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Comptroller General  
of the United States

Accessible Version

May 7, 2025

The Honorable Lori Chavez-DeRemer  
Secretary of Labor  
U.S. Department of Labor  
200 Constitution Avenue, NW  
Washington, D.C. 20210

### **Priority Open Recommendations: Department of Labor**

Dear Secretary Chavez-DeRemer:

Congratulations on your appointment. The purpose of this letter is to call your personal attention to two areas based on GAO's past work and 12 open priority recommendations, which are enclosed.<sup>1</sup> Additionally, there are 98 other GAO open recommendations that we will continue to work with your staff to address.

We are highlighting the following areas that warrant your timely and focused attention. Specifically:

**Enhancing unemployment insurance.** The Department of Labor (DOL) needs to address persistent unemployment insurance (UI) system issues that were exacerbated in the pandemic. These issues pose significant risks to service delivery and expose the system to significant financial losses through fraud and improper payments. We added this area to the [High-Risk](#) List in 2022, noting that the UI system faced challenges meeting the needs of unemployed workers and maintaining program integrity. In 2024, in response to the high-risk designation and recommendation, DOL released a comprehensive transformation plan for the UI program. This plan includes strategies to bolster state UI programs against fraud, build resilient and responsive state IT systems, and deliver high-quality customer service. DOL officials reported that 47 of the 53 strategies in the plan were completed or in progress as of December 2024.

To fully implement this recommendation, DOL should execute this plan by working with states to complete actions that are currently in progress or planned, and assist Congress as needed to further pursue efforts to transform the UI system. Further efforts and sustained action to address recurring issues would help to stabilize the UI system and prevent future disruptions to UI administration during economic downturns.

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<sup>1</sup>GAO considers a recommendation to be a priority if when implemented, it may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

We also recommended that DOL measure states' UI IT performance, such as determining whether states were using cloud computing infrastructures to support their UI systems. DOL published UI customer experience standards and metrics that are intended to help states evaluate their UI IT systems and identify areas needing improvement. However, DOL has yet to demonstrate that the agency has measured states' UI IT performance against established performance standards and metrics. Doing so would enhance the agency's ability to monitor whether states' UI systems are performing efficiently and effectively.

**Strengthening worker safety and health protections.** DOL needs to address challenges protecting the safety and health of workers employed in the over 8 million workplace establishments nationwide that fall under the jurisdiction of its Occupational Safety and Health Administration (OSHA).

For example, we recommended that OSHA take steps to better identify and address ergonomic hazards at warehouses and delivery companies. Although OSHA implemented an inspection program in 2024 to better protect these workers, this program may not resolve all challenges OSHA faces in identifying and addressing ergonomic hazards. One reason for this is that inspectors can have difficulty determining if ergonomic hazards caused musculoskeletal injuries due to incomplete injury data on OSHA recordkeeping forms. We recommended that OSHA obtain better data during inspections on when musculoskeletal disorders occurred, and then evaluate if its new program is more fully protecting workers from ergonomic hazards. Fully implementing these recommendations would help OSHA better protect workers from harm.

In addition, we recommended that OSHA assess its efforts to address workplace violence against health care workers to determine if additional action is needed. The agency obtained input from potentially affected small businesses and reported working on a notice of proposed rulemaking on this issue. To fully implement this recommendation, the agency should use the information it collects to assess its efforts and identify which, if any, additional actions are needed to prevent workplace violence in health care facilities.

Please see Enclosure 1 for additional details about the status and actions needed to fully implement all 12 open priority recommendations out of the 110 total recommendations that remain open. This includes priority recommendations on protecting sensitive information.

We also provide in Enclosure 2 additional information on DOL's recommendation implementation rate, and on implemented and new priority recommendations since our May 2024 letter to Acting Secretary of Labor Su; DOL-specific information relevant to our audit of the consolidated financial statements of the U.S. government; and relevant management challenges from our high-risk list that apply to DOL. In response to legislation enacted in December 2022, this enclosure also includes information on any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.

Copies of this letter are being sent to the appropriate congressional committees. The letter will also be available on the GAO website at [Priority Recommendations | U.S. GAO](#). We also plan to send a separate letter specifically focused on open recommendations and key issues related to information technology to your Chief Information Officer.

If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Cindy Brown Barnes, Managing Director, Education, Workforce, and Income Security Issues, at [brownbarnesc@gao.gov](mailto:brownbarnesc@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this letter. Our teams will continue to coordinate with your staff on addressing these priority recommendations

and the remaining 98 open recommendations. I appreciate DOL's continued commitment and thank you for your personal attention to these important issues.

Sincerely,

**//SIGNED//**

Gene L. Dodaro  
Comptroller General  
of the United States

Enclosures – 2

cc: The Honorable Keith Sonderling, Deputy Secretary, Department of Labor  
Thomas Shedd, Chief Information Officer, Department of Labor  
Jihun Han, Chief of Staff, Department of Labor

## Enclosure 1

### Priority Open Recommendations to Department of Labor

#### Enhancing Unemployment Insurance

Unemployment Insurance: Actions Needed to Ensure Consistent Reporting of Overpayments and Claimants' Compliance with Work Search Requirements. [GAO-18-486](#). Washington, D.C.: August 22, 2018.

#### Year Recommendation Made: 2018

**Recommendation:** The Assistant Secretary of DOL's Employment and Training Administration should provide states with information about its determination that the use of state formal warning policies is no longer permissible under federal law.

**Action Needed:** DOL agreed with this recommendation. As of January 2025, DOL reported that new guidance to address this issue is being developed but has been delayed due to competing priorities and the complex nature of the content. To fully implement this recommendation, DOL needs to demonstrate that it has notified states to stop using formal warning policies by finalizing and publishing this information. If DOL does not provide states with this information and monitor their responses, states may continue to report inconsistent information on the extent of work search overpayments.

**Recommendation:** The Assistant Secretary of DOL's Employment and Training Administration should clarify information on work search verification requirements in its revised Benefit Accuracy Measurement procedures. The revised procedures should include an explanation of what DOL considers to be sufficient verification of claimants' work search activities.

**Action Needed:** DOL agreed with this recommendation. As of January 2025, DOL reported that it is developing information to clarify work search verification requirements. According to DOL officials, however, this effort is dependent on the agency's development of work search guidance, which has been delayed due to competing priorities. To fully implement this recommendation, DOL should finalize and share this information with states. By providing clear direction to states about verifying work search activities and monitoring state compliance, DOL would have greater assurance that states are complying with its requirements.

**High-risk area:** [Unemployment Insurance System](#)

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*COVID-19: Urgent Actions Needed to Better Ensure an Effective Federal Response.* [GAO-21-191](#). Washington, D.C.: November 30, 2020.

#### Year Recommendation Made: 2021

**Recommendation:** The Secretary of Labor should ensure the Office of Unemployment Insurance pursues options to report the actual number of distinct individuals claiming benefits, such as by collecting these already available data from states, starting from January 2020 onward.

**Action Needed:** DOL agreed to pursue options to report the actual number of distinct individuals claiming benefits but not with collecting data retroactively, noting that state UI

programs may face challenges in implementing any new reporting requirements, particularly retroactively. As of January 2025, DOL had published proposed revisions to an existing UI report (ETA 5159) to collect data on the number of distinct individuals who filed an initial UI claim and had received comments on those proposed revisions.

To fully implement this recommendation, DOL should pursue options to report these data retroactively and report the actual number of individuals claiming benefits. An accurate accounting of the size of this population is critical to understanding the effectiveness of the nation's response to the pandemic. It may also help DOL and policymakers identify lessons learned about the administration of regular and expanded UI benefit programs.

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*Pandemic Unemployment Assistance: Federal Program Supported Contingent Workers amid Historic Demand, but DOL Should Examine Racial Disparities in Benefit Receipt.* [GAO-22-104438](#). Washington, D.C.: June 7, 2022.

**Year Recommendation Made:** 2022

**Recommendation:** The Secretary of Labor should ensure the Office of Unemployment Insurance examines and publicly reports on the extent of and potential causes of racial and ethnic inequities in the receipt of Pandemic Unemployment Assistance (PUA) benefits, as part of the agency's efforts to modernize UI and improve equity in the system. The report should also address whether there is a need to examine racial, ethnic, or other inequities in regular UI benefit receipt, based on the PUA findings.

**Action Needed:** DOL initially partially agreed with this recommendation. DOL noted that enhancing demographic data collection in the permanent UI programs to inform actions to improve equity is a higher priority than performing a complete retrospective review of the PUA program, which is no longer operating. DOL had awarded grants to 45 states and the District of Columbia as of November 2023 to promote equitable access to UI programs. DOL also established data partnerships with selected states to obtain claimant-level data to analyze the demographic and geographic characteristics of people who apply for, receive, and are denied UI benefits, including reasons for denial, if possible. As of January 2025, DOL had executed data sharing agreements with four UI Equity Pilot states. DOL also published proposed revisions to two UI reports (ETA 203 and ETA 5159) to update the data it collects on the gender, race, and ethnicity of UI claimants, and sought and addressed public comments on those proposed revisions. In February 2025, a DOL official said the agency is not providing additional comments on this recommendation given the Administration's changing priorities. Given the disparities we identified, we are keeping this recommendation open.

To implement this recommendation, the agency should complete analyses of the extent of and potential causes of inequities in the receipt of UI benefits, including a retrospective review of the PUA program. Having this valuable information would help DOL more effectively monitor state practices.

**High-risk area:** [Unemployment Insurance System](#)

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*Unemployment Insurance: Transformation Needed to Address Program Design, Infrastructure, and Integrity Risks.* [GAO-22-105162](#). Washington, D.C.: June 7, 2022.

**Year Recommendation Made:** 2022

**Recommendation:** The Secretary of Labor should develop and execute a transformation plan that meets GAO's high-risk criteria for transformation; the plan should outline coordinated and sustained actions to address issues related to providing effective service and mitigating financial risk, including ways to demonstrate improvements. Planned actions may include addressing audit recommendations, and determining whether legislative changes are needed, as appropriate. Planned actions may also include achieving quantifiable results in reducing improper payment rates, including those related to fraud; improving efficiency in claims processing and restoring pre-pandemic payment timeliness levels; better reaching current worker populations; and enhancing equity in benefit distribution.

**Action Needed:** DOL agreed with this recommendation. In April 2024, DOL released a comprehensive transformation plan for the UI program that includes strategies to combat fraud, enhance equity in program access and benefit distribution, and improve efficiency in claims processing. As of December 2024, DOL officials reported that 47 of the 53 strategies in the plan have been completed or are in progress.

To implement this recommendation, DOL should execute this plan by working with states to complete actions that are currently in progress or planned, and assisting Congress as needed to further pursue efforts to transform the UI system. Further efforts and sustained action to address recurring issues would help to stabilize the UI system and prevent future disruptions to UI administration during economic downturns.

**High-risk area:** [Unemployment Insurance System](#)

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*Unemployment Insurance: DOL Needs to Further Help States Overcome IT Modernization Challenges.* [GAO-23-105478](#). Washington, D.C.: July 10, 2023.

**Year Recommendation Made:** 2023

**Recommendation:** The Secretary of the Department of Labor should direct the Office of Unemployment Insurance to measure states' UI IT performance against established standards.

**Action Needed:** DOL agreed with this recommendation. In April 2024, DOL published plans for transforming unemployment insurance. In these plans, DOL described its ongoing and future efforts to help states build resilient and responsive IT systems, such as strengthening the measurement of state's UI IT performance. In December 2024, DOL published UI customer experience standards and metrics that are intended to help states evaluate their UI IT systems and identify areas needing improvement. DOL noted that states are encouraged to use the standards and metrics; however, they are not required. To implement this recommendation, DOL will need to provide documentation demonstrating that the department has measured states' UI IT performance against established performance standards and metrics. By doing so, DOL will enhance its ability to monitor whether states' UI systems are performing efficiently and effectively.

**High-Risk area:** [Improving the Management of Information Technology \(IT\) Acquisitions and Operations](#)

**Director:** Carol Harris, Information Technology and Cybersecurity

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**Strengthening Worker Safety and Health Protections**

*Workplace Safety and Health: Additional Efforts Needed to Help Protect Health Care Workers from Workplace Violence.* [GAO-16-11](#). Washington, D.C.: March 17, 2016.

**Year Recommendation Made:** 2016

**Recommendation:** To help determine whether current efforts are effective or if additional action may be needed, such as development of a workplace violence prevention standard for health care employers, the Secretary of Labor should direct the Assistant Secretary for Occupational Safety and Health to develop and implement cost-effective ways to assess the results of the agency's efforts to address workplace violence.

**Action Needed:** The Department of Labor's (DOL) Occupational Safety and Health Administration (OSHA) agreed with this recommendation. The agency published enforcement procedures to help OSHA field offices conduct inspections related to workplace violence. Officials said the agency is developing regulatory options and will obtain additional input from potentially affected small businesses. OSHA completed small business panel discussions in March 2023 and completed a report with recommendations in May 2023. In February 2025, OSHA reported it is working on the notice of proposed rulemaking on this issue, projected to be completed in June 2025.

To fully implement this recommendation, the agency should use the information collected to assess its efforts and determine which, if any, additional actions are needed. Implementing this recommendation could better position the agency to determine whether additional action may be needed to prevent workplace violence.

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*COVID-19: Additional Actions Needed to Improve Accountability and Program Effectiveness of Federal Response.* [GAO-22-105051](#). Washington, D.C. October 27, 2021.

**Year Recommendation Made:** 2022

**Recommendation:** The Assistant Secretary of Labor for OSHA should assess—as soon as feasible and, as appropriate, periodically thereafter—various challenges related to resources and to communication and guidance that OSHA has faced in its response to the COVID-19 pandemic and should take related actions as warranted.

**Action Needed:** DOL partially agreed with this recommendation. DOL noted that it is important to assess lessons learned and best practices. However, at the time, officials said that while the pandemic is ongoing, the agency's resources are best used to help employers and workers mitigate exposures to COVID-19. In September 2024, OSHA officials said a small OSHA steering group had developed an after-action report identifying areas for improvement. In February 2025, OSHA officials said the agency is addressing internal comments on the draft



after-action report. Officials said they anticipate finalizing the comments and presenting the report to OSHA leadership.

To fully implement this recommendation, OSHA should complete its assessment of the challenges it faced in responding to COVID-19 and take any warranted actions. Implementing this recommendation could help the agency improve its enforcement efforts and help it prepare for operations during any future pandemic.

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)

*Workplace Safety and Health: OSHA Should Take Steps to Better Identify and Address Ergonomic Hazards at Warehouses and Delivery Companies.* [GAO-24-106413](#). Washington, D.C.: Sept. 18, 2024.

**Year Recommendation Made:** 2024

**Recommendations:** The Secretary of Labor should ensure that the Assistant Secretary of Labor for Occupational Safety and Health:

- ensure that OSHA's compliance officers can easily obtain data during inspections on when musculoskeletal disorders occurred. This could include adding a column for musculoskeletal injuries to OSHA recordkeeping forms; and
- formally evaluates how well OSHA's national emphasis program for warehouses and distribution centers helps compliance officers identify, assess, and address ergonomic hazards; and determines and documents next steps to correct any deficiencies detected.

**Action Needed:** OSHA neither agreed nor disagreed with these recommendations. Regarding recordkeeping forms, OSHA stated that inserting a column for musculoskeletal injuries on OSHA recordkeeping forms remains on its long-term regulatory agenda. As of March 2025, the agency expects to receive more information on musculoskeletal and other injuries from certain employers who have been required to report case-level injury data electronically to OSHA headquarters since March 2024. To fully implement this recommendation, OSHA should establish a means of collecting data during inspections on when musculoskeletal disorders occurred. Improving these data may help the agency better able to identify and address ergonomic hazards and more fully protect workers from serious physical harm.

Regarding the national emphasis program, OSHA reported in March 2025 that its formal April 2025 evaluation will include discussions with regional enforcement about how effective this program and related OSHA guidance and training have been in helping compliance officers identify, assess, and address ergonomic hazards. OSHA plans to use the results of this evaluation to determine if any adjustments to the program are needed. This may include revisions of specific industries targeted to ensure effective use of OSHA resources to identify and obtain abatement of hazards to workers. Completing this evaluation can help OSHA better determine the efficacy of its existing efforts to identify and address ergonomic hazards and how it can improve those efforts.

**Director:** Thomas Costa, Education, Workforce, and Income Security

**Contact Information:** [costat@gao.gov](mailto:costat@gao.gov)



*Private Pensions: Targeted Revisions Could Improve Usefulness of Form 5500 Information.* [GAO-14-441](#). Washington, D.C.: June 5, 2014.

**Year Recommendation Made:** 2014

**Recommendation:** The Secretaries of DOL and Treasury, and the Director of PBGC should consider implementing the findings from our panel when modifying plan investment and service provider fee information, including: (1) revising Schedule H plan asset categories to better match current investment vehicles and provide more transparency into plan investments; (2) revising the Schedule of Assets attachments to create a standard searchable format; (3) developing a central repository for EIN and PN numbers for filers and service providers to improve the comparability of form data across filings; (4) clarifying Schedule C instructions for direct, eligible indirect, and reportable indirect compensation so plan fees are reported more consistently and, as we recommended in the past, better align with the 408(b)(2) fee disclosures; and (5) simplifying and clarifying Schedule C service provider codes to increase reporting consistency.

**Action Needed:** DOL neither agreed nor disagreed with this recommendation. The agency made changes in 2023 to improve Form 5500 reporting by certain groups and plans. However, since 2024, we found continued need for Form 5500 improvement and restated that DOL should implement this recommendation to help (1) financial professionals understand investment options so they can provide prudent advice to clients,<sup>2</sup> and (2) DOL and other regulators better understand 401(k) plan investments and other plan information.<sup>3</sup> DOL officials reported that the agency continues to prioritize a Form 5500 improvement project in its regulatory agenda as part of an effort to modernize reporting requirements on the Form 5500 and make the information more investment information more data mineable. Further, the effort includes a focus on enhancing the agencies' ability to collect employee benefit plan data that best meets the needs of changing compliance projects, programs, and activities. However, it is unclear whether actions will be taken in the near or long-term.

To fully implement this recommendation, DOL needs to implement modifications around financial transparency and data utilization to improve the usefulness, reliability, and comparability of Form 5500 data. Doing so could provide more complete, consistent, and comparable data, which DOL and IRS use to conduct crucial compliance and enforcement activities.

**Director:** Kris (Tranchau) Nguyen, Education, Workforce, and Income Security

**Contact Information:** [nguyentt@gao.gov](mailto:nguyentt@gao.gov)

## **Protecting Sensitive Information**

*Privacy: Dedicated Leadership Can Improve Programs and Address Challenges.* [GAO-22-105065](#). Washington, D.C.: September 22, 2022.

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<sup>2</sup>GAO, *Retirement Investments: Agencies Can Better Oversee Conflicts of Interest Between Fiduciaries and Investors*, [GAO-24-104632](#) (Washington, D.C.: July 29, 2024).

<sup>3</sup>GAO, *401(k) Plans: Industry Data Show Low Participant Use of Crypto Assets Although DOL's Data Limitations Persist*, [GAO-25-106161](#) (Washington, D.C.: Nov. 19, 2024); GAO, *401(k) Plans: Reported Impacts of Fee Disclosure Regulations, and DOL Efforts to Support Implementation of Regulations* [GAO-24-107125](#) (Washington, D.C.: Sept. 27, 2024); GAO, *401(k) Retirement Plans: Department of Labor Should Update Guidance on Target Date Funds* [GAO-24-105364](#) (Washington, D.C.: March 28, 2024).

**Year Recommendation Made:** 2022

**Recommendation:** The Secretary of Labor should fully define and document the role of the senior agency official for privacy or other designated privacy official in reviewing and approving system categorizations, overseeing privacy control assessments, and reviewing authorization packages.

**Action Needed:** DOL agreed with this recommendation. In February 2025, DOL provided its updated privacy program order, which defines the scope of the role of the senior agency official for privacy (SAOP) and formally establishes the DOL Privacy Office, which is redelegated the authority to implement and operate the Department's Privacy program on behalf of the SAOP. DOL officials added that they are working toward updating other policies to integrate the SAOP and Privacy Office into the process of reviewing and approving system categorizations, overseeing privacy control assessments, and reviewing authorization packages.

To fully implement this recommendation, the agency needs to fully document the senior agency official's role with respect to privacy control assessments and authorization packages. By fully establishing this element of its privacy program, DOL will have greater assurance that it is consistently and effectively implementing privacy protections.

**High-risk area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Marisol Cruz Cain, Information Technology and Cybersecurity

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## Enclosure 2

### Key Information About the Status of GAO Recommendations and Improving Agency Operations

#### Department of Labor's Recommendation Implementation Rate

In November 2024, we reported that, on a government-wide basis, 70 percent of our recommendations made 4 years ago were implemented.<sup>4</sup> DOL's recommendation implementation rate was 79 percent. As of April 2025, DOL had 110 open recommendations.

#### Implemented and New Priority Recommendations

Our May 2024 letter to Acting Secretary of Labor Su identified 13 priority recommendations.<sup>5</sup> Since then, five recommendations have been implemented, and we added four new priority recommendations.

##### Implemented recommendations:

- In December 2024, DOL published a final rule revising the regulations involving the Black Lung Benefits Program. The new rule revises the process for coal mine operators to apply for authorization to self-insure, clarifies renewal procedures, and streamlines the process for operators to appeal self-insurance determinations made by DOL. This addressed two priority recommendations from our February 2020 report on this program.<sup>6</sup> Implementing these procedures better protect Black Lung Disability Trust Fund finances if a self-insured coal mine operator does not comply with DOL's requirements, or defaults on its black lung benefit liabilities through bankruptcy.
- In 2023 and 2024, DOL worked with USDA's Food Safety and Inspection Service (FSIS) to collaborate on meat and poultry worker safety. Consistent with our two June 2023 priority recommendations, DOL regularly met with FSIS to identify and track short- and long-term outcomes, developed training for FSIS staff on common hazards, and publicly reported on their collaborative outcomes related to worker safety.<sup>7</sup> DOL also used data to inform its decision in October 2024 to issue new industry-wide inspection guidance that instructs OSHA inspectors to systematically focus on multiple hazards at meat and poultry plants, including ergonomic and sanitation hazards. These steps can provide opportunities to better protect the safety and health of these vulnerable workers.
- As of September 2024, DOL's Office of Federal Contract Compliance Programs (OFCCP) used the American Community Survey to better approximate the veteran population protected under the Vietnam Era Veterans' Readjustment Assistance Act of 1974 (VEVRAA), as we recommended in May 2022. OFCCP officials have not used these data to calculate the national annual hiring benchmark because, although the data

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<sup>4</sup>GAO, *Performance and Accountability Report: Fiscal Year 2024*, [GAO-25-900570](#) (Washington, D.C.: Nov. 15, 2024).

<sup>5</sup>GAO, *Priority Open Recommendations: Department of Labor*, [GAO-24-107287](#) (Washington, D.C.: May 30, 2024).

<sup>6</sup>GAO, *Black Lung Benefits Program: Improved Oversight of Coal Mine Operator Insurance Is Needed*, [GAO-20-21](#) (Washington, D.C.: February 21, 2020).

<sup>7</sup>GAO, *Meat and Poultry Worker Safety: OSHA Should Determine How to Address Persistent Hazards Exacerbated by COVID-19*, [GAO-23-105104](#) (Washington, D.C.: June 20, 2023).

captured information on multiple protected veteran categories under VEVRAA, they do not precisely distinguish all of them. However, GAO's recommendation did not specify that these data solely be used for calculating a hiring benchmark. By using available data sources to approximate the veteran population protected under VEVRAA, OFCCP officials gained helpful insights into the potential differences in labor force availability between the overall veteran population and the subset who are protected under VEVRAA.<sup>8</sup>

**New priority recommendations:** The four new priority recommendations fall into the Unemployment Insurance and worker safety and health protections areas. (See Enclosure 1.)

## Financial Statement Audit

As the auditor of the consolidated financial statements of the U.S. government, I have noticed that DOL received a qualified audit opinion on its fiscal years 2021 through 2024 financial statements. DOL was unable to adequately support assumptions used for estimating remaining obligations and benefit overpayments for the unemployment insurance program. These limitations on the audit opinion and underlying internal control weaknesses, as well as related auditor recommendations, are important issues and I encourage you to address them.

## High-Risk List

In February 2025, we issued our biennial update to our [High-Risk List](#).<sup>9</sup> This list identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement. It also identifies the need for transformation to address economy, efficiency, or effectiveness challenges. One of our high-risk areas concerns DOL, the [Unemployment Insurance System](#).

Several other government-wide high-risk areas have direct implications for DOL and its operations. These include [improving the management of IT acquisitions and operations](#), [improving strategic human capital management](#) and the [personnel security clearance process](#), [managing federal real property](#), and [ensuring the cybersecurity of the nation](#).

In addition to DOL's high-risk area, we urge your attention to the other government-wide high-risk issues as they relate to DOL. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, the Office of Management and Budget (OMB), and the leadership and staff in agencies, including within DOL. In March 2022, we issued a report on key practices to successfully address high-risk areas, which can be a helpful resource as your agency continues to make progress addressing these high-risk issues.<sup>10</sup>

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<sup>8</sup>GAO, Equal Employment Opportunity: Better Assistance and Data Use Could Improve Oversight of Veterans' Federal Contractor Employment, [GAO-22-104599](#) (Washington, D.C., May 26, 2022).

<sup>9</sup>GAO, *High-Risk Series: Heightened Attention Could Save Billions More and Improve Efficiency and Effectiveness*, [GAO-25-107743](#) (Washington, D.C.: Feb. 25, 2025).

<sup>10</sup>GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, [GAO-22-105184](#) (Washington, D.C.: Mar 3, 2022).

## **Congress's Role on GAO Recommendations**

We also recognize the key role Congress plays in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce their desired results. Legislation enacted in December 2022 includes a provision for GAO to identify any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.<sup>11</sup>

Congress can use various strategies to address our recommendations, such as incorporating them into legislation. Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on DOL's progress in implementing GAO's priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for agencies to act. Moreover, Congress can follow up during the appropriations process and request periodic updates.

Congress also plays a key role in addressing any underlying issues related to the implementation of these recommendations. For example, Congress can pass legislation providing an agency explicit authority to implement a recommendation or requiring an agency to take certain actions to implement a recommendation.

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<sup>11</sup>James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022); H.R. Rep. No. 117-389 (2022) (accompanying Legislative Branch Appropriations Act, H.R. 8237, 117th Cong. (2022)).