



Highlights of [GAO-07-775T](#), a testimony before the Subcommittee on Economic Opportunity, Committee on Veterans' Affairs, House of Representatives

## Why GAO Did This Study

In fiscal year 2006, the Department of Veterans Affairs (VA) paid \$19 million to state approving agencies (SAA) to assess whether schools and training programs are of sufficient quality for veterans to receive VA education assistance benefits when attending them. The Departments of Education and Labor also assess education and training programs for various purposes. This testimony describes (1) changes that have occurred in state approving agencies' duties and functions since 1995, (2) the extent to which the SAA approval process overlaps with efforts by the Departments of Education and Labor, and (3) the additional value that SAA approval activities bring to VA education benefit programs.

This testimony is based on a March 2007 report ([GAO-07-384](#)).

## What GAO Recommends

We recommended that VA take steps to monitor SAA spending and duplication of efforts with other agencies and that VA establish outcome-oriented performance measures to assess the effectiveness of SAA efforts. VA agreed with our recommendations and stated that it will take actions to address them.

[www.gao.gov/cgi-bin/getrpt?GAO-07-775T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-775T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact George Scott at (202) 512-7215 or [scottg@gao.gov](mailto:scottg@gao.gov).

# VA STUDENT FINANCIAL AID

## Actions Needed to Reduce Overlap in Approval Activities

### What GAO Found

Since 1995, legislative changes effective in 2001 created additional responsibilities for SAAs, including promoting the development of apprenticeship and on-the-job training programs, providing outreach services, and approving tests for occupational licensing. From fiscal years 2003 to 2006, SAA funding increased from \$13 million to \$19 million to expand services and support the additional responsibilities. However, funding is scheduled to decrease beginning in fiscal year 2008.

Many education and training programs approved by SAAs have also been approved by Education or Labor, and VA has taken few steps to coordinate approval activities with these agencies. More than two-thirds of all programs approved by SAAs are offered by institutions that have been certified by Education. Many apprenticeship programs approved by SAAs have also been approved by Labor, although apprenticeship programs make up less than 2 percent of all programs approved by SAAs. Similar categories of approval standards, such as student achievement, exist across agencies, but the specific standards within each category vary and the full extent of the overlap is unknown. For example, VA requires schools to give appropriate credit for prior learning while Education does not have such a requirement. Despite the overlap in approved programs and standards, VA and SAAs have made limited efforts to coordinate approval activities with other federal agencies. VA does not require SAAs to collect information on the amount of resources they spend on specific approval activities; therefore, information is not available to determine the amount of resources spent on SAA duties and functions, including those that may overlap with those of other agencies.

SAAs reportedly add value to the approval process for education and training programs, but the lack of outcome-oriented performance measures makes it difficult to assess the significance of their efforts. Areas of added value include (1) a focus on student services for veterans and on the integrity of VA benefits, (2) more frequent on-site monitoring of education and training programs than provided by Education or Labor, and (3) assessments and approval of a small number of programs that are not reviewed by other agencies. States, schools, and apprenticeship officials we spoke with reported that without SAAs, the quality of education for veterans would not change. However, veterans' receipt of benefits could be delayed and the time required to complete their education and training programs could increase. Despite areas of apparent added value, it is difficult to fully assess the significance of SAA efforts. VA measures some outputs, such as the number of supervisory visits SAAs conduct, but it does not have outcome-oriented performance measures, such as the amount of benefit adjustments resulting from SAAs' reviews, to evaluate the overall effectiveness of SAAs.