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STATEMENT OF
FRANKLIN A. CURTIS, ASSOCIATE DIRECTOR
HUMAN RESOURCES DIVISION
BEFORE THE
SUBCOMMITTEE ON SELECT EDUCATION
HOUSE COMMITTEE ON EDUCATION AND LABOR
AND THE
SUBCOMMITTEE ON MANPOWER AND HOUSING
HOUSE COMMITTEE ON GOVERNMENT OPERATIONS
ON
ACTION'S HIRING AND USE OF CERTAIN
NONCAREER EMPLOYEES AND OTHER PERSONNEL MATTERS



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WE ARE PLEASED TO BE HERE TODAY TO DISCUSS OUR RECENTLY ISSUED REPORT ON ACTION'S HIRING AND USE OF CERTAIN NONCAREER EMPLOYEES AND OTHER PERSONNEL MATTERS.

THE REPORT RESPONDS TO A REQUEST FROM THE SUBCOMMITTEES ON SELECT EDUCATION AND ON HUMAN RESOURCES OF THE HOUSE COMMITTEE ON EDUCATION AND LABOR, THE SUBCOMMITTEE ON MANPOWER AND HOUSING, HOUSE COMMITTEE ON GOVERNMENT OPERATIONS, AND SEVERAL OTHER HOUSE MEMBERS. IT ALSO INCLUDES RELATED MATTERS REQUESTED BY THE CHAIRMAN, SUBCOMMITTEE ON LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES, SENATE COMMITTEE ON APPROPRIATIONS.

THE HOUSE REQUEST ALSO ASKED THAT WE REVIEW A NUMBER OF ACTION PROGRAM ISSUES. THE RESULTS OF THIS WORK WERE PRESENTED IN APRIL 1983 TESTIMONY BEFORE THE SUBCOMMITTEE ON SELECT EDUCATION, HOUSE COMMITTEE ON EDUCATION AND LABOR.

TODAY, MY STATEMENT WILL SUMMARIZE THE PERSONNEL ISSUES IN OUR SEPTEMBER 1984 REPORT AND, WITH YOUR PERMISSION, I WILL PROVIDE A COPY FOR INCLUSION IN THE RECORD. FOR THAT REPORT, WE SPECIFICALLY REVIEWED WHETHER:

- NONCAREER EMPLOYEE HIRING, PARTICULARLY SCHEDULE B'S AND C'S, WAS PROPER;
- NONCAREER EMPLOYEES, PARTICULARLY SCHEDULE B'S WERE PERFORMING DUTIES SIMILAR TO THOSE PERFORMED BY CAREER EMPLOYEES;
- ACTION HAD COMPLIED WITH THE DECEMBER 21, 1982, CONTINUING RESOLUTION (P.L. 97-377) THAT PROHIBITED ITS USE OF FUNDS FOR REDUCING STATE OFFICE PERSONNEL; AND

--ACTION HAD ABUSED ITS AUTHORITIES IN PROPOSING TO REASSIGN A NUMBER OF CAREER EMPLOYEES AND TERMINATING THOSE WHO REFUSED TO RELOCATE.

IN SUMMARY, WE FOUND THAT:

--ACTION'S LARGEST NONCAREER EMPLOYEE GROUP, SCHEDULE C APPOINTEES, WERE APPOINTED IN COMPLIANCE WITH OPM AND SEPARATE EXECUTIVE ORDER AUTHORIZATIONS.

--ACTION COMPLIED WITH THE CONTINUING RESOLUTION PROHIBITING ITS USE OF FUNDS TO REDUCE STATE OFFICE PERSONNEL.

--ACTION DID NOT ABUSE ITS AUTHORITIES IN PROPOSING TO REASSIGN A NUMBER OF CAREER EMPLOYEES AND TERMINATING THOSE WHO REFUSED TO RELOCATE.

--ALTHOUGH NOT REQUIRED BY OPM TO USE THE COMPETITIVE EXAMINATION PROCESS UNDER ITS SCHEDULE B HIRING AUTHORITIES, ACTION FILLED POSITIONS USING THESE AUTHORITIES WHICH WERE APPROPRIATE FOR CONSIDERATION UNDER THE COMPETITIVE PROCESS. FURTHER, THE SCHEDULE B EMPLOYEES WERE PERFORMING DUTIES SIMILAR TO THOSE PERFORMED BY CAREER EMPLOYEES.

DURING THE PERIOD OCTOBER 31, 1981, TO SEPTEMBER 30, 1983, ACTION'S CAREER EMPLOYEES DECREASED BY ABOUT 52 PERCENT--FROM 902 TO 429 EMPLOYEES. THE DECREASE RESULTED FROM TWO REDUCTIONS IN FORCE AFFECTING 213 CAREER EMPLOYEES; THE SEPARATION OF THE PEACE CORPS FROM ACTION, ALONG WITH 254 ASSOCIATED EMPLOYEES; AND NORMAL STAFF ATTRITION. DURING THE SAME PERIOD, ACTION'S NONCAREER EMPLOYEES DECREASED BY ABOUT 40 PERCENT--FROM 162 TO 98 EMPLOYEES.

I WOULD NOW LIKE TO DISCUSS THE HIRING OF SCHEDULE B EMPLOYEES IN A LITTLE MORE DETAIL. ACTION HAS AUTHORITY TO DIRECTLY HIRE 28 SCHEDULE B EMPLOYEES--25 IN ITS OFFICE OF DOMESTIC AND ANTI-POVERTY OPERATIONS AND 3 IN ITS OFFICE OF VOLUNTEER LIAISON. SCHEDULE B POSITIONS REQUIRE SPECIAL SKILLS OR ARE CONSTRAINED BY SPECIAL CIRCUMSTANCES WHICH MAKE IT IMPRACTICABLE TO USE THE COMPETITIVE EXAMINATION PROCESS TO FILL THE POSITIONS. FOR ACTION SCHEDULE B POSITIONS, THE CIRCUMSTANCES WHICH MAY MAKE IT IMPRACTICABLE TO USE THE COMPETITIVE PROCESS ARE WHEN (1) EMPATHY WITH A CLIENT GROUP IS REQUIRED, (2) SPEED IN HIRING IS NEEDED TO MEET URGENT PROBLEMS OR EMERGENCY NEEDS, OR (3) THE POSITIONS ARE OF A NONCONTINUING NATURE.

IN GRANTING ACTION AUTHORITY TO HIRE SCHEDULE B EMPLOYEES, OPM DID NOT REQUIRE THAT ACTION SEEK OPM ADVICE ON WHICH PARTICULAR POSITIONS WERE COMPATIBLE WITH THE COMPETITIVE PROCESS. ACCORDINGLY, ACTION HAS NOT ASKED FOR OPM DETERMINATIONS FOR ANY OF THE POSITIONS WE REVIEWED. WE, HOWEVER, DID ASK OPM TO REVIEW 10 OF THE POSITION DESCRIPTIONS. BASED ON OPM'S REVIEW OF THE POSITION REQUIREMENTS AND OUR ANALYSIS OF THE SPECIAL HIRING CIRCUMSTANCES, BOTH WE AND THE OPM OFFICIALS WHO MADE THE REVIEW BELIEVE THE POSITIONS WERE APPROPRIATE FOR CONSIDERATION UNDER THE COMPETITIVE EXAMINATION PROCESS.

FOR EXAMPLE:

--OPM HAS A CERTIFICATION PROCESS THAT CAN PROVIDE CANDIDATES THROUGH THE COMPETITIVE SYSTEM FOR POSITIONS

REQUIRING EMPATHY WITH PARTICULAR CLIENT GROUPS. OPM OFFICIALS WHO REVIEWED POSITION DESCRIPTIONS FOR US INFORMED US THAT THE CERTIFICATION PROCESS COULD SCREEN CANDIDATES POSSESSING THE CULTURAL REQUIREMENTS INCLUDED IN THE ACTION POSITION DESCRIPTIONS. THE EXAMINING BRANCH CHIEF INFORMED US THAT ALTHOUGH THIS PROCESS DOES NOT MEASURE WITH EXACT PRECISION A PARTICULAR CANDIDATE'S POTENTIAL CLIENT-GROUP EMPATHY LEVEL, THE PROCESS NONETHELESS YIELDS CANDIDATES WHOSE PAST WORK EXPERIENCES AND STATED INTERESTS STRONGLY INDICATE THEIR ABILITY TO EMPATHIZE WITH PARTICULAR CLIENT GROUPS.

--NONE OF THE 14 SCHEDULE B'S WE REVIEWED IN ACTION'S OFFICE OF DOMESTIC AND ANTI-POVERTY OPERATIONS WERE HIRED TO DEAL WITH EMERGENCY SITUATIONS OR "URGENT" PROBLEMS REQUIRING IMMEDIATE ACTION, NOR WAS "SPEED" IN FILLING THE POSITIONS OTHERWISE A CRITICAL FACTOR. WE DETERMINED THAT THE ELAPSED TIME BETWEEN ACTION'S IDENTIFYING ITS HIRING NEEDS FOR THE 14 SCHEDULE B EMPLOYEES AND ACTUALLY HIRING THEM RANGED FROM 2 TO 12 MONTHS, AVERAGING 5.5 MONTHS. OPM OFFICIALS INFORMED US THAT THEIR EXPERIENCE IN RESPONDING TO AGENCY REQUESTS WITH LISTS OF QUALIFIED ELIGIBLES OBTAINED THROUGH THE COMPETITIVE PROCESS IS FROM 2 TO 6 WEEKS.

--WE FOUND THAT 11 OF THE SCHEDULE B EMPLOYEES HAD SERVED IN POSITIONS WHICH WERE OF A CONTINUING NATURE FROM THE TIME THE APPOINTMENTS WERE FIRST MADE. OUR REVIEW OF WORK PRODUCTS--PROGRESS REPORTS, PROJECT VISIT REPORTS, CORRESPONDENCE, AND OTHER PROJECT RELEVANT MEMORANDA--DISCLOSED NO ESSENTIAL DIFFERENCES IN THE DUTIES OF THE SCHEDULE B AND CAREER EMPLOYEE PROGRAM SPECIALIST. THE THREE REMAINING SCHEDULE B POSITIONS COULD BE DESCRIBED AS NONCONTINUING IN THAT THE POSITIONS WERE IN A PROGRAM THAT WAS TO END AFTER 3 YEARS. HOWEVER, IN THAT THESE POSITIONS WERE CONSIDERED APPROPRIATE FOR CONSIDERATION UNDER THE COMPETITIVE EXAMINATION PROCESS, WE BELIEVE THEY SHOULD HAVE BEEN TERM APPOINTMENTS RATHER THAN SCHEDULE B HIRES.

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THAT CONCLUDES MY STATEMENT. WE WILL BE HAPPY TO ANSWER ANY QUESTIONS.