer Outreach Course.

**NATIONAL VETERANS' EMPLOYMENT AND TRAINING
SERVICE INSTITUTE**

DETAILED WORKLOAD AND PERFORMANCE				
	FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request
	Target	Result	Target	Target
National Veterans' Employment and Training Service Institute				
Strategic Goal 1 - Prepare workers for better jobs				
Strategic Objective 1.1 - Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships				
VETS-NVTI- Cost/Participant Budget-01	\$759.00	\$529.00	\$759.00	\$759.00
VETS-NVTI- Number of trainees completing classes and distance learning courses 02	4,500	6,448	4,500	4,500

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

Workload Summary

This chart shows the workload and performance measures the Department uses to assess the outcomes of NVTI, including participants and cost per participant. In FY 2015, VETS continued an increase in participation from FY 2014 as states increased DVOP specialists hiring through the increase in appropriation, first introduced in FY 2014, and through the conversion of LVER staff to DVOP specialists. This increase in participation resulted in a lower cost per participant as the Department was able to take advantage of economies of scale. Having met the training needs of the increased number of new and converted DVOP specialists, the Department anticipates NVTI participant levels to decline in FY 2016 but participation rates to remain high.

**NATIONAL VETERANS' EMPLOYMENT AND TRAINING
SERVICE INSTITUTE**

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
21.0	Travel and transportation of persons	775	800	800	0
25.2	Other services from non-Federal sources	2,639	2,614	2,614	0
	Total	3,414	3,414	3,414	0

NATIONAL VETERANS' EMPLOYMENT AND TRAINING SERVICE INSTITUTE

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Travel and transportation of persons	\$0
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Other services from non-Federal sources	0
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Built-Ins Subtotal	\$0
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Net Program	\$0
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Direct FTE	0
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	Estimate	FTE
Base	\$3,414	0
Program Increase	\$0	0
Program Decrease	\$0	0

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

BUDGET AUTHORITY BEFORE THE COMMITTEE				
(Dollars in Thousands)				
	FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
Activity Appropriation	39,458	40,487	42,506	2,019
FTE	229	230	230	0

NOTE: FY 2015 reflects actual FTE. Authorized FTE for FY 2015 was 230.

Introduction

Federal Administration – USERRA Enforcement program activity funding provides for the salary, travel and training for staff in the National Office, six Regional Offices, and offices in each state, the District of Columbia, and Puerto Rico. The VETS National Office includes the Office of the Assistant Secretary, the executive management team, and staff that provides administrative and operational services, leadership and policy direction, reviews program performance, and provides national oversight and technical direction for VETS’ programs.

The six Regional Offices provide program management and conduct compliance investigations, and are each led by a Regional Administrator. Each state has a director who serves as the Grants Officers’ Technical Representative for the formula and competitive grantees. In addition to grant administration functions, such as reviewing financial statements and reviewing modifications, staff conduct formal compliance assessments, on-site monitoring trips, desktop audits, and regular performance reviews of grants under their purview.

VETS is also responsible for administering Federal compliance programs that provide employment protections and preferential hiring for veterans, including USERRA and the Veterans’ Employment Opportunities Act.

Finally, VETS conducts outreach and engagement with federal, state, and local governments; private sector employers and trade associations; institutions of higher learning; non-profit organizations; and Veteran Service Organizations to establish and develop a network that enables service members, veterans, and families to successfully integrate into their communities.

The majority of the Administration funding is used for federal salaries and benefits, travel, supplies, and equipment associated with federal oversight and monitoring activities and compliance enforcement.

Five-Year Budget Activity History

<u>Fiscal Year</u>	<u>Funding</u> (Dollars in Thousands)	<u>FTE</u>
2012	\$35,155	218
2013	\$36,317	218
2014	\$39,000	227
2015	\$39,458	230
2016	\$40,487	230

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

FY 2017

FY 2017 request for Federal Administration is \$42,506,000, an increase of \$2,019,000 over FY 2016. This increase represents built-in inflationary costs of \$1,019,000 as well as a program increase of \$1,000,000 to launch a long-term interagency data warehouse system.

DoD projects that over one million service members will end their military service over the next five years. This burgeoning veteran population will increase the demand on federal agencies that provide assistance during and after transition. Agencies and states do not share current program information on their respective veteran customers. This is a major disconnect; one that obstructs the ability to serve veterans and also hampers the ability to plan and anticipate future program and resource requirements. DOL recognizes that connecting the data and outcomes of these programs in a central repository will assist decision makers with understanding the veteran and service member population, evaluating the impact of policy decisions, and ultimately, delivering better outcomes for veterans and their families.

The data system will consolidate veteran and service member data across federal government programs to better understand the needs of this population and assess the impact of federal programs. This request will be used to fund initial infrastructure and operational costs. In order to consolidate and analyze this data, the Department must invest in additional information technology architecture, security, and contract support. The agency has already invested in the Veteran's Data Employment Initiative (VDEI) which has been a successful test of securely transmitting and housing large amounts of personally-identifiable data, which is anonymized upon receipt, for additional analysis. Future efforts involving multiple agencies and millions of additional records will require resources that build upon this current structure.

Additionally, this level will allow the agency to continue oversight and administration of its grant programs, TAP DOL Employment Workshop, compliance and enforcement activities, and continue to outreach efforts with national and regional employers and veteran advocacy organizations.

FY 2016

FY 2016 enacted funding for Federal Administration is \$40,487,000, an increase of \$1,029,000 over FY 2015. This increase represents built-in inflationary costs. This level will allow the agency to continue oversight and administration of its grant programs, TAP DOL Employment Workshop, compliance and enforcement activities, and continue to outreach efforts with national and regional employers and veteran advocacy organizations.

In FY 2016, VETS will implement several measures to continue to improve the quality of its USERRA investigations:

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

- Review and, as necessary, update the sampling plan used by the USERRA quality review team. The goal is to ensure the sample review results in statistically valid and reliable information.
- Finalize the development of an electronic case management system that will provide VETS with greater oversight and more efficient review of USERRA and Veterans' Preference cases and support of investigators.
- Develop a plan to improve investigator training for VETS field staff. Increased training will improve investigators' skill in identifying issues arising in complaints, and understanding what evidence is necessary to substantiate allegations and how to obtain it.

FY 2015

At the FY 2015 enacted funding level of \$39,458,000, the Agency continued oversight and administration of its grant programs, TAP DOL Employment Workshop, and compliance and enforcement activities. The Agency completed hiring for the Veterans' Job Development Unit, which included staff members located in each of VETS' six regions and coordinated with the national office and other parts of the Federal Government on veterans' hiring initiatives.

There were 640 open cases in FY 2015, which included 34 cases pending at the end of FY 2014. By year-end FY 2015, 590 cases were closed leaving 50 cases that carried over into FY 2016. Other agency activities included:

- Grant oversight of the Jobs for Veterans State Grants (budget activity), to include serving as grant officer technical representatives to the 54 grantees, conducting site visits to state grantees, providing technical assistance on operations of the grant, and reviewing and approving annual state operating plans and quarterly financial and operational reports;
- Grant oversight of the Homeless Veterans' Reintegration Program competitive grants (budget activity), to include serving as grant officer technical representatives to the 156 grantees, conducting site visits to grantees, providing technical assistance on operations of the grant, and reviewing and approving annual grant applications and quarterly financial and operational reports;
- Technical and managerial oversight of the Transition Assistance Program (budget activity) Employment Workshops, to include site visits to domestic TAP sites.
- Technical and contract oversight of the National Veterans' Training Institute (budget activity), to include scheduling and approving all training classes and distance learning resources conducted by the NVTI;
- Compliance investigations; and,
- Finance, performance, IT, and program policy.

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

DETAILED WORKLOAD AND PERFORMANCE						
	FY 2015 Enacted		FY 2016 Enacted	FY 2017 Request		
	Target	Result	Target	Target		
Federal Administration - USERRA Enforcement						
Strategic Goal 1 - Prepare workers for better jobs						
Strategic Objective 1.1 - Advance employment opportunities for U.S. workers in 21st century demand sectors and occupations using proven training models and through increased employer engagement and partnerships						
VETS- USERRA-01	Percent of USERRA investigations completed within 90 days		90.0%	88.5%	90.0%	90.0%
VETS- USERRA-02	Percent of USERRA referrals completed within 60 days		75.0%	77.2%	77.0%	80.0%
VETS- USERRA-04	Percent of Closed Cases Meeting the Agency's Quality Standard		92.0%	91.6%	92.0%	92.0%

Legend: (r) Revised (e) Estimate (base) Baseline -- Not Applicable TBD - To Be Determined [p] - Projection

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

Workload Summary

This chart shows the workload and performance measures the Department uses to assess compliance enforcement.

VETS' Federal Administration continues to exercise oversight and monitoring of all VETS grants through the full life-cycle of the grant period by conducting on-site reviews of competitive grantees. In addition to assessing grantee compliance with agreed performance levels, VETS on-site reviews also include providing assistance on program execution and performance reporting as well as sharing best practices between and among grantees. The combined activities raise the performance levels of all grantees and provide them with the tools to increase the number of veterans served and placed in good jobs.

The Department also measures the timing of USERRA investigations and USERRA referrals, and the quality of USERRA investigations. The agency establishes targets against the statutory timelines for USERRA investigations (90-day requirement) and referrals (60-day requirement). The completion of USERRA investigations within 90 days has remained consistent over the past several years, at approximately 90 percent. The completion of referrals within 60 days continues to increase, and the agency has set aggressive targets to build on that progress. The quality of investigations has also remained consistent, with closed cases averaging a 91.6 percent quality rating.

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

BUDGET ACTIVITY BY OBJECT CLASS					
(Dollars in Thousands)					
		FY 2015 Enacted	FY 2016 Enacted	FY 2017 Request	Diff. FY17 Request / FY16 Enacted
11.1	Full-time permanent	21,415	20,980	21,501	521
11.3	Other than full-time permanent	0	0	0	0
11.5	Other personnel compensation	203	197	197	0
11.9	Total personnel compensation	21,618	21,177	21,698	521
12.1	Civilian personnel benefits	6,429	6,396	6,611	215
13.0	Benefits for former personnel	45	29	29	0
21.0	Travel and transportation of persons	790	761	761	0
22.0	Transportation of things	10	0	0	0
23.1	Rental payments to GSA	889	907	965	58
23.3	Communications, utilities, and miscellaneous charges	320	222	222	0
24.0	Printing and reproduction	40	42	42	0
25.1	Advisory and assistance services	2	2	2	0
25.2	Other services from non-Federal sources	1,609	1,010	1,010	0
25.3	Other goods and services from Federal sources 1/	5,384	8,874	9,099	225
25.4	Operation and maintenance of facilities	308	109	109	0
25.7	Operation and maintenance of equipment	1,664	746	1,746	1,000
26.0	Supplies and materials	100	112	112	0
31.0	Equipment	200	50	50	0
41.0	Grants, subsidies, and contributions	0	0	0	0
42.0	Insurance claims and indemnities	50	50	50	0
	Total	39,458	40,487	42,506	2,019
	1/Other goods and services from Federal sources				
	Working Capital Fund	4,946	8,532	8,757	225
	DHS Services	59	59	59	0
	Services by Other Government Departments	379	283	283	0

FEDERAL ADMINISTRATION – USERRA ENFORCEMENT

CHANGES IN FY 2017

(Dollars in Thousands)

Activity Changes

Built-In

To Provide For:

Costs of pay adjustments	\$359
Personnel benefits	130
Two days less of Pay	-197
Federal Employees' Compensation Act (FECA)	-6
Benefits for former personnel	0
Travel and transportation of persons	0
Transportation of things	0
Rental payments to GSA	29
Communications, utilities, and miscellaneous charges	0
Printing and reproduction	0
Advisory and assistance services	0
Other services from non-Federal sources	0
Working Capital Fund	225
Other Federal sources (DHS Charges)	0
Other goods and services from Federal sources	0
Operation and maintenance of facilities	0
Operation and maintenance of equipment	0
Supplies and materials	0
Equipment	0
Grants, subsidies, and contributions	0
Insurance claims and indemnities	0

Built-Ins Subtotal **\$540**

Net Program **\$1,479**

Direct FTE **0**

	Estimate	FTE
Base	\$41,027	230
Program Increase	\$1,479	0
Program Decrease	\$0	0