

096831 ~~76-0322~~ ... 2.3
096831

REPORT TO THE CONGRESS

UNITED STATES
GENERAL ACCOUNTING OFFICE



BY THE COMPTROLLER GENERAL
OF THE UNITED STATES

SEP 11 1975
LIBRARY SYSTEM



LM096831

Progress In Improving Fiscal, Budgetary, And Program-Related Information For The Congress

Report Required by the Legislative Reorganization
Act of 1970 As Amended by the Congressional
Budget Act of 1974

OPA-76-1

702729

Sept. 3, 1975
096831



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

B-115398

To the President of the Senate and the
Speaker of the House of Representatives

This is our second report submitted to the Congress in accordance with section 202(e) of the Legislative Reorganization Act of 1970, as amended by title VIII of the Congressional Budget Act of 1974, Public Law 93-344, approved July 12, 1974. This section requires us to report to the Congress annually on the progress and results of our continuing program to improve the usefulness of fiscal, budgetary, and program-related information to congressional users.

The process of defining and developing information requirements of the Congress will require a considerable effort over a number of years. The efforts described in this report represent only the early stages of helping the Congress obtain the type of information needed to better evaluate Federal programs and thus to improve its ability to assess resource requirements in terms of the Nation's priorities and the opportunities to best achieve the desired program results.

In the report we discuss our progress to date in identifying and specifying congressional information needs, developing standard classifications, and monitoring recurring reporting requirements of the Congress.

We are sending copies of this report to the Director, Congressional Budget Office; the Secretary of the Treasury; and the Director, Office of Management and Budget.

A handwritten signature in black ink, appearing to read "James A. Stacks".

Comptroller General
of the United States

C o n t e n t s

CHAPTER		<u>Page</u>
1	INTRODUCTION	1
2	CONGRESSIONAL INFORMATION NEEDS	3
	Work with Committees on Appropriations	4
	Assistance provided to House and Senate	
	Authorization Committees	18
3	STANDARD CLASSIFICATIONS AND MONITORING	
	RECURRING REPORTING REQUIREMENTS OF THE	
	CONGRESS	22
	Standard classifications	22
	Monitoring recurring reporting require-	
	ments of the Congress	24

ABBREVIATIONS

GAO	General Accounting Office
OMB	Office of Management and Budget

CHAPTER 1

INTRODUCTION

The Legislative Reorganization Act of 1970 (Public Law 91-510) was passed October 26, 1970, with the intent of improving the operation of the legislative branch of the Federal Government. Among the provisions of the act was the requirement that the Secretary of the Treasury and the Director of the Office of Management and Budget (OMB), in cooperation with the Comptroller General, develop, establish, and maintain (1) a standardized information and data processing system for budgetary and fiscal data and (2) standard classifications of programs, activities, receipts, and expenditures.

On July 12, 1974, the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344) amended the Legislative Reorganization Act of 1970. Title VIII of that act changed certain responsibilities. Responsibility for standardized data processing and information systems for fiscal, budgetary, and program-related data and information remained with the Secretary of the Treasury and the Director of the Office of Management and Budget. The Comptroller General, in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Congressional Budget Office, was given the primary responsibility for developing, establishing, maintaining, and publishing standardized terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information.

Subsections c and d of section 202 of the Legislative Reorganization Act, as amended, contain additional requirements relevant to this report. Subsection c states that the Comptroller General of the United States shall conduct a continuing program to identify and specify the needs of committees and Members of the Congress for fiscal, budgetary, and program-related information. Subsection d states that the Comptroller General shall assist committees in developing their information needs, including such needs expressed in legislative requirements, and shall monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users, and to eliminate duplicative or unneeded reporting.

On or before September 1, 1974, and each year thereafter, the Comptroller General is required by subsection e of

section 202 to report to the Congress on progress in certain areas covered by the Legislative Reorganization Act of 1970, as amended. The act states, "The Comptroller General shall report to the Congress on needs identified and specified under subsection c; the relationship of these needs to the existing reporting requirements; the extent to which the Executive Branch reporting presently meets the identified needs, the specification of changes to standard classifications needed to meet congressional needs; the activities, progress and results of his activities under subsection d; and the progress that the Executive Branch has made during the past year."

This report describes our progress to date in three categories: congressional information needs, standard classifications, and monitoring recurring reporting. In our discussion of congressional information needs we provide some specific examples of those needs and relate them to existing reporting. The subject of Executive Branch progress is discussed in pertinent sections. While this report is devoted to describing GAO's efforts to meet certain requirements of the Legislative Reorganization Act of 1970, as amended, it should be noted that all GAO reports are intended to satisfy congressional needs for information whether the reports respond to specific congressional requests or are generated by self-initiated reviews.

The process of defining and developing information requirements of the Congress will require a considerable effort over a number of years. The efforts described in this report represent only the early stages of helping the Congress obtain the type of information needed to better evaluate Federal programs and thus to improve its ability to assess resource requirements in terms of the Nation's priorities and the opportunities to best achieve the desired program results.

CHAPTER 2

CONGRESSIONAL INFORMATION NEEDS

Since enactment of the Legislative Reorganization Act of 1970 (Public Law 91-510), GAO has conducted several studies of congressional needs for information on a general basis and is presently involved in a continuing effort to identify and define the information needs of the Congress.

We reported on a survey of congressional information needs in a report entitled "Budgetary and Fiscal Information Needs of the Congress" (B-115398 Nov. 10, 1972). To ascertain the kinds of information the Congress needs, we interviewed 258 persons representing 44 committees and 69 Members of Congress. The needs identified were grouped into three categories.

- Basic financial information such as authorizations, appropriations, obligations, expenditures, and information on workload, results and impacts of Federal programs and projects.
- Socio-economic information and national estimates, such as gross national product, consumer income, and cost-of-living indices; Federal subsidy programs; tax expenditures; foreign currency holdings; and other information indicating the impact of Federal fiscal policies.
- Information on revenues, outlays, domestic assistance programs, and other information essential to assessing results and impacts related to States and their subdivisions.

More importantly, we identified the need for accumulating, summarizing, and presenting information on Federal programs according to classification structures which reflect program objectives.

The 1972 study identified in broad terms the general needs of the Congress for budgetary and fiscal information. It provided the basic framework for our current efforts to define congressional information requirements in sufficiently specific terms to enable the Executive Branch to more completely respond to information requirements of the Congress. This study also served as the foundation for OMB's development of a specific work plan in late 1973 and early 1974. The "Plan for Addressing Congressional Information Needs" was released in its final form on March 7, 1974.

The OMB plan identified 60 individual needs which were grouped into 18 need categories such as budget document content, tax information, foreign affairs information, and catalog of Federal domestic assistance. The needs ranged from those pertinent to the Congress as a whole to those which responded to only one or two committees.

As stated in their "Annual Report to Congress on Fiscal and Budgetary Information and Controls" dated March 1, 1975, the Department of the Treasury and the Office of Management and Budget have made some progress in satisfying the needs identified in the 1974 plan. According to their report, OMB has focused attention on those needs which are most responsive to the intent of the Congressional Budget and Impoundment Control Act of 1974 (Public Law 93-344).

Since late 1972 our approach has been to work with the committee staffs to assist them in identifying and defining committee information requirements on organizations, accounts, and programs under the jurisdiction of the respective committees. This work is currently being done for selected subcommittees of the House and Senate Committees on Appropriations and several authorization committees of both Houses.

Once identified, congressional information needs are communicated by various means throughout the year. For example, needs are transmitted through our "Information Requirements Documents." Certain requirements which had been identified were suggested to OMB for incorporation in their Circular A-11 instructions to agencies on budget preparation.

For the purposes of this report we have segregated the discussion of appropriations committees' needs from authorization committees' needs. However, we recognize that many of our proposals and recommendations to the appropriations committees pertain to the authorization and other committees as well, especially our classification structure and budget execution reporting proposals. In the past we have informally provided "Information Requirements Documents" to the appropriate authorization committees and will formalize this process in the future. Our information requirements work is being expanded to the budget and government operations committees and the Congressional Budget Office.

WORK WITH COMMITTEES ON APPROPRIATIONS

By agreement with House and Senate Appropriation Committees' staffs, we have prepared "Information Requirements Documents" which address the identified needs of

appropriations committees for information about appropriation and fund accounts or account groups. These documents have been prepared on the basis of discussions with committee staff members, agency representatives, and our analysis of existing information. These documents present proposed reporting systems, formats, and cycles; information elements and their definitions; and classification structures. Our recommendations for improvements to information currently provided by the Executive Branch agencies have been included in the requirements documents. We have worked and will continue to work with committee staff and agency personnel to implement proposals which have been reviewed and accepted.

During the past year we concentrated on reviews of accounts and programs of the Department of Agriculture, Department of Housing and Urban Development, Veterans Administration, and General Services Administration. We issued initial "Information Requirements Documents" covering 49 Department of Housing and Urban Development accounts, 11 Department of Agriculture accounts, 3 Veterans Administration accounts, and 1 General Services Administration account. The documents reflect our progress in developing classification structures and defining information requirements with respect to those particular appropriation and fund accounts. Copies of these documents are available upon request.

Although the work for the appropriations committees is oriented toward specific subcommittees, accounts, and programs, it has enabled us to identify some information needs which appear to be common to all subcommittees of the Committees on Appropriations of both Houses. These needs are described below.

Annual budget request information

The budget request information requirements identified through our work with appropriations committees' staffs, include the need for information on obligations, appropriations, budget authority, receipts, outlays, workload, administrative overhead, etc., on programs in the budget requests. The information should be provided for the budget year, the past year, and the current year. Such information to be useful should be organized and presented in a meaningful, representative, program-oriented classification structure. Changes in structure from year to year should be adequately explained to allow historical comparisons.

In addition to the traditional 3-year budget presentation, the Congressional Budget Act of 1974 emphasizes the importance of the long-term implications of budget decisions by requiring 5-year projections on certain types of analyses. Section 603 of the act amends the Budget and Accounting Act of 1921 to require 5-year budget projections. Also, section 308 requires that all reports on legislation providing new budget authority provide 5-year projections for budget outlays and budget authority provided in the bill or resolution. The Legislative Reorganization Act of 1970, required 5-year projections for major new or expanded programs proposed in the budget. In view of these developments, it seems likely that analyses of long-term budget implications will become a steadily increasing element in reaching decisions on annual budget requests and that information for the Congress on such implications will be increasingly more important.

In addition to basic budgetary and fiscal information, committee staffs have also expressed a need for information on salaries and expenses required to administer each program under review, information on workload levels, and information on measures of program results and effectiveness. Program information is more useful and understandable when presented in the same program-oriented classification structure used for fiscal and budgetary information about each program.

Although the information needs described above generally apply to all appropriations subcommittees, there are some differences in detailed specifications. As illustrated below, we have formulated proposals and recommendations to provide a means of satisfying common budgetary information needs of the appropriations committees with special consideration given to program variations.

The budget request information sources presently available to the Congress are the Budget of the United States Government together with the budget justifications prepared by each Executive Branch agency and submitted directly to the appropriate House and Senate Appropriations Subcommittees. The Budget, which is presented each year in four volumes, is the only Government-wide presentation of fiscal, budgetary, and program-related information available to the Congress.

As a general rule, our recommendations to the appropriations committees' staffs have dealt with budget justifications and supplemental reporting. However, we believe

that the program-oriented classification structures developed should be the basis for principal information presentations to the Congress including the Budget of the United States Government.

The Office of Management and Budget publishes in its Circular A-11 instructions to agencies on preparing materials for the budget. OMB solicited suggestions from congressional users and from GAO for improving the instructions for the 1977 budget. In response to this request, we provided our suggestions for improvements, as well as suggestions from various congressional users. Included in these suggestions were budgetary information requirements identified during our work with committees and matters relating to the OMB data base and to processing procedures. Many of these suggestions have been included in instructions and procedures for fiscal year 1977.

Each agency provides more detailed budget request information to the appropriations committees in what is generally termed "budget justification material." The form and content of the justification will vary from agency to agency and from year to year for any one agency. However, each agency does attempt to satisfy the general needs of subcommittees for budget request information by addressing their specific interests. Our work for the appropriations subcommittees has focused on the budget justification material with specific attention devoted to developing program-oriented classification structures. Examples of our work follow.

Department of Agriculture

In cooperation with the staff of the Subcommittee on Agriculture and Related Agencies, House Committee on Appropriations, we developed improved program-oriented classification structures for the programs administered by the Farmers Home Administration, Department of Agriculture. Our analyses and resultant information requirements documents covered nine appropriation and fund accounts and proposed a separate classification structure for each. One of proposed classification structures is shown below.

GAO-PROPOSED CLASSIFICATION STRUCTURE
FOR THE RURAL HOUSING INSURANCE FUND

1. LOW-INCOME HOUSING ASSISTANCE

a. Interest Credit and Other Low Interest Rate Loans

- (1) Repair Loans
- (2) General Purpose Loans
 - (a) Purchase or construction
 - (b) Repair or improvement
 - (c) Refinancing
- (3) Domestic Farm Labor Loans
 - (a) Purchase or construction
 - (b) Repair or improvement
- (4) Rental or Cooperative Loans
 - (a) Purchase or construction
 - (b) Repair or improvement
- (5) Mutual and Self-Help Site Loans

b. Higher Interest Rate Loans

- (1) General Purpose Loans
 - (a) Purchase or construction
 - (b) Repair or improvement
 - (c) Refinancing
- (2) General Purpose Site Loans

2. MODERATE-INCOME HOUSING ASSISTANCE

a. Higher Interest Rate Loans

- (1) General Purpose Loans
 - (a) Purchase or construction
 - (b) Repair or improvement
 - (c) Refinancing
- (2) General Purpose Site Loans
- (3) Rental or Cooperative Loans
 - (a) Purchase or construction
 - (b) Repair or improvement

In December 1974 the Chairman of the Subcommittee on Agriculture and Related Agencies sent our proposals to the Secretary of Agriculture, requesting that they be used in the justification material ("Explanatory Notes") for the the fiscal year 1976 budget request. Many GAO proposals were used in the 1976 budget justification material, and administration officials stated at the Subcommittee's hearings that they would continue to work with GAO to achieve a more complete adoption of the improved classification structures and information requirements.

Department of Housing and Urban Development

Our analysis of the appropriation for HUD's research and technology program showed that the classification structure used in the budget justifications varied considerably from year to year. It was difficult to trace research projects from year to year because individual projects were described under different categories or were not mentioned at all.

As a result of our proposals (February 1973 and August 1973) and subsequent working sessions with the subcommittee staff and agency representatives, the following structure was adopted. It has been used in the justifications for fiscal year 1975 and 1976 budget requests.

POLICY DEVELOPMENT AND RESEARCH
CLASSIFICATION STRUCTURE

- I. HOUSING RESEARCH
 - A. INCREASING OPPORTUNITIES
 - 1. Direct Cash Assistance
 - 2. Equal Opportunity/Fair Housing Research
 - 3. Special User Requirements
 - B. IMPROVING SAFETY AND STANDARDS
 - 1. Fire Safety
 - 2. Lead-Based Paint Hazard Reduction
 - 3. Disaster Housing Research
 - 4. Residential Safety
 - C. IMPROVING CONSTRUCTION, DELIVERY, AND COSTS
 - 1. Applying New Technology
 - 2. Conserving Materials and Energy
 - 3. Acquisition Costs
 - D. IMPROVING MANAGEMENT AND MAINTENANCE
 - 1. Housing Management Improvement
 - 2. National Center for Housing Management

- II. COMMUNITY DEVELOPMENT RESEARCH
 - A. NEIGHBORHOOD PRESERVATION AND REVITALIZATION
 - 1. Preservation Analysis and Demonstration
 - 2. Revitalization of Blighted Neighborhoods
 - 3. Disposition of Acquired Properties Research
 - B. ENVIRONMENTAL IMPROVEMENT AND RESOURCE CONSERVATION
 - 1. Effects of Development on the Environment
 - 2. Utility and Energy Systems
 - 3. Physical Planning and Design
 - C. COMMUNITY DEVELOPMENT AND GROWTH
 - 1. National and Community Growth Research
 - 2. New Communities Research

- III. STATE AND LOCAL GOVERNMENT RESEARCH
 - A. IMPROVING CAPABILITIES
 - 1. Human Resources
 - 2. Management Tools
 - 3. Taxation Mechanisms
 - 4. Land Use Control Techniques
 - 5. Organizational Structures
 - B. IMPROVING PUBLIC SERVICES
 - 1. Delivery Methods
 - 2. Operating and Information Systems

- IV. RESEARCH SUPPORT
 - A. PROGRAM CONTROL
 - B. DISSEMINATION AND TRANSFER OF RESEARCH RESULTS

- V. DATA COLLECTION AND ANALYSIS
- VI. EVALUATION OF HUD PROGRAMS
- VII. POLICY DEVELOPMENT

General Services Administration

We worked with the staff of the Subcommittee on Treasury, Postal Service and General Government, House Committee on Appropriations, and with General Services Administration officials to develop a classification structure for the recently established Federal Buildings Fund administered by the Public Buildings Service.

The Federal Buildings Fund provides the funds for real property management and related activities such as operation, maintenance and protection of Federally-owned and leased buildings; leasing of space; repair and alteration; acquisition of buildings and sites; and construction. The Fund encompasses programs and activities which were previously funded through 10 separate accounts.

The classification structure we proposed is presented below.

GAO-PROPOSED CLASSIFICATION STRUCTURE

FOR THE

FEDERAL BUILDINGS FUND

- A. Direct Program
 - 1. Construction
 - 2. Purchase Contract Payments
 - 3. Rental of Space
 - 4. Alterations & Major Repairs

 - 5. Real Property Operations
 - a) Cleaning
 - b) Utilities & Fuel
 - c) Maintenance & Minor Repairs
 - d) Protection
 - e) Other Building Services

 - 6. Program Direction
 - a) Construction
 - b) Purchase Contract Payments
 - c) Rental of Space
 - d) Alterations & Major Repairs
 - e) Real Property Operations
 - f) Centralized Services
 - g) Overall Direction

- B. Reimbursable Programs
 - 1. Construction
 - 2. Rental of Space
 - 3. Alterations & Major Repairs

 - 4. Real Property Operations
 - a) Cleaning
 - b) Utilities and Fuel
 - c) Maintenance and Minor Repairs
 - d) Protection
 - e) Other Building Services

 - 5. Disposal of Surplus Real and Related Personal Property (note a)

 - 6. Program Direction

a/The General Services Administration accounts for the Reimbursable Disposal of Surplus Real and Related Personal Property Program through the Federal Buildings Fund. GAO initially excluded this item from the structure on the assumption that it was to be included in a separate appropriation account. However, since the General Services Administration has included it in the Federal Buildings Fund, it should be separately identified.

The General Services Administration used most of the proposed structure in fiscal year 1975 and 1976 budget justifications. Major headings were also adopted for presenting the Federal Buildings Fund in the Budget Appendix for fiscal year 1976.

The departments and agencies cited above and others with which we are working have cooperated fully with our efforts to improve the usefulness of the budget request information submitted to the Congress.

Quarterly budget execution information

The appropriations committees' staffs indicate that they need to know how funding decisions made by the Congress through authorizing and appropriation legislation have been implemented by the various agencies in terms of budget actions. The staffs need to be provided this information far sooner than the existing system (the Budget and budget justifications) allows. The subcommittees need information quarterly (or more frequently) on actual apportionments, obligations, disbursements, and receipts. Also, subcommittees need to be made aware of any changes in agencies' plans for using funds during the remainder of the fiscal year when such changes modify the obligation plan shown in justifications. Information provided quarterly should be made available as soon as possible after the close of each quarter (20 to 30 days) and presented in the same program-oriented classification structure used for fiscal and budgetary information about each program.

The Committees on Appropriations are now provided copies of the Standard Form 133 "Report on Budget Execution" for each appropriation account by the respective agency. This report is prepared each month for OMB by each department and agency and the report for the last month in each quarter is provided to the Committees on Appropriations. The Report on Budget Execution provides information on budgetary resources (appropriations realized, transfers, receipts, and reimbursements) and the relationship of obligations to disbursements. Its usefulness to the Congress is limited by the fact that it was designed to be a technical financial report to OMB and the Department of the Treasury. It does not show planned uses of funds, and it does not present the information in the type of classification structure most useful to the Congress.

Many of the proposals we have submitted to the appropriations committees have recommended the use of quarterly and annual budget execution reports. Some examples are discussed below.

Department of Housing and Urban Development

In August 1973 and again in January 1974, we submitted proposals to the Subcommittee on HUD-Independent Agencies, House Committee on Appropriations, which recommended that the Subcommittee be provided with quarterly and annual reports on the execution of the budget for HUD's Research and Technology account. These proposed reports would present execution information using the classification structure adopted for that account. (See p. 10.)

HUD presented the first report--covering the fourth quarter of fiscal year 1974 and providing cumulative data for the entire fiscal year--to the Subcommittee on September 18, 1974. The quarterly report (which is now being provided to the Senate Appropriations Committee as well), in its present form, provides the original obligation plan on the basis of the appropriation received, subsequent revisions to the plan, and the actual obligations during the quarter and cumulatively for the year. These amounts are presented using the budget request structure. The report also shows unobligated balances, undisbursed obligations, and disbursements during the quarter at the account level.

The recommended annual budget execution report is an expansion of the quarterly report with additional information on various account balances at the beginning and end of the fiscal year.

General Services Administration

At the request of the staff of the Subcommittee on Treasury, Postal Service, and General Government, House Committee on Appropriations, we designed a report which provides the Subcommittee quarterly updates on the budget status of the Federal Buildings Fund. The report contains information on obligation ceilings, apportionments, allotments, obligations, and unobligated amounts. Historical information on previous years is also included to permit comparative analyses. This information is being presented using the same structure as that in the budget justification material.

In February 1975 the Subcommittee Chairman forwarded the report design and proposal to the General Services Administration. The agency adopted the proposal and the Subcommittee is receiving reports which implement the GAO recommendations.

We also designed a quarterly reimbursable reporting system accepted by the General Services Administration using the same structure. This system is scheduled for full implementation beginning the first quarter of fiscal year 1976. It will provide program status to the Subcommittee including such information as apportionments, allotments, obligations, and reimbursements.

Unique subcommittee needs

In addition to the common need categories discussed above, each subcommittee needs specialized information pertinent to its interests and programs. These needs can be satisfied through the budget justification material or through either one-time or recurring reports.

We have not yet compared in detail the needs of the appropriations committees with the reports now provided by the executive branch. However, the appropriations committees each receive well over 100 recurring reports. Some of these are comprehensive, Government-wide reports, some are agency-wide annual reports, and some are detailed, program-specific reports. The agencies submit these reports in response to requirements levied through statutory and nonstatutory means. As our work progresses and expands to the agencies and programs covered by these reports, we will be able to ascertain the extent to which they meet existing needs.

Examples of our current efforts to meet the unique requirements of the appropriations committees are presented below.

Department of Agriculture

The staff of the Subcommittee on Agriculture and Related Agencies, House Committee on Appropriations, asked us to develop requirements for the Farmers Home Administration to report on delinquencies and defaults in their several loan programs. We developed requirements for three reports which would provide the following information on each program using the program-oriented classification structure.

- The number of delinquent borrowers, the number of delinquent borrowers as a percentage of total borrowers, and the dollar amounts delinquent.
- The age of delinquent amounts by monthly intervals.
- Yearly comparisons of delinquency rates and amounts.

--Results of collateral acquisitions, including the number of loans on which collateral was acquired, the value of the acquired collateral, the gain or loss on disposed collateral, and collateral in the inventory.

In December 1974 the Subcommittee Chairman asked the Department to provide the three reports along with the Department's budget justification submission for fiscal year 1976. Reports were submitted which fulfilled many of the requirements. We are now working with Subcommittee staff and Farmers Home Administration representatives to refine the reports. We anticipate that the reports will become a regular part of the Department's budget justification material.

Department of Housing and Urban Development

In February 1975 we provided the Subcommittees on HUD-Independent Agencies, House and Senate Committees on Appropriations, with an information requirements document on the recently established Community Development Block Grant Program.

This program provides funds to eligible recipients on the basis of a legislated formula for their use in community development projects (a range of allowed uses was specified in the legislation).

One GAO proposal for this program was that HUD provide subcommittees with an annual report on uses made of block grant funds by various recipient groups each year. The proposed use of funds classification structure, which differs from the classification structure for budget purposes, is presented below. The subcommittee staffs and the agency are considering the proposal.

COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
FUND USE STRUCTURE

- I. CLEARANCE AND REHABILITATION
 - A. Property Acquisition
 - B. Interim Assistance
 - C. Rehabilitation Financing
 - D. Demolition/Modernization of Public Housing

- II. HISTORIC PRESERVATION

- III. BEAUTIFICATION/CONSERVATION

- IV. RECREATION

- V. PUBLIC WORKS, WATER, SEWER AND UTILITIES

- VI. TRANSPORTATION - VEHICULAR/PEDESTRIAN

- VII. COMMUNITY CENTERS

- VIII. FIRE PROTECTION SERVICES AND FACILITIES

- IX. CODE ENFORCEMENT

- X. SPECIAL PROJECTS FOR ELDERLY AND HANDICAPPED

- XI. RELOCATION ASSISTANCE
 - A. Payments to Housing Owners (Rental Income Loss)
 - B. Payments to Individuals and Families
 - C. Payments to Business and Organizations
 - D. Payments to Farm Operators

- XII. PROPERTY DISPOSAL

- XIII. PROVISION OF PUBLIC SERVICES

- XIV. PAYMENT OF NON-FEDERAL SHARE

- XV. COMPLETION OF ON-GOING PROJECTS
 - A. Urban Renewal Projects
 - B. Model Cities Projects

- XVI. PLANNING AND MANAGEMENT
 - A. Development of Comprehensive Plans
 - B. Development of Policy-Planning-Management Capacity

- XVII. ADMINISTRATION OF PROGRAMS

General Services Administration

GAO, in cooperation with the staff of the Subcommittee on Treasury, Postal Service, and General Government, developed special reporting requirements unique to the Federal Buildings Fund for implementation by the Public Buildings Service of the General Services Administration. The special reporting requirements were partially fulfilled during fiscal year 1976 by supplemental budget justification schedules.

The special reporting requirements included:

- Overall summary of space requirements by agency, by kind of space, and by other factors.
- Identifying real property disposal activities including phaseout, excess, and disposal space.
- Displaying vacant, unassigned space by category of space, length of time unassigned, and associated dollar amounts.
- Summarizing net changes in agency lease space requirements.
- Priority schedule of alterations and major repair projects backlog.

The General Services Administration provided much of the requested information as a supplement to the budget justification material for fiscal year 1976. Remaining information requirements are under discussion and are expected to be provided in 1977 budget justification submissions.

During the coming year we will continue to prepare information requirements documents for additional programs, accounts, and subcommittees. We will also strive to develop criteria that will enable departments and agencies to develop their own classification structures.

ASSISTANCE PROVIDED TO HOUSE AND SENATE AUTHORIZATION COMMITTEES

Several authorization committees have requested that we assist their staffs in defining and obtaining the information they need to fulfill their responsibilities under the Congressional Budget Act of 1974. The act requires all authorization committees to submit to the respective Committees on the Budget, on March 15 of each year, their

views and estimates on the appropriate level of funding for programs falling within their jurisdiction. The budget committees consider authorization committee views and estimates in preparing the First Concurrent Resolution, which sets budget targets by functional categories. The budget targets guide subsequent congressional budgetary, authorization, and appropriation actions.

The Senate Committee on Agriculture and Forestry, the Senate Committee on Labor and Public Welfare, and the House Committee on Public Works and Transportation requested assistance in developing legislation-program-budget information linkages for preparing their March 15, 1975, reports to the respective Budget Committees. Our work involved developing information requirements, designing the report to be furnished by the departments and agencies, and monitoring information submissions to the committees.

We are assisting the above mentioned and other committees in the early stages of acquiring the information needed for the March 15, 1976, reports. Because GAO's work with the authorization committees on their March 15 reports involves detailed and time-consuming work with committees and executive organizations, we do not anticipate being able to assist all authorization committees in the period remaining before the March 15, 1976, reports. Therefore, the Congressional Budget Office has developed plans to provide all authorization committees with "top down" analytical assistance for their March 15 reports to supplement GAO's "bottom up" approach.

The Congressional Budget Office work will provide primarily summary level, appropriation account and above, automated information derived generally from readily available sources. GAO will fully cooperate with the Congressional Budget Office in this work. The detailed information being developed for the authorization committees discussed above will be provided to the Congressional Budget Office for use in its automated information system.

As is the case with the appropriations committees, the authorization committees have specialized information needs for their jurisdictions and interests. The wide variance in the incidence of recurring reporting to authorization committees reflects these specialized needs. Some committees receive a few agency or Government-wide reports; others receive a large number of very detailed program-specific reports, including reports of such specific activities as loans approved and cases heard.

Our work with these committees is just beginning; examples of our work to date are presented below.

The Senate Agriculture and Forestry Committee requested GAO to develop the requirements for a reporting system to provide the committee quarterly program execution and budget status information on the programs under its jurisdiction. The Committee expects the quarterly reports to improve its oversight and legislative capabilities and to help in preparing its March 15 views and estimates report. We are conferring with the committee staff to ascertain its special information needs and to develop reporting specifications for transmittal to departmental officials.

The staff of the House Committee on Science and Technology, in view of the Committee's oversight and authorization responsibilities for Federal research and development, requested that we develop a unified classification structure for presenting Federal research and development funding. Such a structure would provide for organizing and presenting all Federal research under a consistent classification, thus indicating the total amount of Federal research and development funds to be applied to one set of objectives or problems.

A primary objective of this work is to develop a structure which would relate Federal research and development activity to overall Federal objectives and national problems. In many cases we consulted with agency personnel to define and refine various segments of the overall structure, which we plan to complete in time to be considered for use in the fiscal year 1977 budget process. The structure will be the basis for a supplemental presentation of Federal research and development funding for fiscal years 1975, 1976, and 1977 for each agency and Government-wide.

The assistance described above for the authorization committees concentrated primarily on defining and developing their information requirements for preparing their March 15 reports (views and estimates) to the respective Committees on the Budget. However, several committees have expressed a need for additional assistance in developing their information needs to enable them to fully participate in the new budget process throughout all its phases. Further, they need assistance in more fully developing their information requirements to support their oversight functions. This would include developing appropriate

reporting systems to provide periodic program execution, performance, and budget status information on programs under their respective jurisdictions. In the near future we expect to provide additional assistance to authorization committees in developing their overall information and reporting requirements.

CHAPTER 3

STANDARD CLASSIFICATIONS AND MONITORING

RECURRING REPORTING REQUIREMENTS

OF THE CONGRESS

The Legislative Reorganization Act of 1970, as amended by title VIII of the Congressional Budget Act of 1974, in section 202(a)(1), provides that the Comptroller General of the United States, in cooperation with the Secretary of the Treasury, the Director of the Office of Management and Budget, and the Director of the Congressional Budget Office, shall develop, establish, maintain, and publish standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary, and program-related data and information. All Federal agencies are to use the standard terms, definitions, classifications, and codes in supplying the Congress with fiscal, budgetary, and program-related data and information. The act also provides that we submit to the Congress on or before June 30, 1975, a report containing the initial standards referred to above.

The 1970 act, as amended, in section 202(d) further assigned us responsibilities in the area of monitoring recurring reporting requirements of the Congress. This chapter summarizes our progress in these two areas.

STANDARD CLASSIFICATIONS

On June 30, 1975, we reported to the Congress the status of our work in developing initial standard terminology, definitions, classifications, and codes for Federal fiscal, budgetary and program-related data and information. The report (B-115398) discussed our progress to date in this area and our general approach to fulfilling our responsibilities under section 202(a)(1) of the act. The report also discussed the various levels of classification structures currently used. These levels included function-subfunction and appropriation account-program by activity. Some problems with current classification structures were also discussed.

Our June 30, 1975, report stated our view that the standard classification structure to be developed should provide a systematic presentation that aggregates Federal programs on the basis of primary purposes served. The report also stated that, in view of the many congressional users who often require different types of analyses, a single standard structure that will satisfy all congressional needs would be extremely difficult to develop. Accordingly, it

may be necessary to develop an expanded coding system to provide the capability to aggregate information in various forms that may be required. The report also discussed the requirement in title VI of the Congressional Budget Act of 1974 for a presentation beginning with the fiscal year 1979 budget in terms of national needs, agency missions, and basic programs.

A work group comprised of staff representatives of the House and Senate Committees on the Budget, the House and Senate Committees on Appropriations, the House Committee on Ways and Means, the Senate Committee on Finance, the Congressional Budget Office, and GAO has been established to seek agreement on the general requirements for the standard classification structure and the criteria to be used in developing the structure. Other committee staffs and organizations including appropriate executive branch organizations will be consulted in this work.

Our work will be directed primarily toward meeting the requirements of title VIII, while simultaneously considering the presentation required under title VI of the act for fiscal year 1979 and the coding system necessary to permit budget information to be used flexibly. We will try to gain as much agreement as possible on a structure and criteria for presenting the necessary information to test them in the fiscal year 1978 budget process. Such a test should provide the necessary experience for making adjustments which may be necessary to fully implement the title VI presentation in fiscal year 1979.

The experience gained in developing program-oriented classification structures at the appropriation and fund account levels and in defining information requirements to meet individual congressional needs discussed earlier will be useful in developing criteria for standard classification structures. Also, the program-oriented structures being developed at the appropriation and fund account level will form the building blocks for aggregating budget information in the overall standard classification structure.

On the basis of our experience, we concluded that:

1. Program-oriented classification structures vary from program to program to the extent the programs differ and that to be useful to congressional users, must clearly reflect the purpose and objectives of the specific program.

2. The structure must also satisfy the varying needs of congressional users at different stages of decisionmaking, thus meeting the requirements for information and analyses to support authorization, budget, appropriations, and oversight responsibilities.

3. As the information on Federal programs is summarized and aggregated at higher levels, thus becoming more general, it is possible to increase the degree of standardization in the structures.

4. Developing criteria and guidelines for use by the departments and agencies in improving the structures used in their budget presentations and other reporting can facilitate developing improved structures even though the structures themselves will vary between programs.

At present different information structures are used from one program to another and from one stage of process to another. It will be a long-term effort to achieve consensus on a structure or structures that can be used in all stages of decisionmaking and which are reasonably consistent in underlying concept for all programs.

We will continue to work with various committees of the Congress to develop useful, program-oriented classification structures to meet their particular needs. At the same time we will continue to develop the necessary criteria and guidelines for use by the executive departments and agencies. It is anticipated that the departments and agencies will apply these criteria and guidelines with GAO coordinating the overall effort. In this way we believe that much faster progress can be made over the next few years in responding to the particular needs of the committees.

MONITORING RECURRING REPORTING REQUIREMENTS OF THE CONGRESS

Section 202(d) of the Legislative Reorganization Act of 1970, as amended, states "the Comptroller General shall * * * monitor the various recurring reporting requirements of the Congress and committees and make recommendations to the Congress and committees for changes and improvements in their reporting requirements to meet congressional information needs ascertained by the Comptroller General, to enhance their usefulness to the congressional users and to eliminate duplicative or unneeded reporting."

In 1973 we evaluated the usefulness of all of the reports received by the Congress on a recurring basis at the request of the Chairman of the House Committee on Government Operations. This review involved interviews with the staffs of most committees. A report (B-115398) was submitted to the House Government Operations Committee on October 26, 1973, and draft legislation was provided the next month. An amended version of this draft legislation was enacted as Public Law 93-608 on January 2, 1975. This law eliminated 23

statutory requirements and modified 11 others. The review also identified 102 report requirements which had potential for modification or elimination. We have recently initiated the followup on those reports.

It is estimated that there are at least 750 recurring reports required by the Congress and committees including statutory and nonstatutory reports. Our tasks under this section of the act are divided into four categories--some, one-time efforts and others, continuous processes:

- Compiling an inventory of requirements for recurring reports required by the Congress including a computer-based file to increase the inventory's usefulness and expedite maintenance and monitoring functions.
- Publishing the initial inventory.
- Monitoring new reporting requirements and changes to existing requirements to maintain the inventory.
- Evaluating reporting requirements.

Our first goal is to establish a complete and accurate computer-based inventory of the congressional requirements for recurring reports by June 30, 1976.

On March 28, 1975, we requested the heads of 90 executive branch organizations to provide us with detailed information describing each report required to be submitted to the Congress on a recurring basis. All of the organizations have responded and we are now reviewing, editing, and processing their submissions. This inventory, which represents requirements effective as of January 1, 1975, will be the foundation on which a continuously updated inventory of requirements will be based.

Although we received submissions from all the organizations, our work will be not be finished for several months. We anticipate that a considerable amount of followup with submitting agencies will be needed to obtain missing data and verify information provided. Also, we will be working with the Office of the Clerk of the House, Office of the Secretary of the Senate, and various committees to identify the recipients of each report.

Once the initial inventory has been completed, we will be able to furnish specialized lists of reports for committees, Members, and congressional offices. Our file has been established so that we can arrange lists by several key fields including recipient, submitting agency, and due date.

Copies of GAO reports are available to the general public at a cost of \$1.00 a copy. There is no charge for reports furnished to Members of Congress and congressional committee staff members; officials of Federal, State, local, and foreign governments; members of the press; college libraries, faculty members, and students; and non-profit organizations.

Requesters entitled to reports without charge should address their requests to:

U.S. General Accounting Office
Distribution Section, Room 4522
441 G Street, NW.
Washington, D.C. 20548

Requesters who are required to pay for reports should send their requests with checks or money orders to:

U.S. General Accounting Office
Distribution Section
P.O. Box 1020
Washington, D.C. 20013

Checks or money orders should be made payable to the U.S. General Accounting Office. Stamps or Superintendent of Documents coupons will not be accepted. Please do not send cash.

To expedite filling your order, use the report number in the lower left corner of the front cover.