

DOCUMENT RESUME

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[Followup Report on Services to Veterans in Delaware under Title VI of the Comprehensive Employment and Training Act]. HRD-77-16; B-163922. February 16, 1977. 5 pp. + 2 appendices (5 pp).

Report to Sen. Alan Cranston, Chairman, Senate Committee on Veterans' Affairs; by Elmer B. Staats, Comptroller General.

Issue Area: Education, Training, and Employment Programs (1100); Education, Training, and Employment Programs: Programs for Specific Target Groups (1108).

Contact: Human Resources Div.

Budget Function: Education, Manpower, and Social Services: Training and Employment (504); Veterans Benefits and Services: Income Security for Veterans (701).

Organization Concerned: Wilmington, DE.

Congressional Relevance: Senate Committee on Veterans' Affairs.

Authority: Comprehensive Employment and Training Act, title VI.

The Comprehensive Employment and Training Act (Title VI) requires that special veterans receive special consideration. Special veterans are defined as those who served in the Armed Forces in Indochina, Korea, or adjacent waters between August 5, 1964, and May 7, 1975, and who received other than a dishonorable discharge. This report updates earlier information on procedures used to give special consideration by Wilmington, Delaware, and points out inaccuracies in the reported statistics on veterans served. Findings/Conclusions: Statistical differences between figures supplied by Wilmington officials and the Department of Labor may have resulted from the use of a variety of terms to classify veterans, which may have confused staff personnel and resulted in the erroneous coding of other veterans as special veterans in Wilmington. Wilmington is correcting veterans' classifications. Wilmington had not given the various hiring departments any guidelines on the consideration to be given to special veterans. Although Wilmington's delivery of services to veterans as a target group exceeded the planning goals, a lack of data on veteran unemployment in the city makes it difficult to assess if planning goals accurately reflected veterans' local needs. Wilmington prepares one list of eligible applicants for a job vacancy which does not identify veterans or special veterans. In addition, all applicants are referred to the hiring departments at the same time, regardless of veteran status. (SC)



*REPORT TO THE SENATE COMMITTEE
ON VETERANS' AFFAIRS*

*BY THE COMPTROLLER GENERAL
OF THE UNITED STATES*

Followup Report On Services To
Veterans In Delaware Under
Title VI Of The Comprehensive
Employment And Training Act

Department of Labor

The Comprehensive Employment and Training Act (title VI) requires that special veterans receive special consideration. This report updates earlier information on procedures used to give special consideration by Wilmington, Delaware and points out inaccuracies in reported statistics on veterans served.



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-163922

The Honorable
Chairman, Committee on
Veterans' Affairs
United States Senate

Dear Mr. Chairman:

As requested by former Chairman Hartke in his June 21, 1976, letter, we made a followup evaluation of special veterans served by Wilmington, Delaware--one aspect of our January 23, 1976, report, "Public Service Employment in Delaware Under Title VI of the Comprehensive Employment and Training Act."

The Comprehensive Employment and Training Act regulations define special veterans as those who served in the Armed Forces in Indochina, Korea, or adjacent waters between August 5, 1964, and May 7, 1975, and who received other than a dishonorable discharge. These veterans are entitled to special consideration for services under title VI of the act.

In light of information on Wilmington's title VI program, as reported by the Assistant Secretary of Labor for Employment and Training, in his June 1, 1976, letter, we were asked to

- verify statistics on the number of veterans Wilmington served as of December 31, 1975;
- determine if Wilmington gave the hiring departments guidelines on special consideration to special veterans, and, if so, to what extent did officials use them;
- assess Wilmington's delivery of services to special veterans in comparison to its grant narrative plan of services; and
- describe the data on applicant certification lists used to identify which applicants are special veterans and, thus, eligible for special consideration.

We reviewed intake forms, application files, personnel records, and other data and talked with Department of Labor and Wilmington officials as well as title VI participants.

VETERANS SERVED AS
OF DECEMBER 31, 1975

The number of special and other veterans from the Assistant Secretary's letter did not agree with Wilmington's records. To ascertain the correct number, we analyzed data in the files of those applicants Wilmington had identified as veterans. When the file was incomplete, we interviewed veterans, when possible, to obtain needed information.

The data reported by Labor, contained in Wilmington's records, and developed by our work is shown in the following table. The table shows persons served--hired or employed--from July 1 through December 31, 1975.

	<u>Number served based on</u>		
	<u>Labor's letter</u>	<u>Wilmington's records</u>	<u>GAO verification</u>
Special veteran	32	31	20
Other veteran	<u>22</u>	<u>25</u>	<u>34</u>
Total	<u>54</u>	<u>a/56</u>	<u>54</u>

a/Wilmington incorrectly classified two nonveterans as veterans.

Regarding the statistical differences, Wilmington officials said the many terms used to classify veterans may have confused their staff and resulted in the erroneous coding of other veterans as special veterans. Terms used to describe veterans include special veteran, other veteran, Vietnam-era veteran, special Vietnam-era veteran, recently separated veteran, disabled veteran, and handicapped veteran. As of August 16, Wilmington was correcting veterans' classifications and expected the corrections to show in the September 30, 1976, quarterly performance report to Labor's regional office.

The December 31, 1975, quarterly performance report listed 32 special veterans and 22 other veterans served under title VI. This report may have been the source of the inaccurate statistics Labor gave the former Chairman. Labor did not validate the statistics through monitoring Wilmington's title VI program.

The State veterans employment representative said he visits the Wilmington representative implementing the program, but he merely impresses upon program officials the need for special services to veterans and does not monitor city implementation of the title VI program.

GUIDELINES FOR HIRING
SPECIAL VETERANS

Wilmington had not given the various hiring departments any guidelines on the consideration to be given to special veterans.

Several hiring officials said they were unaware that there were veterans categorized as special. In selecting applicants for employment under the title VI program, they treated all veterans the same, with no distinction between special veterans and other veterans.

Wilmington officials said the consideration given to veterans usually applied in instances where, if two job applicants were equally qualified and one applicant was a veteran, the veteran would be hired. In cases where applicants are not equally qualified, the best qualified would be hired regardless of veteran status.

PLANNED VERSUS ACTUAL DELIVERY OF
SERVICES TO SPECIAL VETERANS

The grant narrative submitted by Wilmington as part of the initial and modified title VI grant application did not describe planned services for special veterans. Consequently, Wilmington's actual performance in serving special veterans could not be assessed relative to planned performance.

Veterans were, however, identified as one of several target groups for services in some of Wilmington's grant modifications. Other groups identified by Wilmington included minorities, women, ex-offenders, disabled persons, and youths under 21 years old. Wilmington's delivery of services to veterans as a target group exceeded the planning goals described in the grant narrative. A lack of data, however, on city veteran unemployment makes it difficult to assess if planning goals accurately reflected veterans' local needs.

HIRING PROCEDURES NOT IDENTIFYING
VETERANS FOR SPECIAL CONSIDERATION

Labor regulations require that all title VI vacancies, except those to which former employees will be recalled, be listed with the State employment service at least 48 hours before the vacancies are filled. During this period, the employment service should refer eligible veterans for the vacant positions.

As stated in our January 23, 1976, report, Wilmington listed the vacancies with the State employment service at least 48 hours before they were filled, but did not refer veterans before other eligible applicants to the department or office with the vacancies. Veterans and other eligible applicants were referred at the same time.

Wilmington prepares one certification list of eligible applicants for a job vacancy, which does not identify veterans. This list is sent to the hiring departments along with corresponding job applications. Although a job application may indicate the person is a veteran, it does not distinguish between special and other veterans. Consequently, not identifying the veteran on the certification list results in the special veteran receiving no special consideration from the hiring department unless the application is reviewed and more information is obtained to aid in classification.

During this review, city officials said they have continued to refer all applicants to the hiring departments at the same time regardless of when veteran referrals were received from the State employment service. They agreed that the current policy does not give veterans special consideration. They added, however, that city officials are considering revising personnel procedures to

- use two certification lists--one for special and other veterans and one for other eligible applicants or
- continue use of one certification list, with special and other veterans identified on it.

While under either proposed revision veterans would be interviewed before other eligible applicants, the city would still consider all eligible applicants for a job vacancy before the selection is made.

COMMENTS BY THE DEPARTMENT OF LABOR
AND WILMINGTON

Labor agreed with the facts presented in this report and is working with Wilmington to obtain improvements. (See app. I.)

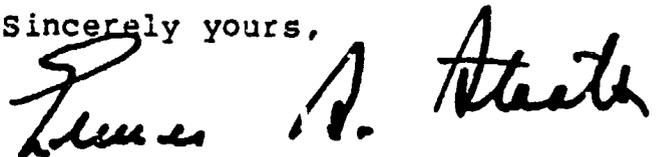
Wilmington's director of personnel offered further explanation on some of the matters discussed in the report. (See app. II.) For example, he stated that any system of preferential hiring, whether for veterans, ex-offenders, or any other special program group, is solely within the jurisdiction of Wilmington's personnel department and not the individual hiring departments. Without a legally constituted system of veterans preference under the existing personnel code, rather than issuing guidelines to the various hiring departments concerning the special consideration to be given to special veterans, he had his own system of personally notifying the hiring department of veteran status. Apparently, his system did not differentiate between the various veteran categories because several hiring officials said they were unaware that there were veterans categorized as special.

Wilmington's director of personnel also offered some statistics showing that the placement rate for special veterans exceeded the placement rate for the entire client population during the 15 months ended September 1976. When we questioned the director on the data base used to develop the statistics, he acknowledged that the data included more than title VI activities, and the data base included the records which we found to be in error. However, the director stated that even though he did not have factual statistical proof, he thought that special veterans were being hired at a rate substantially higher than the entire client population

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Copies of this report are being sent to the Department of Labor and the Mayor of Wilmington.

Sincerely yours,



Comptroller General
of the United States

U.S. DEPARTMENT OF LABOR
OFFICE OF THE ASSISTANT SECRETARY
WASHINGTON

December 3, 1976

Mr. Gregory J. Ahart
Director
Human Resources Division
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Ahart:

This is in response to your letter of October 15, 1976, to the Secretary, transmitting a proposed report to Senator Vance Hartke, titled, "Follow-Up Report on Services to Veterans in Delaware Under Title VI of the Comprehensive Employment and Training Act." The comments are keyed to the issues raised in the report.

1. The validity of statistics on the number of veterans served by Wilmington as of December 31, 1975.

Comment: On June 1, 1976, the Department of Labor provided Senator Hartke with statistics on the number of veterans served by the city of Wilmington. These figures, obtained from quarterly reports submitted by Wilmington, were obviously erroneous. Regional office staff in Philadelphia have provided city program officials with technical assistance in defining and identifying those veterans to receive special consideration. Although Wilmington advised GAC that the true figures will be reflected in their quarterly report as of September 30, 1976, such report has not yet been received by the Department.

2. Determine what guidelines, if any, had been provided by Wilmington to hiring departments regarding special consideration to special veterans and the use of these guidelines by hiring officials.

Comment: As the report points out, Wilmington officials have not provided any guidelines to various hiring agencies concerning special consideration for special veterans. This issue has been discussed with city officials by staff from our regional office in Philadelphia. Wilmington has agreed to initiate

corrective action in this regard.

3. Assess Wilmington's delivery services to special veterans in comparison to its grant narrative plan of services.

Comment: The report states that an assessment of Wilmington's performance in serving veterans was difficult to accomplish due to a lack of data on veterans unemployment rates in the city. Wilmington and Labor officials agree with GAO's finding. Regional office staff have attempted to rectify this situation by suggesting that the city utilize existing data compiled by the State veterans employment service.

4. Describe identifying data used on applicant certification lists to indicate which applicants are special veterans eligible for special consideration.

Comment: CETA legislation and regulations require that prime sponsors ensure that special and recently discharged veterans receive special consideration in the filling of title VI public service employment positions. The city of Wilmington has made little effort to ensure such special consideration for eligible veterans. However, the city has agreed to list all vacancies with the employment service at least 48 hours before they are filled. Only eligible veterans will be referred during that 48-hour period. Additionally, the city has agreed to submit a separate certification list of eligible veterans to hiring agencies.

We appreciate the opportunity to comment on this report. Our regional office staff in Philadelphia will continue to provide needed technical assistance to Wilmington officials. If my office can be of further assistance to you, please feel free to contact me.

Sincerely,



FRED G. CLARK
Assistant Secretary for
Administration and Management



CITY OF WILMINGTON, DELAWARE

Department of Personnel

GILMORE B. OTT, II
DIRECTOR OF PERSONNEL

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WILMINGTON, DELAWARE 19801
302-371-4280

December 10, 1976

Mr. Gregory J. Ahart, Director
U.S. General Accounting Office
Human Resources Division
Washington, D.C. 20548

Dear Mr. Ahart:

I have reviewed the draft of GAO's proposed follow-up report on consideration given veterans in Public Service Employment by the City of Wilmington through Titles II and VI grants under the Comprehensive Employment and Training Act. I find there are several factors regarding statements in the draft which should be noted and taken into consideration.

Regarding the number of veterans served as of December 31, 1975, the statistical discrepancies can be more clearly understood in light of the changes over a period of time in Department of Labor definitions. DOL definitions regarding veterans classification were revised from the old Public Employment Program to the CETA Programs and again in CETA since 1974. Since a number of the CETA veterans have been employed since the days of PEP, the data recorded in previous years, to the extent we were accurate, would have been recorded against the definitions of the period.

The City realizes the importance of keeping accurate records on its veterans hiring and in this vein is now requiring copies of the DD-214 forms to be included in the individual's folders. Problems in record keeping are an

ongoing concern for Prime Sponsors under CETA and should be kept in the perspective of shifting DOL definitions.

Under "Guidelines For Hiring Special Veterans," the draft states that "Wilmington had not furnished any guidelines to the various hiring departments concerning the consideration to be given to special veterans". It must be pointed out that any system of preferential hiring, whether for veterans, ex-offenders or any other special program group, is solely within the jurisdiction of the City's Personnel Department and not the individual hiring department. In the absence of a legally constituted system of veterans preference under the existing City Personnel Code, the City's Personnel Director has his own system of personally notifying the hiring department of veteran status.

Concerning the lack of data on veterans unemployment for Wilmington mentioned under "Delivery of Services to Special Veterans Versus Plan," I must refer to our correspondence with GAO of July 20, 1976. At that time it was explained that the City had contacted the Delaware State Employment Services and the Bureau of Labor Statistics, U.S.D.C L.-Region III, and neither office was able to provide us with information on veterans unemployment in the City of Wilmington. Therefore it is difficult to assess the local need for special efforts to serve or employ veterans, including special veterans, through the CETA program.

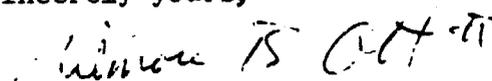
It may be helpful to note that the City, through its Division of Manpower Development, processed 3,196 applicants from July 1975 to the end of September 1976, of which only 189 or less than 6% were special veterans. Yet of these 189 special veteran clients, 62 or 33% found employment, a rate much higher than the placement rate for the entire client population (18%).

In reference to the City's hiring procedures and certification of eligible applicants, I would like to indicate that the City's Management Information System was reviewed and approved by the Department of Labor on approval

of CETA sponsorship in 1974. Further, this MIS, again approved by DOL in the 1975 Title I Plan, did not include a differentiation between special veterans and Vietnam-era veterans. We have operated our CETA certification system in good faith and with the consistent review and approval of DOL. A change in this system to give veterans further preference could only be enacted by a local statute and the City is deliberating on such a move in the future. The Civil Service Commission has been extremely helpful in this area and their recommendations will be actively considered.

In closing, I would like to thank you for sending the draft report to Wilmington for our review and for the courteous and professional conduct of [See GAO note.] whom we have come to know and respect through these reviews. I hope you will be able to make use of our comments and observations in the release of your final report.

Sincerely yours,


Gilmore B. Ott, II
Director of Personnel

GAO note: GAO auditors' names have been deleted.