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BY THE U.S. GENERAL ACCOUNTING OFFICE

**Report To The Chairman, Subcommittee
On Employment And Productivity
Committee On Labor And Human Resources
United States Senate**

**Projects Funded In The
Montgomery, Alabama, Metropolitan Area
By The Emergency Jobs
Appropriations Act Of 1983**

To meet economic problems facing the nation, the Congress enacted the Emergency Jobs Appropriations Act of 1983, which made over \$9 billion available for fiscal year 1983 and beyond. Title I of the act made funds available to provide, among other things, essential and productive jobs. GAO analyzed available data on projects that were awarded these funds in six geographical areas throughout the United States. This report discusses the Montgomery, Alabama, metropolitan area.

GAO found that about \$1.8 million, or nearly 33 percent of over \$5.5 million awarded to projects identified in the Montgomery metropolitan area, had been spent by March 31, 1984--about 1 year after passage of the act. Of an estimated 549 people who were employed, at least 117 had been previously unemployed. In addition to the short-term employment opportunities resulting from these funds, other benefits--such as road and street improvements, home weatherization, and newly constructed facilities--had been and are expected to be provided to the metropolitan area.



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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

B-205627

The Honorable Dan Quayle
Chairman, Subcommittee on
Employment and Productivity
Committee on Labor and
Human Resources
United States Senate

Dear Mr. Chairman:

In response to your request that we monitor and report on the implementation of the Emergency Jobs Appropriations Act (Public Law 98-8), we are providing you with the second of six reports we plan to issue on projects funded by the act in six geographical areas of the United States. The act, enacted on March 24, 1983, provided emergency supplemental appropriations for use in fiscal year 1983 and subsequent years to provide productive employment; hasten or initiate federal projects and construction, such as construction and modernization of housing units for military families; and provide humanitarian assistance, including an emergency food and shelter program.

This report provides information on the status of projects funded by the act in the Montgomery, Alabama, metropolitan area as of March 31, 1984--about 1 year following the act's enactment. This metropolitan area is composed of three counties--Autauga, Elmore, and Montgomery. Because there are no comprehensive requirements in the act for federal, state, and local agencies to maintain detailed and separate records on the use of Public Law 98-8 funds, the report presents information on only those projects that we were able to identify in the three counties.

The following sections summarize the results of our review. Appendixes I and II provide further details on the methodology of our review and our findings. The other appendixes contain detailed statistics relative to Public Law 98-8 funds spent in the Montgomery metropolitan area.

\$5.5 MILLION AWARDED TO 33 PROJECTS IN
THE MONTGOMERY, ALABAMA, METROPOLITAN AREA

As of March 31, 1984, over \$5.5 million of Public Law 98-8 funds were awarded to 33 projects in the Montgomery metropolitan area. Twenty-six of these projects were allocated about \$5.2 million for public works activities, such as construction, road improvement, and general repair and maintenance. The other seven projects are public service projects that were allocated about \$319,000 to provide humanitarian assistance, such as health care services, to the community.

The economy in the Montgomery metropolitan area, which covers 2,013 square miles in central Alabama, consists predominately of service-oriented and trade industries and federal, state, and local governments. When the act was enacted in March 1983, 16,438 people were unemployed in this urban area, or 12.9 percent of the 127,468 people in the labor force. At that time, the unemployment rates were 11.8 percent in Montgomery County, 14.7 percent in Elmore County, and 17 percent in Autauga County. Statewide and national unemployment rates during this same period were 15.7 and 10.3 percent, respectively. In March 1984, about 1 year after passage of the act, the unemployment rates for the nation, the state, and the Montgomery metropolitan area were 7.8, 12.3, and 9.6 percent, respectively.

THIRTY-THREE PERCENT OF AWARDED FUNDS
SPENT WITHIN FIRST YEAR OF THE ACT

As of March 31, 1984, about \$1.8 million, or nearly 33 percent of the \$5.5 million awarded, had been spent on 32 of the 33 projects. These expenditures were made on 14 projects (\$583,884) that were completed and 18 projects (about \$1.2 million) that were awarded about \$4.9 million and were partially completed by that date. One project, allocated \$40,000, had not started at that time.

AN ESTIMATED 549 PEOPLE
EMPLOYED BY MARCH 31, 1984

Data obtained from project officials indicate that an estimated 549 people were employed on 24 of the 32 projects that had begun by March 31, 1984. As of that date, these projects had spent about \$1.5 million. On 10 of these 24 projects for which detailed employment information was available, 126 people had been employed for a total of 432 weeks, or an average of over 3 weeks per person, working for periods ranging from about 2 to

over 18 weeks. Of the 126 employed, 117 were previously unemployed; however, information was not readily available to determine how long they had been unemployed. As of March 31, 1984, about \$267,000 had been spent on these 10 projects. Data were not readily available for us to determine the prior employment status of the 423 people employed on the other 14 projects which had spent over \$1.2 million. No new employment opportunities had been provided on eight other projects that began by March 31, 1984, because either additional services were provided with the funds using existing staff or the projects had not progressed far enough to provide employment opportunities.

Because uniform comprehensive reporting is not required on the use of Public Law 98-8 funds, detailed employment information, such as race, gender, and prior employment status data, was not readily available from federal, state, or local agencies for all the projects. The Department of Housing and Urban Development was the only federal department or agency that the act required to submit detailed quarterly reports to the appropriate congressional committees on the use of its community development funds. These quarterly reports contain estimated data on the number of people employed and weeks of employment, but not race, gender, and prior employment status data.

VARYING EFFORTS MADE TO
EMPLOY THE UNEMPLOYED

The act required federal agencies, states, and political subdivisions of the states to use funds, to the extent practicable, "in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act"--March 24, 1983. Efforts by federal, state, and local officials and project managers to fulfill this provision varied among the 32 projects that had started before March 31, 1984. Examples of these efforts include the following.

--In awarding funds for its Parks and Recreational Area Development Grant Program, the Small Business Administration advised the state that individuals employed should not have full-time employment and be simultaneously drawing unemployment compensation for the same period. The state agency administering these funds required project managers to employ only those individuals who were certified by the local employment office as being unemployed. All 52 people employed on three projects that received these funds had been certified as having been unemployed.

--On a Corps of Engineers' project to dredge portions of the Alabama River, no specific provision was included in the contract to provide employment opportunities to the unemployed due to the project's nature. A Corps official explained that, because the project required certain skills to operate the equipment which were not available locally, the contract was awarded to a firm located in another state that specializes in dredging operations. Data were not readily available to determine the prior employment status of the nine people employed on this project.

BENEFITS, OTHER THAN SHORT-TERM
EMPLOYMENT, ACHIEVED AND EXPECTED

In addition to the short-term employment opportunities resulting from the projects, other benefits have been or are expected to be achieved in the Montgomery metropolitan area. These other benefits include the repair and maintenance of existing facilities, such as cleaning and repairing the exterior of a federal building and courthouse; construction of permanent facilities, including housing units for federal prisoners; and provision of public services, such as health care services.

- - - -

We will be issuing similar reports to you on the high unemployment urban areas of Fresno, California, and Cleveland, Ohio; the low unemployment urban area of Lawrence-Haverhill, Massachusetts; and a low unemployment rural area consisting of five counties near Valdosta, Georgia. On March 26, 1985, we issued to you the first report on the six areas, which provided information on projects funded by the act in seven counties of northeast Texas (GAO/HRD-85-42). The information in these reports should not be considered representative of all projects funded by the act or of the programs and activities that awarded funds to the projects reviewed. We will issue a final report summarizing the results of our review of Public Law 98-8.

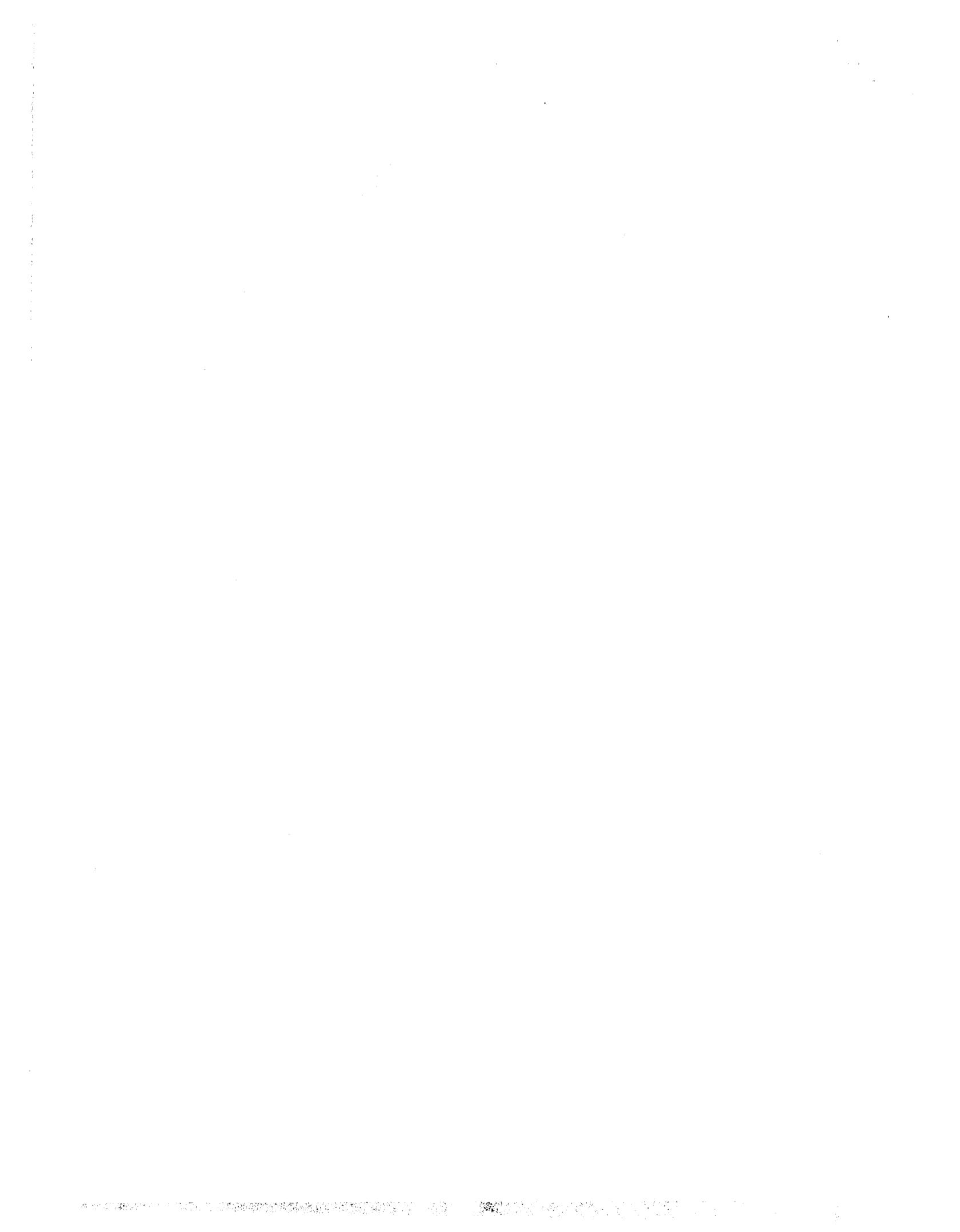
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As arranged with your office, we are sending copies of this report to the House and Senate Committees on Appropriations and other interested congressional parties. Copies will also be made available to other interested parties who request them.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Richard L. Fogel".

Richard L. Fogel
Director



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ABBREVIATIONS

CDBG	Community Development Block Grant
GAO	General Accounting Office
HHS	Department of Health and Human Services
HUD	Department of Housing and Urban Development
SBA	Small Business Administration

OBJECTIVES, SCOPE, AND METHODOLOGY

In response to a request from the Chairman, Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, we reviewed the implementation of the Emergency Jobs Appropriations Act (Public Law 98-8), enacted on March 24, 1983. As part of this review, we obtained available information on projects that were awarded Public Law 98-8 funds in the Montgomery, Alabama, metropolitan area. This area is composed of three counties--Autauga, Elmore, and Montgomery.

The information we attempted to obtain for each project included the

- project's nature and status;
- funds awarded and expended as of March 31, 1984, about 1 year after the act's enactment;
- number and characteristics of people employed, such as ethnic background and gender;
- efforts made by federal, state, and local government officials and project managers to provide employment to unemployed persons; and
- benefits, other than short-term employment, achieved and expected.

Because uniform comprehensive reporting is not required on the use of Public Law 98-8 funds, we were not able to obtain complete information for every project.

Our review of projects was limited to those that were allocated funds from 61 of the 77 federal programs and activities that had funds made available by the act. These programs and activities consist of 48 in which federal agencies selected projects and 13 in which state agencies, administering federally funded programs, selected projects to be funded. We did not include 16 programs and activities (1) whose funds were made available by the Congress disapproving the administration's proposed deferral of prior appropriations, as well as earmarking existing appropriations for other purposes; (2) that were strictly humanitarian assistance and income support, such as an emergency food and shelter program, thus providing limited employment opportunities; and (3) whose funds were consolidated with existing funds, thus precluding projects from being separately identified.

Our fieldwork was done between March and June 1984. We did the review in accordance with generally accepted government auditing standards.

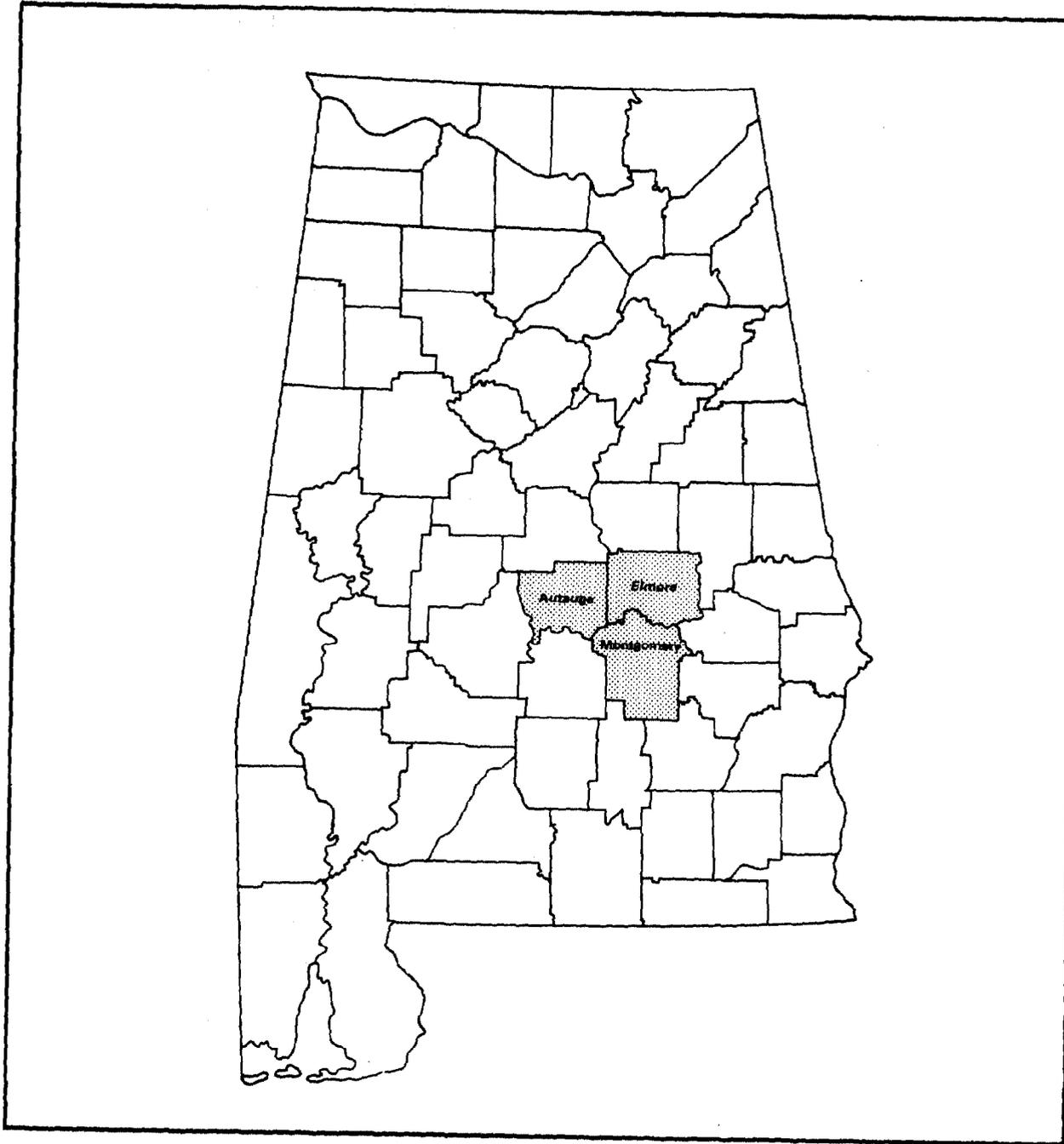
CRITERIA USED TO SELECT THE
MONTGOMERY METROPOLITAN AREA

We judgmentally selected the Montgomery metropolitan area as one of six areas to review based on criteria developed with the Subcommittee Chairman's office. The selection criteria included (1) nationwide geographic coverage, (2) areas of high and low unemployment as of March 1983, (3) rural and urban areas, and (4) different types of projects funded by Public Law 98-8, such as public service and public works activities.

To obtain nationwide geographic coverage, we selected six states with varying unemployment rates in different parts of the United States. We obtained from federal agencies project listings as of the February-March 1984 time frame for the 48 programs and activities in which federal agencies selected projects within these states. We did not include four of these programs and activities because the project listings did not contain enough details and a significant amount of time would have been necessary to identify specific project locations. Based on the established criteria and the projects identified within the six states, we selected the Montgomery metropolitan area--a high unemployment urban area--as one of six geographical areas to review.¹ This area is shown in the following chart as the darkened area superimposed on a map of Alabama.

¹The other areas selected for review are the high unemployment urban areas of Fresno, California, and Cleveland, Ohio; the low unemployment urban area of Lawrence-Haverhill, Massachusetts; a low unemployment rural area consisting of five counties near Valdosta, Georgia; and a high unemployment rural area composed of seven counties in northeast Texas near Texarkana.

Chart 1
Geographic Location of the Montgomery, Alabama, Metropolitan Area Examined in the GAO Study



 Counties in Sample
 Counties not in Sample

In addition to the programs and activities in which federal agencies selected projects, there were 13 programs and activities in which states were responsible for selecting projects to be funded with funds made available by the act. We interviewed state officials administering these federally sponsored programs and activities to identify and obtain information on other projects in the Montgomery metropolitan area in order to include them in our review. Because Public Law 98-8 funds were commingled with existing funds and/or were not accounted for separately, we were not able to identify projects for three of these programs. In addition, funds benefiting only the Montgomery metropolitan area were not identifiable for two programs that funded activities on a statewide basis. Also, one program did not fund any projects in the Montgomery area.

PROJECT REVIEW METHODOLOGY

For projects awarded Public Law 98-8 funds in the Montgomery metropolitan area, we obtained information about each as of March 31, 1984. To obtain the project information, we interviewed state and local government officials and project managers, reviewed their records on the projects, and visited selected projects.

Projects' status

We established three categories to reflect the status of each project as of March 31, 1984--completed, partially completed, and not started. We classified projects as completed if work on the project site was finished or funds were reported as fully expended as of March 31, 1984. A project was classified as partially completed if any work had begun or project funds were spent before March 31, 1984, and funds remained to be spent on the project. We classified a project as not started if work on the project site had not begun or no funds had been spent as of March 31, 1984. The allocation and expenditure information obtained is as reported by federal, state, or local government officials or project managers.

Employment data

We obtained employment data on each project from project managers or contractors, including information on the number, ethnic backgrounds, gender, hours worked, employment duration, and prior employment status of persons employed. Because there were no uniform comprehensive requirements to report on the use of Public Law 98-8 funds for most programs and activities, detailed employment information was not readily available for all

the projects and would have required a significant effort to obtain or develop. If a contractor was responsible for employing people and was readily accessible, we contacted the contractor to obtain the information. In cases in which data were not readily available, we asked project managers to estimate only the number of people employed.

Efforts to provide employment opportunities

Because one objective of Public Law 98-8 was to provide employment opportunities to the unemployed, we discussed with federal, state, and local officials and project managers the efforts made to hire such individuals. Because of the limited employment information available, we did not assess the degree to which these efforts were successful.

Projects' benefits

To determine the project benefits achieved and expected, we interviewed project managers, visited and observed projects, and reviewed project documentation. We were interested in identifying benefits other than the short-term employment opportunities resulting from Public Law 98-8 funds, such as construction, humanitarian assistance, and long-term employment opportunities.

EMERGENCY JOBS APPROPRIATIONS ACT OF 1983
AND PROJECTS FUNDED IN THE MONTGOMERY, ALABAMA,
METROPOLITAN AREA BY THE ACT AS OF MARCH 31, 1984

Thirty-three projects in the Montgomery, Alabama, metropolitan area were awarded over \$5.5 million in funds made available by the Emergency Jobs Appropriations Act of 1983.

EMERGENCY JOBS APPROPRIATIONS ACT OF 1983

To meet economic problems facing the nation, the Congress passed the Emergency Jobs Appropriations Act, providing emergency supplemental appropriations for fiscal year 1983 and subsequent years. The act's primary objectives were to (1) provide productive employment for jobless Americans, (2) hasten or initiate federal projects and construction of lasting value to the nation and its citizens, and (3) provide humanitarian assistance to the indigent. Title I of the act made funds available to provide, among other things, essential and productive jobs and humanitarian assistance. Two other titles provided appropriations for other purposes, including the creation of a temporary emergency food assistance program for the needy.

Congressional concerns

The Congress found that a severe economic recession had resulted in nearly 14 million unemployed Americans, including those no longer searching for work. Millions of other Americans were working part-time because they could not find full-time jobs. The annual cost of unemployment compensation had reached \$32 billion. Compared with previous recessions, hardships were much more severe, people were out of work longer, and fewer were receiving unemployment benefits. Business failures were 49 percent higher than the previous year. The Congress passed the Emergency Jobs Appropriations Act to help alleviate some of the hardships of the unemployed.

Objectives of title I

Title I of the Emergency Jobs Appropriations Act is entitled "Meeting Our Economic Problems With Essential and Productive Jobs." It made over \$9 billion available to 77 federal programs and activities, including public service, public works,

and employment and training programs.¹ Among these were programs and activities administered by the Department of Commerce's Economic Development Administration, the Department of Health and Human Services' (HHS') Health Resources and Services Administration, and the Department of Labor's Employment and Training Administration.

Title I contains a number of provisions concerning the targeting, use, and administration of Public Law 98-8 funds. Sections 101(a) and (b) provide specific formulas based on unemployment information for federal agencies to use in allocating funds. To the extent practicable, states receiving funds were to spend them in areas of high, long-term unemployment and for purposes that would have the greatest immediate employment impact.

Section 101(c) specified that, to the extent practicable, federal agencies, states, and political subdivisions of the states were to use the funds in a manner that quickly provided new employment opportunities to individuals who were unemployed at least 15 of the 26 weeks before the act's enactment. This section also specified that the funds be obligated and disbursed as rapidly as possible to quickly assist the unemployed and the needy, as well as to minimize future budgetary outlays.

The act did not establish uniform, comprehensive reporting requirements on the use of Public Law 98-8 funds. The Department of Housing and Urban Development (HUD) was the only federal department or agency that was required by the act to submit detailed quarterly reports to the appropriate congressional committees on the use of its community development funds. These quarterly reports contain estimated data on the number of people employed and weeks of employment, but not race, gender, and prior employment status data.

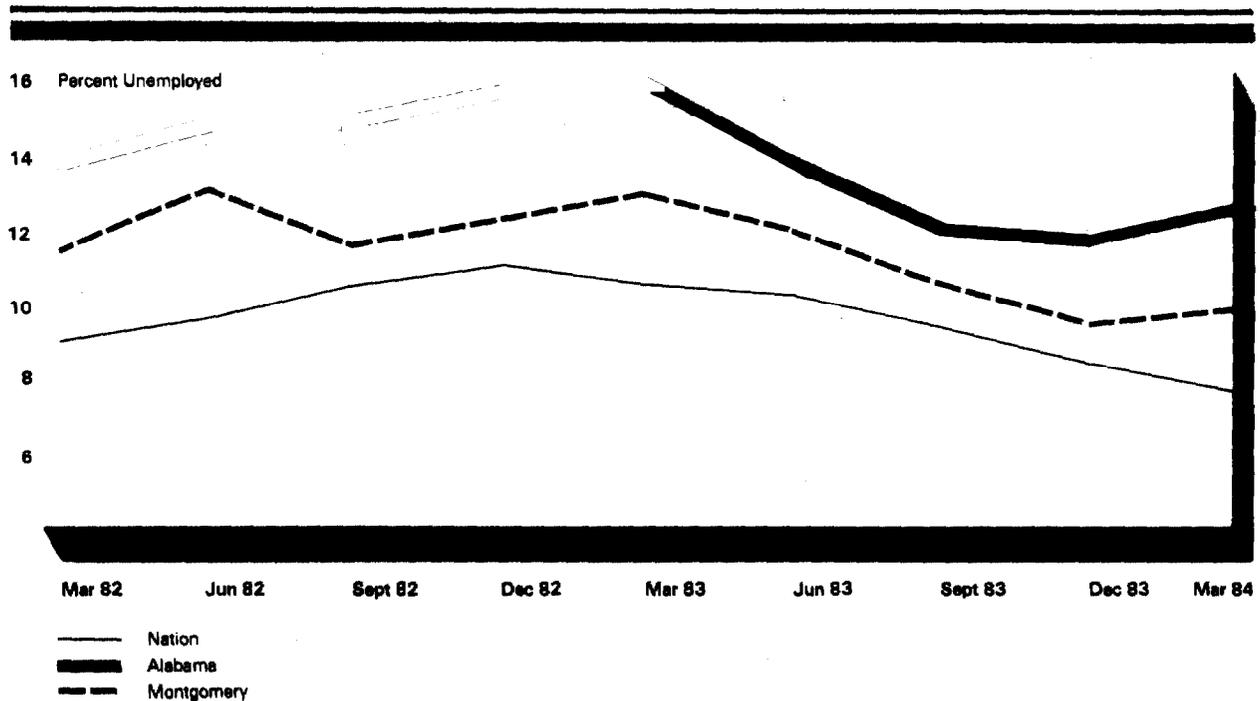
OVERVIEW OF FUNDS AWARDED TO THE MONTGOMERY METROPOLITAN AREA

The Montgomery metropolitan area, whose population was 272,687 in 1980, is composed of three counties--Autauga, Elmore, and Montgomery--that cover 2,013 square miles in central Alabama. Its labor force of 127,468 in March 1983 was predominately employed in service-oriented and trade industries and federal, state, and local governments. When the act was enacted

¹A list of these programs and activities and the amounts made available to each is included in enclosure II of our report on federal agencies' implementation of the act (GAO/OACG-84-1), issued in November 1983.

in March 1983, 16,438 people, or 12.9 percent of this urban area's labor force, were unemployed. At this time, the unemployment rates were 11.8 percent in Montgomery County, 14.7 percent in Elmore County, and 17 percent in Autauga County. State and national unemployment rates during this same period were 15.7 and 10.3 percent, respectively. In March 1984, about 1 year after passage of the act, the unemployment rates for the nation, the state, and the Montgomery metropolitan area were 7.8, 12.3, and 9.6 percent, respectively. The following chart illustrates the unemployment trends for these areas 1 year before and after passage of Public Law 98-8.

Chart 2
Quarterly Unemployment Rates for the Montgomery Metropolitan Area, Alabama, And Nation (March 1982-March 1984)



Alabama was allocated about \$104 million² of the funds made available by Public Law 98-8 as new budget authority--that is, direct appropriations and obligation authority increases. Thirty-three projects in the Montgomery metropolitan area were allocated over \$5.5 million from 15 federal programs and activities appropriated Public Law 98-8 funds. Twenty-six of these projects were allocated about \$5.2 million for public works activities, such as construction, road improvement, and general repair and maintenance. The other seven projects are public service projects that were allocated about \$319,000 to provide humanitarian assistance, such as health care services, to the community. Appendix III provides general background information on the 33 projects funded.

One-third of
project funds expended

About \$1.8 million, or nearly 33 percent of over \$5.5 million awarded to 33 projects in the Montgomery metropolitan area, had been spent as of March 31, 1984--1 year following enactment of the act.³ As illustrated in the following chart,

--over \$580,000 was expended on 14 projects that were completed;

--about \$1.2 million, or 25 percent of over \$4.9 million allocated, had been spent on 18 projects that were partially completed; and

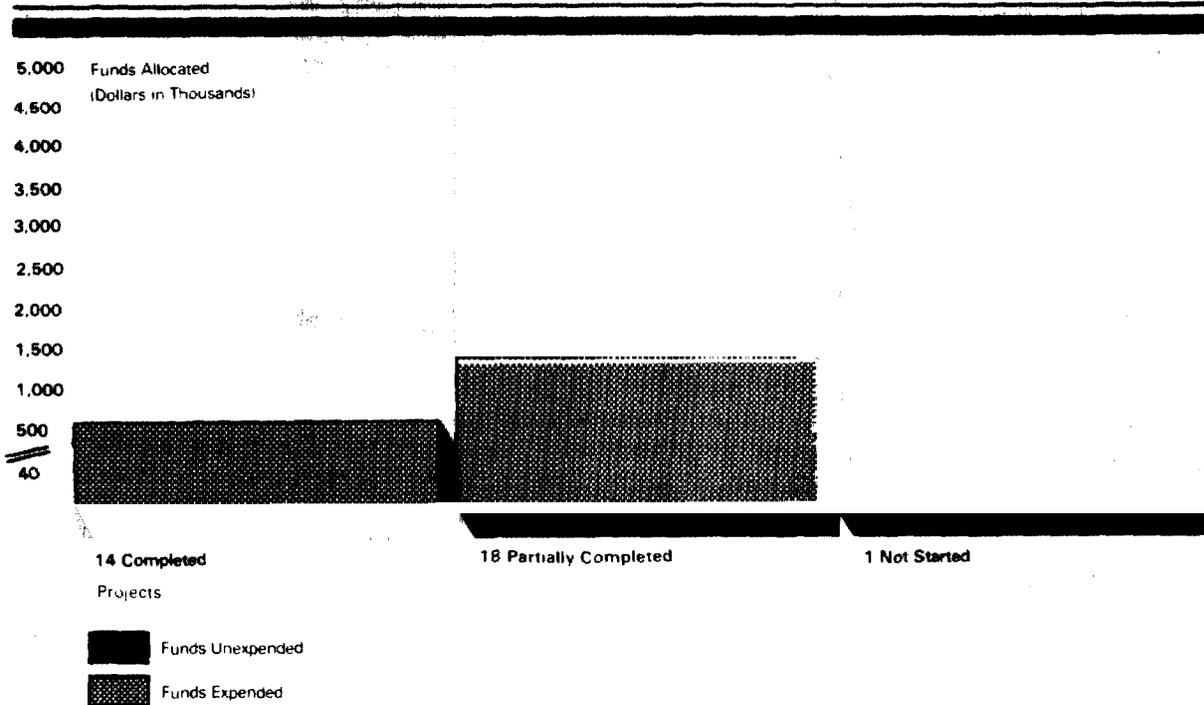
--no funds were spent on one project awarded \$40,000 that had not started.

²The amount allocated to Alabama is based on data reported to us by federal departments and agencies in February and March 1984, as reported in our April 10, 1984, letter to the Chairman of the Subcommittee on Employment and Productivity, Senate Committee on Labor and Human Resources, on the allocation of the act's funds.

³Appendix IV identifies the expenditure status of funds awarded to each of the 33 projects.

Chart 3

Funds Allocated and Expended on 33 Projects in the Montgomery, Alabama, Metropolitan Area as of March 31, 1984



Expenditures for 14 completed projects

Fourteen projects in the Montgomery metropolitan area were completed by March 31, 1984, and all of the \$583,884 allocated had been spent. These include 10 public works projects awarded \$474,711 and 4 public service projects awarded \$109,173.

Four federal programs were the source of funds for the 10 public works projects that were completed by March 31, 1984. Under HUD's Community Development Block Grant (CDBG)-Entitlement Cities Program, the city of Montgomery spent \$300,000 for three street drainage improvement projects. The Corps of Engineers spent \$103,700 of its Public Law 98-8 funds on three projects for vegetative maintenance, dredging operations, and spillway repairs on portions of the Alabama River in Autauga and Elmore Counties. In addition, these two counties and the city of

Millbrook were awarded \$47,618 for three projects to plant trees and shrubs under a Small Business Administration (SBA) program. These SBA projects were completed by September 30, 1983, as directed by the conference report related to the act. The Veterans Administration used \$23,393 of its Public Law 98-8 funds to remove asbestos materials from two buildings in its medical center in Montgomery.

The four public service projects include two projects that received \$62,841 to weatherize homes of low-income and elderly persons. These funds were provided under the Department of Energy's Low-Income Energy Conservation Program (\$42,000) and an HHS Community Services Block Grant (\$20,841). According to a Department of Agriculture Farmers Home Administration official in Montgomery, \$17,418 was spent between May and September 1983 on temporary hires to provide clerical assistance and help reduce a backlog of loan applications. The fourth public service project, administered by the Montgomery Area Mental Health Authority, was provided \$28,914 under an HHS Alcohol, Drug Abuse, and Mental Health Services Block Grant. According to the program manager of the state agency responsible for administering the grant, these funds were used to provide additional alcohol, drug abuse, and mental health services to the community and were spent by September 30, 1983.

Expenditures for 18
partially completed projects

In addition to the funds expended on the 14 completed projects, about \$1.2 million, or 25 percent of about \$4.9 million allocated to 18 projects that were partially completed, was spent by March 31, 1984. Nine of these projects spent at least 40 percent of their individual allocations. The other nine projects that had begun by March 31, 1984, spent less than 25 percent of their allocations.

The nine projects that spent at least 40 percent of their funds include six public works projects awarded \$879,000 and three public service projects awarded \$209,935. HUD, through its CDBG-Entitlement Cities Program, funded five public works projects (\$730,000) to renovate recreation facilities and improve roads and streets in the city of Montgomery. As of March 31, 1984, expenditure rates for these five projects, which began between August and December 1983, ranged from 62 to 95 percent of the funds awarded. The General Services Administration spent \$124,244, or 83 percent of \$149,000 allocated to the sixth public works project, to paint and make general repairs to a federal building and courthouse in Montgomery. HHS awarded

\$209,935 to three community and migrant health centers to provide health care services in Montgomery, Millbrook, and Autauga-ville. These centers, which began spending funds between July and November 1983, had spent from 40 to 70 percent of their allocations as of March 31, 1984.

Included among the nine projects in which less than 25 percent of the allocations had been spent is the largest public works project in the Montgomery area. The Department of Justice allocated about \$2.3 million under its Federal Prison System-Buildings and Facilities activity to construct housing units for federal prisoners at Maxwell Air Force Base. About \$121,200, or 5 percent of these funds, had been spent on architect and engineering fees as of March 31, 1984. According to agency officials, design work on this project began in December 1983 and construction started in September 1984. The project manager estimated the project would be completed by January 1986.

Three other public works projects in which less than 25 percent of the funds had been spent were funded through HUD's CDBG programs. For example, \$15,000 (or 9 percent) of \$175,000 allocated to a CDBG-Small Cities road improvement project in Autauga County had been spent. According to the project manager, this project began in October 1983 and was delayed due to problems in acquiring the right-of-way from landowners for segments of the road which were being rerouted. Of the funds awarded under the CDBG-Entitlement Cities Program, the city of Montgomery allocated \$400,000 to a road improvement project and \$117,000 to a park improvement project. Twenty-one percent, or \$82,782, of the road improvement funds were spent as of March 31, 1984. About 2 percent, or \$1,828, of the funds allocated to the park improvement project were spent on recreational equipment. According to the project manager, the main improvements to the park did not begin until June 1984, because initial bids were overpriced and the project had to be rebid.

The remaining five public works projects in which less than 25 percent of allocated funds had been spent include the following:

- The Veterans Administration allocated \$728,683 to replace the air-conditioning system and \$24,259 to provide an energy management system in its medical center in Montgomery. As of March 31, 1984, \$136,615, or 19 percent of the funds allocated, had been spent on the air-conditioning project, which began in May 1983. According to the project manager, although preliminary electrical

work had been done in February and March 1984, no funds had been spent on the energy management system. The contractor could not continue installing the system until major portions of the center's air-conditioning system were replaced, according to an agency construction inspector.

--The General Services Administration allocated \$100,000 to clean and repair the exterior of the Montgomery federal building and courthouse. As of March 31, 1984, \$5,795, or 6 percent of the funds allocated to this project, had been spent. According to the project manager, design work for the project began in November 1983, the contract was awarded in March 1984, and the repair and cleaning began in May and were completed in July 1984.

--The Department of Education awarded \$30,000 to the Montgomery City-County Library through the Public Library Construction Program to construct and install two portable library units. As of March 31, 1984, the library had spent \$590, or 2 percent of the allocation.

--The Department of the Interior awarded \$21,000 to the Alabama Historical Commission for reconstruction of an 18th century French fort under the Historical Preservation Fund Program. The Commission spent \$513, or 2 percent of the award, as of March 31, 1984. According to the project manager, the project began in December 1983, and completion was delayed due to problems finding a timber company to make the logs for the fort.

No funds expended
on one project

No funds were spent by March 31, 1984, on one public works project which was allocated \$40,000 under the Department of Justice's Support of U.S. Prisoners-Cooperative Agreement Program. Under an agreement with the city of Montgomery to house federal prisoners, Justice awarded the funds to purchase and install air-conditioning equipment in the city jail. According to a city official, the project began in June 1984, when the heating system was no longer needed, and was completed in September 1984.

Over 500 employed

An estimated 549 people were employed on 24 of the 32 initiated projects which had spent about \$1.5 million in the first year following the act's enactment. Detailed employment information available for 10 of these 24 projects, which spent about \$267,000, indicated that 117 of the 126 people employed had been previously unemployed. Information was not readily available, however, to determine how long these individuals had been unemployed. Also, data were not readily available to determine the prior employment status of the 423 people employed on the other 14 projects in which over \$1.2 million had been spent. On the other eight projects that had begun by March 31, 1984, existing staff had been used to provide additional services or the projects had not progressed far enough to provide employment opportunities.⁴

Data on the 10 projects for which detailed information was available indicated that the 126 people were employed 432 weeks, or an average of 3.4 weeks per person. These people worked for periods ranging from 1.8 to 18.7 weeks on projects which included processing Farmers Home Administration loans, providing health care services, weatherizing homes of low-income and elderly persons, planting trees and shrubs, and making improvements to the Veterans Administration's medical center in Montgomery. The estimated 423 people employed on the other 14 projects worked on activities funded by the Corps of Engineers, HUD's CDBG-Entitlement Cities Program, and the General Services Administration.

The eight projects that had begun, as of March 31, 1984, but had not employed additional persons include a community and migrant health center funded by HHS and two other projects allocated funds from an Alcohol, Drug Abuse, and Mental Health Services Block Grant and the Low-Income Energy Conservation Program. While no new people were hired on these projects, additional services were provided to the community with existing staff. The other five projects that did not employ anyone had not progressed far enough to provide employment opportunities. Funds spent on these projects, as of March 31, 1984, were for land acquisition costs, attorney and architect fees, surveys, and equipment purchases and rentals. These five projects were awarded funds from the CDBG, Historical Preservation Fund, Federal Prison System, and Public Library Construction Programs.

⁴Appendix V summarizes employment data for the 24 projects that employed people in the Montgomery metropolitan area as of March 31, 1984.

Characteristic data on those employed were readily available for only six projects. Of the 73 people who were employed on these six projects, 48 were black males, 17 were white males, 3 were black females, and 5 were white females. These people were employed on Farmers Home Administration, Community Services Block Grant, Veterans Administration, and Community and Migrant Health Center projects.

Other benefits
achieved and expected

In addition to the short-term employment opportunities resulting from the projects, other benefits have been and are expected to be provided to the community. These benefits include constructing permanent facilities, providing potential long-term employment opportunities, repairing and maintaining existing facilities, and providing additional public services to the community. In addition, the Public Law 98-8 funds were used to fund projects that would not have been funded otherwise and to accelerate the start date of another project.

Three projects awarded Public Law 98-8 funds from the Departments of Education, the Interior, and Justice to construct facilities may also result in future long-term employment positions. According to the manager for the project to restore an 18th century French fort, the state may hire an interpretive guide for visitors to the fort once restoration is completed. The manager for the public library project anticipates that Montgomery County will eventually hire a full-time person, although community volunteers will initially staff the two new library units. In addition, the manager for the Department of Justice's Bureau of Prisons project said that the construction of the housing units at Maxwell Air Force Base will, in all probability, create permanent employment positions.

In addition to being used to construct permanent facilities, Public Law 98-8 funds have been and are being used to repair and maintain existing facilities and structures in the Montgomery metropolitan area. For example, the Corps of Engineers used funds to paint and repair a spillway, dredge creeks, and control vegetation along the Alabama River in Elmore and Autauga Counties. The General Services Administration is using Public Law 98-8 funds to paint and make general repairs to the interior and clean and repair the exterior of a federal building and courthouse in Montgomery. The city of Montgomery and Autauga County have used and are using Public Law 98-8 funds from HUD's CDBG Programs to improve roads, streets, and recreational parks. Also, the Veterans Administration and Department

of Justice have funded projects to install and upgrade air-conditioning equipment in a medical center and city jail, respectively.

Additional public services were also provided to the community as a result of Public Law 98-8 funds. For example, more homes of low-income, elderly, and handicapped people, in addition to those serviced with regular program funds, were weatherized as a result of the supplemental funds from HHS' Community Services Block Grant and the Department of Energy's Low-Income Energy Conservation Program. In addition, the Montgomery Area Mental Health Authority and three community and migrant health centers used Public Law 98-8 funds to provide additional health care services to the community.

Public Law 98-8 moneys were also used to fund projects that may not have been funded otherwise and to accelerate another project. According to the managers, some projects would not have been funded had Public Law 98-8 funds not been made available. These include the projects to plant trees and shrubs, restore the 18th century French fort, and build two portable libraries. Also, according to the project manager, the Department of Justice project to build housing units for federal prisoners, originally scheduled for fiscal year 1985, was pushed ahead to fiscal year 1983 when these funds became available.

EFFORTS TO PROVIDE EMPLOYMENT OPPORTUNITIES TO THE UNEMPLOYED

The act requires federal agencies, states, and political subdivisions of the states to use funds, to the extent practicable "in a manner which maximizes immediate creation of new employment opportunities to individuals who were unemployed at least fifteen of the twenty-six weeks immediately preceding the date of enactment of this Act"--March 24, 1983. Efforts to provide employment opportunities to the unemployed in the Montgomery metropolitan area ranged from working with the local employment office to identify unemployed individuals to hire to not making any effort due to the nature of the project. According to project managers for 10 projects in which detailed employment data were readily available, 117 of the 126 people employed had been previously unemployed. Data on how long these people were unemployed and the prior employment status of people employed on other projects were not readily available.

State agencies and project officials had worked with the local employment office to identify unemployed individuals to work on seven projects in the Montgomery metropolitan area. For

example, in awarding funds for its Parks and Recreational Area Development Grant Program, SBA advised the state that individuals employed should not have full-time employment and be simultaneously drawing unemployment compensation for the same period. The state agency administering these funds required project managers to employ only individuals who were certified by the local employment office as being unemployed. All 52 people employed on three projects that received these funds had been certified as having been previously unemployed.

On two other projects, the local employment office has been and is planned to be used to provide employment opportunities to the unemployed. In a project funded by a Community Services Block Grant, the state agency provided project managers a listing, obtained from the local employment office, of unemployed people residing in the area. Eight people employed on this project were identified as having been previously unemployed. According to the manager of another project, the contract to construct housing units at Maxwell Air Force Base will not contain specific provisions to hire the unemployed. However, contractors and first tier subcontractors will be required to list suitable employment openings to the maximum extent feasible with the local employment office. About \$2.3 million has been allocated to this project from the Department of Justice's Federal Prison System activity.

In other projects, no specific efforts were made to provide employment opportunities to the unemployed due to the nature of the projects. For example, no additional staff were hired with funds awarded to three public service projects. The funds, awarded from the Department of Energy's Low-Income Energy Conservation Program and HHS' Alcohol, Drug Abuse, and Mental Health Block Grant and Community and Migrant Health Centers Programs, were used to provide additional services to the community with existing staff. On another project, funded by the Corps of Engineers, no provision designed to accomplish the requirements of section 101(c) of Public Law 98-8 was included in the contract to dredge portions of the Alabama River. A Corps official said that, because the project required certain skills to operate the equipment that were not available locally, the contract was awarded to a firm located in another state that specializes in dredging operations. Data were not readily available to determine the prior employment status of the nine people employed on this project.

PUBLIC LAW 98-8 FUNDED PROJECTS
IN THE MONTGOMERY, ALABAMA, METROPOLITAN AREA

<u>Federal department/agency</u>	<u>Program/ activity</u>	<u>Number of projects</u>	<u>Project(s) description</u>	<u>Location (county)</u>	<u>Public Law 98-8 funds^a</u>		<u>Percent of allocations expended</u>
					<u>Allocated</u>	<u>Expended as of March 31, 1984</u>	
<u>Public Works:</u>							
Department of Defense- Civil:							
Department of the Army, Corps of Engineers - Civil	Operations and Main- tenance, General	3	Dredge river, con- trol vegetation, and repair a spillway	Elmore and Autauga	\$ 103,700	\$ 103,700	100
Department of Educa- tion:							
Office of Educa- tional Research and Improvement	Libraries - Public Library Con- struction	1	Purchase and install two relocatable library units to serve low-income and rural areas	Montgomery	30,000 ^b	590	2
100 Department of Housing and Urban Development:							
Community Planning and Development	Community Develop- ment Block Grant - Entitlement Cities	10	Improve roads, sport facilities, commu- nity parks, and rec- reational centers	Montgomery	1,547,000 ^c	1,015,576 ^c	66
	Community Develop- ment Block Grant - Small Cities	1	Improve roads	Autauga	175,000	15,000	9
Department of the Interior:							
National Park Service	Historic Preserva- tion Fund	1	Reconstruct an 18th century French fort	Elmore	21,000 ^d	513	2
Department of Justice:							
U.S. Marshals Service	Support of U.S. Prisoners - Cooperative Agreement Program	1	Purchase and install air-conditioning equipment	Montgomery	40,000	0	0
Bureau of Prisons	Federal Prison System - Buildings and Facilities	1	Construct housing units for prisoners at Maxwell Air Force Base	Montgomery	2,250,000	121,167	5

Federal department/agency	Program/activity	Number of projects	Project(s) description	Location (county)	Public Law 98-8 funds ^a		Percent of allocations expended
					Allocated	Expended as of March 31, 1984	
<u>Public Works (continued):</u>							
General Services Administration: Public Building Service	Federal Buildings Fund: Repairs and Alterations	2	Paint and repair interior and clean exterior of federal building and courthouse	Montgomery	\$ 249,000	\$ 130,039	52
Small Business Administration	Parks and Recreational Area Development Grants	3	Plant trees and shrubs on public owned land	Autauga and Elmore	47,618	47,618	100
Veterans Administration: Department of Medicine and Surgery	Medical Care	3	Remove asbestos, replace air-conditioning system, and install energy management system in hospital	Montgomery	776,335	160,008	21
		—					
		<u>26</u>			<u>5,239,653</u>	<u>1,594,211</u>	30
<u>Public Service:</u>							
Department of Agriculture: Farmers Home Administration	Salaries and Expenses	1	Increase temporary staff-year allocations through September 30, 1983	Montgomery	17,418	17,418	100
Department of Energy: Office of the Assistant Secretary of Conservation and Renewable Energy	Energy Conservation: Low-Income Energy Conservation	1	Weatherize homes of low-income and elderly	Autauga, Elmore, and Montgomery	42,000 ^e	42,000	100

Federal department/agency	Program/activity	Number of projects	Project(s) description	Location (county)	Public Law 98-8 funds ^a		Percent of allocations expended
					Allocated	Expended as of March 31, 1984	
<u>Public Service (continued):</u>							
Department of Health and Human Services:							
Health Resources and Services Administration	Community and Migrant Health Centers	3	Provide increased health care services to the community	Autauga, Elmore, and Montgomery	\$ 209,935	\$ 117,874	56
Alcohol, Drug Abuse, and Mental Health Administration	Alcohol, Drug Abuse, and Mental Health Services Block Grant	1	Provide additional alcohol, drug abuse, and mental health services to the community	Montgomery	28,914	28,914	100
Office of Community Services	Community Service-Community Services Block Grant	1	Weatherize homes of low-income and elderly	Autauga	20,841	20,841	100
Total		<u>7</u>			<u>319,108</u>	<u>227,047</u>	71
TOTAL		<u>33</u>			<u>\$5,558,761</u>	<u>\$1,821,258</u>	33

^aData obtained from review of records and discussions with program and project officials.

^bTotal funds awarded to the project, including Public Law 98-8 funds, are \$54,000.

^cExcludes \$20,000 of Public Law 98-8 funds used by the city of Montgomery to administer the grant.

^dTotal funds awarded to the project, including Public Law 98-8 funds, are \$42,000.

^eTotal funds awarded to the project, including Public Law 98-8 funds, are \$105,000.

EXPENDITURE STATUS OF PUBLIC LAW 98-8 FUNDS
ALLOCATED TO PROJECTS IN THE MONTGOMERY, ALABAMA,
METROPOLITAN AREA AS OF MARCH 31, 1984

<u>Program/activity^a</u>	<u>Number of projects</u>	<u>Public Law 98-8 funds^b</u>		<u>Percent of allocations expended</u>
		<u>Allocated</u>	<u>Expended</u>	
Projects completed:				
Alcohol, Drug Abuse, and Mental Health Services Block Grant	1	\$ 28,914	\$ 28,914	100
Community Development Block Grant - Entitlement Cities	3	300,000	300,000	100
Community Services Block Grant	1	20,841	20,841	100
Corps of Engineers - Operations and Maintenance, General	3	103,700	103,700	100
Farmers Home Administration - Salaries and Expenses	1	17,418	17,418	100
Low-Income Energy Conservation	1	42,000 ^c	42,000	100
Parks and Recreational Area Development Grants	3	47,618	47,618	100
Veterans Administration - Medical Care	1	23,393	23,393	100
Total	14	583,884	583,884	100
Projects partially completed:				
Community Development Block Grant - Entitlement Cities	7	1,247,000	715,576	57
Community Development Block Grant - Small Cities	1	175,000	15,000	9
Community and Migrant Health Centers	3	209,935	117,874	56
Federal Building Fund: Repairs and Alterations	2	249,000	130,039	52
Federal Prison System - Buildings and Facilities	1	2,250,000	121,167	5
Historical Preservation Fund	1	21,000 ^c	513	2
Public Library Construction	1	30,000 ^c	590	2
Veterans Administration - Medical Care	2	752,942	136,615	18
Total	18	4,934,877	1,237,374	25
Projects not started:				
Support of U.S. Prisoners - Cooperative Agreement Program	1	40,000	0 ^d	0
TOTAL	33	\$5,558,761	\$1,821,258	33

^aSee appendix III for the federal department/agency responsible for each program/activity.

^bData obtained from review of records and discussions with program and project officials.

^cFunds, in addition to Public Law 98-8 funds, were awarded to some of these projects. Footnotes in appendix III provide further details on the amounts awarded.

^dAccording to the project manager, the project began in June 1984 and was completed in September 1984.

EMPLOYMENT-RELATED DATA FOR PROJECTS FUNDED BY
PUBLIC LAW 98-8 IN THE MONTGOMERY, ALABAMA,
METROPOLITAN AREA AS OF MARCH 31, 1984^a

<u>Program/activity^b</u>	<u>Projects with employment data</u>	<u>Number employed</u>	<u>Number previously unemployed^c</u>	<u>Weeks worked</u>	<u>Average number of weeks worked per person</u>	<u>Public Law 98-8 funds expended^d</u>
Actual employment data:^e						
Farmers Home Administration - Salaries and Expenses	1	4	4	63	15.8	\$ 17,418
Community and Migrant Health Centers	2	3	3	56	18.7	21,088
Community Services Block Grant	1	8	8	107	13.4	20,841
Parks and Recreational Area Development Grants	3	52	52	102	2.0	47,618
Veterans Administration - Medical Care	<u>3</u>	<u>59</u>	<u>50</u>	<u>104</u>	1.8	<u>160,008</u>
Total	<u>10</u>	<u>126</u>	<u>117</u>	<u>432</u>	3.4	<u>266,973</u>
Estimated employment data:						
Corps of Engineers - Operations and Maintenance, General	3	32	f	f	f	103,700
Community Development Block Grant - Entitlement Cities	9	300	f	f	f	1,013,748
Federal Building Fund: Repairs and Alterations	<u>2</u>	<u>91</u>	f	f	f	<u>130,039</u>
Total	<u>14</u>	<u>423</u>				<u>1,247,487</u>
TOTAL	<u>24</u>	<u>549</u>				<u>\$1,514,460</u>

^aIncludes only projects that were completed or partially completed by March 31, 1984, and employment data that were readily available or estimated by project managers.

^bSee appendix III for the federal department/agency responsible for each program/activity.

^cData obtained through discussions with project officials.

^dData obtained from review of records and discussions with program and project officials.

^eNot included among these are eight projects that did not employ anyone because either existing staff had been used to provide additional services or the projects had not progressed far enough to provide employment opportunities. See appendix II, pages 14 and 15, for further details.

^fData not readily available.

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