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General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

B-277262

June 24, 1997

The Honorable Charles W. Stenholm
Ranking Minority Member
Committee on Agriculture
House of Representatives

Subject: U.S. Department of Agriculture: Update on Reorganization and Streamlining Efforts

Dear Mr. Stenholm:

As requested, we are providing you with (1) information on the U.S. Department of Agriculture's (USDA) progress in meeting mandated reorganization and streamlining changes required by the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (P.L. 103-354, Oct. 13, 1994) and (2) the results of our analysis to identify common support or staff functions performed by agencies within USDA.

USDA'S PROGRESS IN MEETING MANDATED REORGANIZATION AND STREAMLINING GOALS

USDA has made progress in achieving the four primary goals set forth in the 1994 act: (1) reducing the number of full-time equivalents (FTE) by at least 7,500 by the end of fiscal year 1999, (2) reducing the number of FTEs so that the percent reduction in headquarters is at least twice the percent reduction in the field offices, (3) consolidating headquarters offices, and (4) combining field offices and jointly using field office resources. Regarding the first goal, as of September 1996,[1] USDA had reduced the number of FTEs by 15,956. Concerning the second goal, at the end of fiscal year 1996, the number of FTEs had been reduced by 18.8 percent in headquarters and by 11.7 percent in the field. As to the third goal, according to USDA, the number of agencies has been reduced

[1]These are the most current data available on FTE reductions at USDA.

from 43 to 30, most of which have been restructured into seven mission areas.[2] Finally, as of April 1997, the number of county offices had been reduced from over 3,700 to about 2,800.

Under its streamlining plans, USDA also required its agencies to consolidate administrative functions in those mission areas that had more than one agency. Administrative consolidation has been completed in four of the five mission areas with more than one agency.[3] Only the Natural Resources and the Environment mission area, which includes the Forest Service and the Natural Resources Conservation Service, has not consolidated administrative functions. This is because the Forest Service has not yet received congressional approval of its reorganization plan. However, we found that opportunities may exist for further administrative streamlining. For example, the Rural Development mission area is the only area that consolidated budget and civil rights functions. According to the mission area's Deputy Administrator for Management, the mission area could not justify separate civil rights and budget offices for an allocation of fewer than 8,000 FTEs. Other mission areas, however, have continued to maintain separate offices for these two functions even though they have FTE allocations that are similar to those of the Rural Development mission area. In addition, the Food Safety Inspection Service (FSIS) has contracted with USDA's Office of Operations to procure and deliver office supplies to its approximately 4,000 locations nationwide. By consolidating its procurement functions into one location, FSIS will benefit from improved services, save more than $1 million annually, and need only 5 FTEs instead of 15 to 18 for this task, according to an FSIS official.

USDA has made little progress in streamlining administrative functions at the state office level. The county-based service agencies--the Farm Service Agency, the Natural Resources and Conservation Service, and the agencies in the Rural Development mission--have each maintained their own state office in almost every state. These state offices employ 4,782 USDA employees, some of whom provide administrative services. USDA's Deputy Secretary has asked these

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[2](1) Farm and Foreign Agricultural Services; (2) Rural Development; (3) Food, Nutrition, and Consumer Services; (4) Natural Resources and the Environment; (5) Food Safety; (6) Research, Education, and Economics; and (7) Marketing and Regulatory Programs.

[3]The four mission areas are (1) Farm and Foreign Agricultural Services; (2) Marketing and Regulatory Programs; (3) Research, Education, and Economics; and (4) Rural Development.

agencies to pursue a more aggressive approach to combine administrative functions at the state level.

ANALYSIS OF COMMON SUPPORT OR STAFF FUNCTIONS PERFORMED BY AGENCIES WITHIN USDA

Using USDA's organization charts, we identified 15 support or staff functions performed within multiple USDA agencies or offices. Our analysis showed that 6 of these 15 functions appeared on at least 13 agency/office organization charts. These functions include work related to legislative/legal affairs; public information/community affairs; human resources; financial/budget; program support, management or executive services; and administrative services. In analyzing data on USDA employees, we found that the percentage of administrative employees was greater in the Washington, D.C., metropolitan area than in the non-Washington, D.C., metropolitan area–about 42 percent compared with about 14 percent. We further found that USDA's 105,036 employees span a total of 361 occupational series.[4] Of these series, 46 were repeated in about a third of USDA's agencies/offices. Moreover, 22 of these 46 series were classified as administrative. Enclosure I contains additional data on those administrative and clerical/technical occupational series having more than 500 USDA employees.

SCOPE AND METHODOLOGY

We reviewed USDA documents and interviewed cognizant officials to obtain information on USDA's reorganization and streamlining efforts. To identify common support or staff functions performed by agencies within USDA, we analyzed the most current and available organization charts and personnel data from USDA's National Finance Center for March 1997–the most current data that were available. The National Finance Center provides financial and administrative management services to USDA agencies.

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We performed this work during May and June 1997 in accordance with generally accepted government auditing standards. However, we did not verify the accuracy or reliability of the National Finance Center's data. We provided a

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[4]As stated in the Office of Personnel Management's Handbook of Occupational Groups and Series.

draft of enclosure I to USDA and incorporated minor technical changes where appropriate. Major contributors to this report include Anu Mittal, Andrea Brown, Paul Pansini, and Roberto Piñero. Please contact me on (202) 512-5138 if you or your staff have any questions.

Sincerely yours,

Robert A. Robinson
Director, Food and
Agriculture Issues

Enclosure

ENCLOSURE I

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Update on USDA's Reorganization and Streamlining Efforts

GAO Changes Mandated by the Reorganization Act of 1994

- Reduce the number of USDA full-time equivalent (FTEs) positions by at least 7,500 by the end of FY 1999.
- Reduce the percent of headquarters employees by twice the rate of field employees.
- Consolidate headquarters offices.
- Combine field offices and jointly use field office resources.

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GAO USDA's Progress in Meeting Mandated Changes

- FTEs reduced by 15,956 (2,204 in headquarters and 13,752 in the field).
- Headquarters FTEs reduced by 18.8% and field FTEs by 11.7%.
- Seven mission areas established and the number of agencies reduced from 43 to 30.
- Number of county office locations reduced from 3,700 to 2,800.

GAO Mission Area Administrative Consolidation

- Administrative consolidation completed in four of the five mission areas with more than one agency

Mission area	Number of agencies	Lead agency for administrative functions
Farm and Foreign Agricultural Services	3	Farm Service Agency
Marketing and Regulatory Programs	3	Animal and Plant Health Inspection Service
Research, Education, and Economics	4	Agricultural Research Service
Rural Development	3	Rural Housing Service

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Mission Area Administrative Consolidation (cont.)

- Unique examples of administrative consolidation:
  - Rural Development is the only mission area that has consolidated civil rights and budget functions.
  - The Food Safety Inspection Service (FSIS) is now contracting with USDA's central facility in Landover, Md., to purchase office supplies for its 4,000 U.S. locations at a lower cost .

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GAO State Office Administrative Streamlining

- FSA, NRCS, and the RD mission area each have a separate state office in almost every state:
  - FSA has 51 state offices,
  - NRCS has 52 state offices, and
  - RD has 47 state offices.
- These agencies proposed maintaining separate administrative structures, with some consolidation.

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GAO State Office Administrative Streamlining (cont.)

- Deputy Secretary has asked the three agencies to develop a more aggressive approach to combining administrative functions at the state level.
- 1998 budget request includes a proposal to require USDA to study options for streamlining program delivery and administrative support, as well as the optimum number of service centers.

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Common Functions According to GAO's Analysis of Organization Charts

- The following 15 support/staff functions are performed in several USDA agencies and offices:
  - Civil Rights
  - Legislative/Legal Affairs
  - Public Information/Community Affairs
  - Human Resources
  - Procurement

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Common Functions (cont.)

- Information Systems/ADP
- Compliance/Audit/Investigation/Evaluation
- Financial/Budget
- Research
- Program Support/Management or Executive Services
- Administration

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Common Functions (cont.)

- Property Management
- Regional, State, District, County Offices
- Economic or Policy Analysis
- Planning and Coordination

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Number of Staff in Offices Performing Common Functions

- Six of the 15 functions appeared most often on agencies/offices charts (charts did not generally reflect functions performed at non-D.C. locations)

Staff or support function	Number of agencies/offices	Number of staff in D.C. metropolitan area	Number of staff not in D.C. metropolitan area	Total
Legislative/Legal Affairs	14	135	1	136
Public Information/ Community Affairs	14	637	24	661
Human Resources	14	712	1,190	1,902
Financial /Budget	14	563	378	941
Program Support/ Management or Executive Services	13	445	43	488
Administration	13	186	67	253
Total		2,678	1,703	4,381

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Data on Total USDA Personnel as of March 1997

Mission Area	Agency	Number in the D.C. metro area	Number not in the D.C. metro area	Total number of employees
Farm and Foreign Agricultural Services	Farm Service Agency	856	5,257	6,113
	Foreign Agricultural Service	642	118	760
	Risk Management Agency	72	469	541
Rural Development	Rural Utilities Service	287	97	384
	Rural Housing Service	419	6,412	6,831
	Rural Business Cooperative Services	136	9	145
Food, Nutrition, and Consumer Services	Food and Consumer Service	586	1,165	1,751
Natural Resources and the Environment	Forest Service	682	35,662	36,344
	Natural Resources Conservation Service	411	12,751	13,162
Food Safety	Food Safety and Inspection Service	709	9,759	10,468
Research, Education, and Economics	Agricultural Research Service	2,174	6,008	8,182
	Cooperative State Research, Education, and Extension Service	346	38	384
	Economic Research Service	546	3	549
	National Agricultural Statistics Service	402	677	1,079
Marketing and Regulatory Programs	Agricultural Marketing Service	609	5,186	5,795
	Animal and Plant Health Inspection Service	925	6,509	7,434
	Grain Inspection, Packers and Stockyards Administration	128	773	901

GAO Data on Total USDA Personnel as of March 1997 (cont.)

Mission Area	Agency	Number in the D.C. metro area	Number not in the D.C. metro area	Total number of employees
Other agencies and offices	Alternative Agricultural Research and Commercialization Center	7	0	7
	Departmental Administration Management Service	102	1	103
	Office of Operations	366	192	558
	Office of Administrative Law Judges	19	0	19
	Office of Small and Disadvantaged Business Utilization	10	0	10
	Board of Contract Appeals	9	0	9
	Office of the Chief Information Officer	1	0	1
	Office of the Chief Financial Officer	73	1,661	1,734
	Office of General Counsel	180	181	361
	Office of Inspector General	196	553	749
	Office of Communications	117	0	117
	Office of Budget and Program Analysis	74	0	74
	National Appeals Division	28	104	132
	Office of the Chief Economist	41	0	41
	Office of the Secretary	62	1	63
	Policy Analysis and Coordination Center	206	11	217
	Office of Executive Secretariat	18	0	18
	Total Number of USDA Employees	**11,439**	**93,597**	**105,036**

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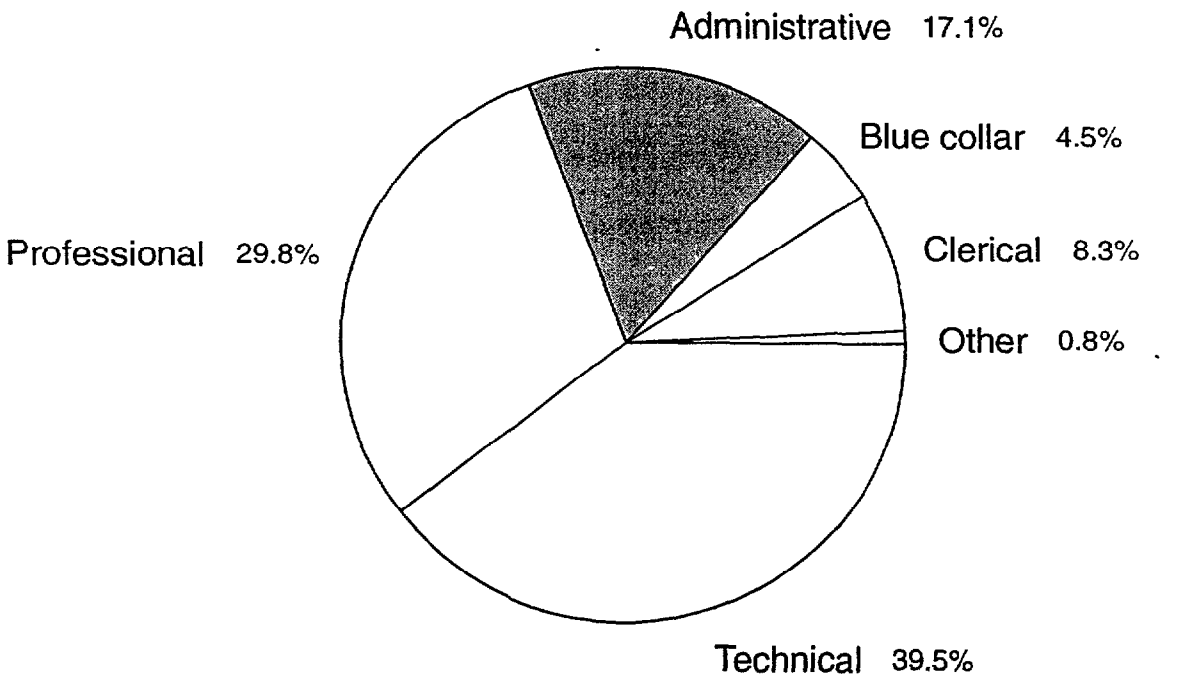
Occupational Groups for 105,036 USDA Employees, as of March 1997



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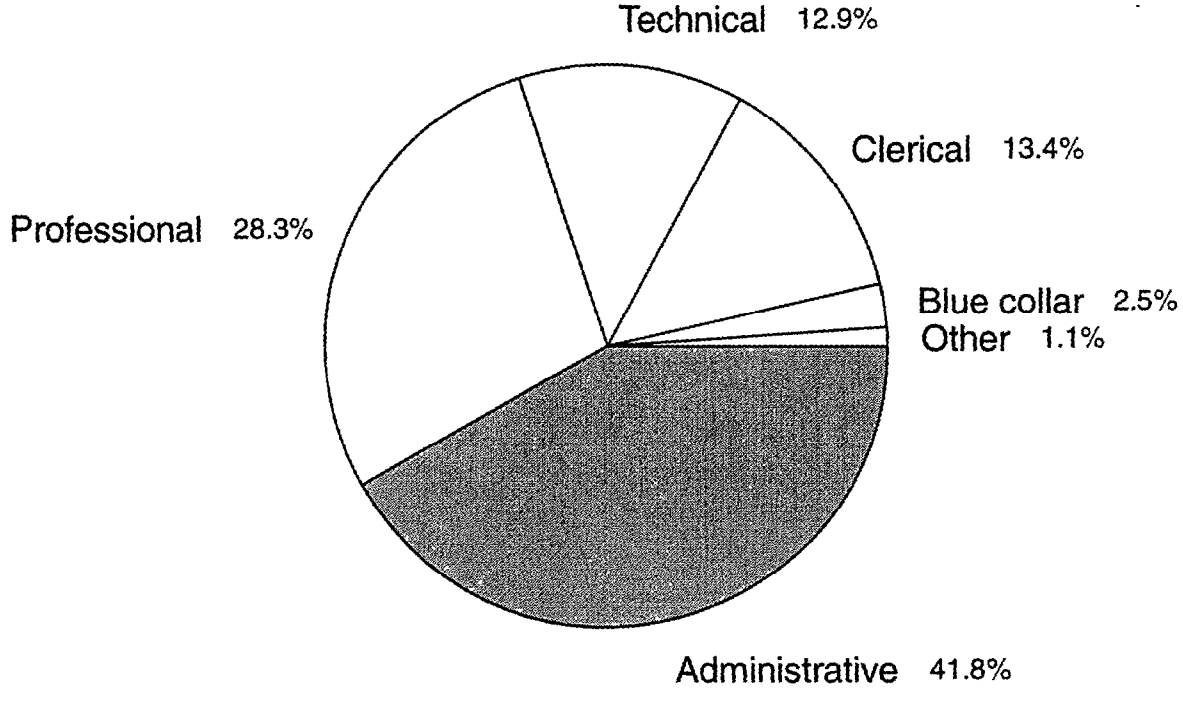
Occupational Groups for D.C. Metro Area Employees (11,439), as of March 1997



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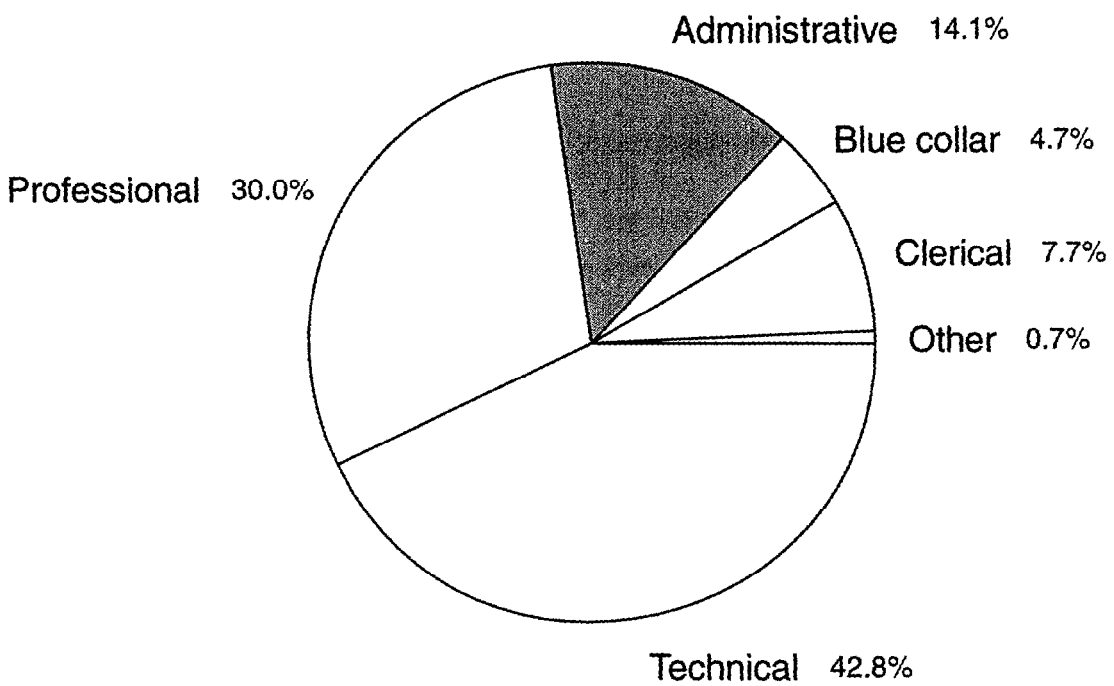
Occupational Groups for Non-D.C. Metro Area Employees (93,597), as of March 1997



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Most Common Occupational Series

- 46 out of 361 occupational series at USDA are repeated in about a third of the agencies:
  - 40 of the 46 occupational series are support/staff functions, which include administrative and clerical series.

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GAO 10 Administrative Occupational Series with at least 500 employees

Occupational series	Number of agencies	Staff in the D.C. metro area	Staff not in the D.C. metro area	Total
Computer Specialists	24	730	2,186	2,916
Misc. Admin. and Program	30	713	1,485	2,198
Management and Program Analysts	27	855	519	1,374
Personnel Management	14	251	462	713
Program Management	14	77	506	583
Support Services Administration	12	31	541	572
Administrative Officer	17	43	493	536
Public Affairs Staff	16	147	389	536
Budget Analysis Staff	23	230	294	524
General Arts and Information Staff	13	31	482	513

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7 Clerical/Technical Occupational Series with at least 500 employees

Occupational series	Number of agencies	Staff in the D.C. metro area	Staff not in the D.C. metro area	Total
General business and industry	14	114	4,608	4,722
Misc. clerk and assistant	28	455	2,078	2,533
Secretary	29	1,075	1,430	2,505
Office automation clerical and assistance	24	271	1,397	1,668
Accounting technician	12	34	913	947
Computer clerk and assistant	17	37	851	888
Personnel clerical and assistance	14	140	626	766

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