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Retrenchment And Redirection At The Office Of Personnel Management

In response to the Administration's planned retrenchment and redirection, the Office of Personnel Management (OPM) in 1981 chose to end some programs and to provide less assistance to Federal agencies. It also reordered its priorities and concentrated on functions such as overseeing and enforcing civil service rules and merit principles and administering insurance and retirement programs.

A 16-percent cut in OPM's 1982 salaries and expenses appropriation accelerated the planned changes in services and staffing levels. The office restructured its organization, reduced most of its general oversight activities, and reassigned many of its personnel. It also reduced staffing and spending through attrition, a reduction-in-force, furlough, reimbursable detailing of employees, and other belt-tightening measures. Although the office administered these management actions properly, the actions disrupted office functions and were unsettling for its employees and for users of its services.



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GENERAL GOVERNMENT
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B-211358

The Honorable William D. Ford
Chairman, Committee on Post Office
and Civil Service
House of Representatives

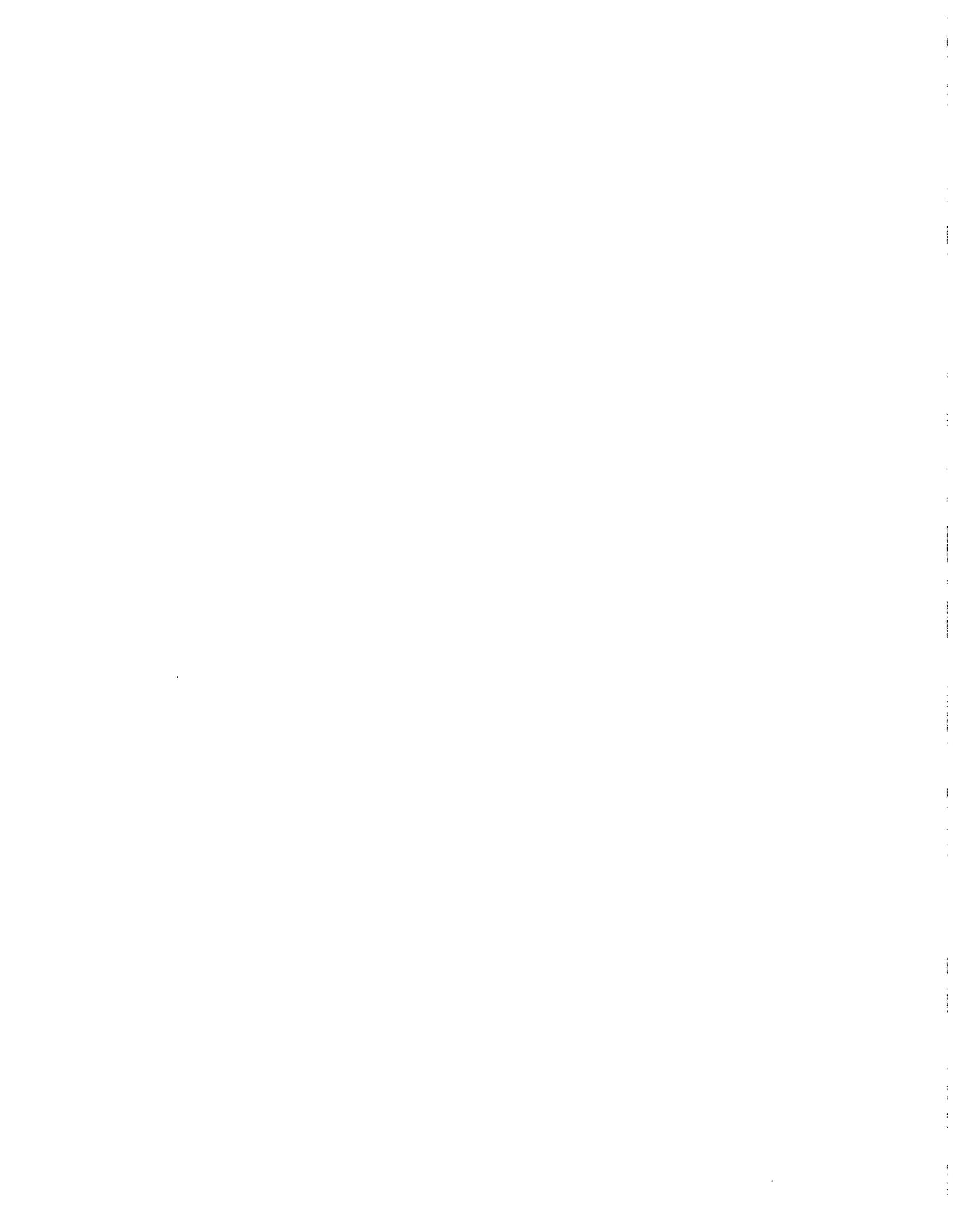
The Honorable Donald J. Albosta
Chairman, Subcommittee on Human
Resources
Committee on Post Office and
Civil Service
House of Representatives

The Honorable Patricia Schroeder
Chairwoman, Subcommittee on Civil
Service
Committee on Post Office and
Civil Service
House of Representatives

This report, prepared in response to your March 11, 1982, joint request, discusses the retrenchment and redirection that took place at the Office of Personnel Management (OPM) between March 1981 and December 1982. It identifies the OPM functions and programs most directly affected and contains our findings and the views of other Federal officials on the possible effects of the actions.

As agreed with your office, unless you publicly announce the contents of the report earlier, we plan no further distribution until 5 days from the date of the report. At that time, we will send copies of this report to various congressional committees having an interest in these matters, to OPM, and to others upon request.

Daniel J. Stanton
For William J. Anderson
Director



D I G E S T

For fiscal year 1982, the Reagan Administration proposed, and the Congress approved, major budgetary reductions in executive nondefense agencies, including the Office of Personnel Management (OPM). OPM's 1982 salaries and expenses appropriation for oversight of Federal personnel management was reduced 16 percent below the approved 1981 level; trust and revolving funds that OPM administers--for retirement, insurance, training, and reimbursable services--were not directly affected by this reduction. (See pp. 2 and 3.)

OPM began a self-initiated redirection of priorities and resources in 1981, before the budget cuts were instituted. OPM decided to offer less advisory management assistance to Federal agencies than it had provided in prior years, to terminate some programs (see p. 33), and to concentrate on what it considers basic personnel management. (See pp. 8, 9, 20, and 21.)

The staffing and budget cuts for fiscal year 1982 accelerated OPM's plans. Faced with a 16-percent cut in its salaries and expenses appropriation almost 3 months into the fiscal year, OPM

--reduced its staffing levels through attrition and a reduction-in-force which affected most functions and programs financed by its salaries and expenses appropriation;

--reduced spending via employee furloughs; reimbursable detailing of employees to other Federal agencies and to its separately financed trust and revolving funds; and took

other belt-tightening measures such as reducing travel, purchases, and rent; and

--reorganized its central and field office organizational structures and reassigned many of its personnel. (See pp. 8 and 9.)

OPM's management actions were within its administrative authority and discretion and were administered in accordance with applicable laws, regulations, and established procedures. (See p. 15.) However, those actions disrupted OPM functions and were unsettling for OPM employees. For example, nearly 200 OPM employees lost their jobs, about 260 others were downgraded, about 3,000 employees were furloughed for 6 days, and nearly 200 others were reassigned. (See pp. 19 and 26.)

OPM performs most of the oversight functions it did before, but the number of resources devoted to oversight has been reduced and Federal agencies cannot rely on OPM for as much assistance, consultation, and advice as they could in prior years. The overall effects of this reduction are not clear because (1) OPM's contributions to agencies' personnel management activities are not readily measurable, and (2) comparative and evaluative data, before and after the cutbacks, does not exist. (See p. 25.)

Over the years, GAO has reported to the Congress, OPM, and others on a variety of personnel management problems. Many of those problems still exist, particularly with Civil Service Reform Act initiatives, and OPM leadership is needed to resolve them. (See p. 26.)

Agency personnel officials have expressed concerns about the continuing effectiveness of the civil service system and have suggested actions OPM could take to help improve the situation. (See pp. 34 to 37.)

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GAO reviewed the staffing and budget reductions at OPM at the request of the Chairman, House Committee on Post Office and Civil Service and the Chairwomen of two of its Subcommittees.

GAO did not obtain agency comments on this report.



C o n t e n t s

		<u>Page</u>
DIGEST		i
CHAPTER		
1	INTRODUCTION	1
	Staffing and budget reductions at OPM are part of an overall retrenchment effort	1
	Objectives, scope, and methodology	4
2	OVERVIEW OF OPM RETRENCHMENT AND REDIRECTION EFFORTS	7
3	OPM ADMINISTERED ITS REDUCTION IN FORCE AND OTHER RETRENCHMENT AND REDIRECTION ACTIONS PROPERLY, BUT THOSE ACTIONS WERE DISRUPTIVE	11
	RIF reduced and realigned OPM's work force	11
	OPM's RIF affected employees and programs	12
	Other actions were taken to reduce spending	15
	Retrenchment actions were disruptive	18
4	OPM HAS REORDERED PROGRAM PRIORITIES AND PERSONNEL AGENCY FUNCTIONS	19
	OPM shifted to "back to basics" management	19
	Fewer subunits now report to the director	20
	A major reorganization in January 1982 consolidated several functions	21
	OPM merged policy and communications functions and created director's regional representatives in November 1982 reorganization	22
	Field offices also reorganized to effect program changes and bring regional structures more in line with those of the central office	22
5	OPM REDUCED SCOPE AND QUANTITY OF MANY OVERSIGHT ACTIVITIES AND SERVICES	24
	OPM absorbed staffing level reductions in many functions and suborganizational components	25

CHAPTER

5	OPM reduced its level of effort on reform-act-related functions	27
	OPM continues to perform basic central personnel agency functions, but level of effort and some services have been reduced	28
	OPM eliminated certain activities as a result of its reordered priorities and other factors	31
	User agency observations on retrenchment and redirection at OPM	32

APPENDIX

I	OVERVIEW OF THE RIF PROCESS	36
II	UNITED STATES OFFICE OF PERSONNEL MANAGEMENT	38
III	PRIOR GAO REPORTS DISCUSSING OPM'S OVERSIGHT OF THE CIVIL SERVICE REFORM ACT AND OTHER LAWS AND PROGRAMS (October 1978 - December 1982)	39
IV	DETAILED INFORMATION ON STAFFING LEVELS AND PERSONNEL CHANGES FOR FIVE OPM FUNCTIONS	44

ABBREVIATIONS

CSRA	Civil Service Reform Act
GAO	General Accounting Office
MSPB	Merit Systems Protection Board
OPM	Office of Personnel Management
RIF	Reduction-in-force
S&E	Salaries and Expenses

CHAPTER 1

INTRODUCTION

In a March 11, 1982, letter, the Chairman of the House Committee on Post office and Civil Service and the Chairwomen of two of its subcommittees asked us to review the staffing and budgetary reductions made during fiscal year 1982 at the Government's central personnel agencies: the Office of Personnel Management (OPM), the Federal Labor Relations Authority (FLRA), the Merit Systems Protection Board (MSPB), and MSPB's Office of the Special Counsel (OSC). The Committee wanted to know how the reductions were implemented and what effect they had or will have on the agencies' abilities to perform their functions. Our review of the staffing and budgetary reductions at FLRA, MSPB, and the OSC were covered in separate reports. ^{1/}

The central personnel agencies were established by President Carter's Reorganization Plan 2 of 1978 to implement the Civil Service Reform Act of 1978 (CSRA). The purpose of the CSRA (Public Law 95-454) was to give Federal managers greater flexibility in managing human resources, to supply new tools to motivate supervisors and employees, to offer a comprehensive personnel system for executives, and to provide a well-equipped organizational structure to support efforts to achieve good management of Government programs. The act also was designed to provide greater protection of individual Federal employee rights, to safeguard the career civil service system from political abuses, and to give a statutory basis to labor-management relations within the Government.

STAFFING AND BUDGET REDUCTIONS AT OPM ARE PART OF AN OVERALL RETRENCHMENT EFFORT

In budget submissions to the Congress, the Reagan Administration proposed reducing the size of the Federal Government, containing its growth, and redirecting its functions. One of the Administration's primary objectives has been, and continues to be, reducing the Federal nondefense work force. Toward that end, the Reagan Administration established new, lower Federal employment targets for 1981 and 1982 as part of its March 1981 revision to the 1982 budget. In September 1981,

^{1/}Effect of Fiscal Year 1982 Budget Reductions on the Federal Labor Relations Authority (GAO/FPCD-83-18, Mar. 11, 1983) and Effect of the Fiscal Year 1982 Budget Reductions on the Merit Systems Protection Board and Its Office of Special Counsel (GAO/FPCD-83-20, Apr. 8, 1983).

the President announced a further reduction in the Federal nondefense work force of 75,000 by 1984. Then in February 1982, the President proposed an additional reduction of 75,000 by 1987.

The 75,000 employment reduction by 1984 requires an 8- to 10-percent reduction in nondefense personnel levels in nearly all executive branch agencies. The budget encouraged agencies to make these reductions in programs showing "excessive growth" and in overhead activities such as public affairs, publications, and audio-visual productions. In an August 5, 1981, memorandum to executive departments and agencies, the President encouraged agencies facing staffing and budgetary reductions to minimize the adverse effects on existing Federal employees as much as possible through effective placement programs.

Like many other Federal agencies, OPM's budget was cut substantially in 1982. In his final budget proposal, President Carter recommended a fiscal year 1982 Salaries and Expenses (S&E) appropriation of \$129.5 million for OPM, a 7-percent increase over the \$121 million the agency spent in fiscal year 1981. In a revision submitted in March 1981, President Reagan proposed an S&E appropriation of \$119.8 million for OPM. President Reagan also proposed a reduction of 500 full-time permanent positions from the level President Carter had proposed for fiscal year 1982. Then in September 1981, President Reagan proposed additional spending reductions: roughly a 12-percent across-the-board reduction for all nondefense agencies. This reduction--had it been enacted--would have lowered OPM's fiscal year 1982 S&E appropriation to about \$105.4 million.

In mid-December 1981, the Congress enacted a continuing resolution for agencies, like OPM, whose regular appropriations had not yet been approved. The continuing resolution included a 16-percent S&E reduction for OPM and some other nondefense agencies. This lowered OPM's S&E spending authority to \$101.2 million for fiscal year 1982. However, approval of a supplemental appropriation of \$3.3 million to fund the October 1981 pay raise increased OPM's fiscal year 1982 total S&E appropriation to \$104.5 million, \$16.5 million (13.6 percent) below the level of spending in fiscal year 1981.

OPM's activities are financed through two separate accounts:

--The S&E appropriation supports OPM's central personnel management oversight and monitoring functions; record-keeping activities; and its research, development, and discretionary personnel management activities. The S&E

appropriation also receives transfers from the Federal employees retirement, life insurance, and health benefit trust funds, which reimburse OPM for administering these funds.

--A revolving fund is used for services whose costs are billed to the agencies receiving the services, such as training courses and some personnel investigations. ^{2/}

OPM's major retrenchment took place in its S&E appropriations. This is demonstrated in the following tables, which show OPM's spending and staffing levels for fiscal years 1981, 1982, and proposed levels for fiscal year 1983.

OPM's Spending Levels

<u>Fiscal year</u>	<u>OPM's Funding Sources</u>		
	<u>S&E</u>	<u>Transfer from trust funds</u>	<u>Revolving fund</u>
	------(millions)-----		
1981 (actual)	\$ 121.0	\$ 39.4	\$ 70.2
1982 President Carter's proposal, January 1981	129.5		
President Reagan's proposal, March 1981	119.8		
Continuing Resolution/ Appropriation approved December 1981	<u>a/101.2</u>	41.9	72.8
1983 (Estimate)	101.8	44.7	74.1

^{a/}A supplemental appropriation of \$3.3 million to pay for the October 1981 civilian pay raise increased this to \$104.5.

^{2/}GAO is preparing a separate report on this fund "Office of Personnel Management's Revolving Fund Policy Should Be Clarified and Management Controls Strengthened" (GAO/GGD-83-70).

OPM's Full-time Permanent Positions

<u>Fiscal year</u>	<u>S&E</u>	<u>Reimbursable (note a)</u>	<u>Revolving fund</u>	<u>Total</u>
1981	3,096	1,494	1,155	5,745
1982 President Carter's proposal, January 1981	3,406	1,620	1,176	6,202
President Reagan's proposal, March 1981	3,078	1,572	1,052	5,702
Approved, December 1981	2,677	1,415	1,058	5,150
1983	2,519	1,477	1,094	5,090

a/Reimbursable positions include those financed by transfers from trust funds and those financed on a reimbursable basis from other accounts, both internal and external to OPM.

OBJECTIVES, SCOPE,
AND METHODOLOGY

Our objectives were to:

- Examine the justification for staffing and budgetary reductions at OPM and the propriety, effectiveness, and adequacy of OPM's management of these reductions.
- Evaluate the adequacy of OPM's management, organizational structure, and internal reordering of priorities, to the extent feasible, accommodate the reduced staffing and budgetary levels, and make the best possible use of available resources.
- Assess OPM's existing capabilities to properly discharge its mandated responsibilities under the CSRA and other statutes.

We performed our work at OPM headquarters and at the Rocky Mountain (Denver) and Western (San Francisco) regions.^{3/} At these locations we interviewed the officials responsible for administering the agency and its programs and the officials responsible for administering the staffing and budgetary reductions. We also reviewed records on the agency's reorganization, RIF, furlough, and reimbursable details. We examined OPM's budgetary and accounting records, which tracked the agency's progress toward its reduced spending goals. We reviewed personnel actions resulting from the RIF, and obtained data on subsequent personnel actions for those employees adversely affected by the RIF.

At OPM headquarters, we reviewed a random sample of 20 of the 189 positions abolished in the March 1982 RIF.^{4/} These 20 position abolishments resulted in 44 RIF-related personnel actions, which we reviewed to determine if they were administered in accordance with applicable RIF rules and regulations. We reviewed the records of nine formal grievances and five appeals to MSPB concerning OPM's actions in connection with the RIF, and we reviewed summary data on the 83 formal grievances and 39 appeals to MSPB concerning the employee furloughs. In both the Denver and San Francisco regions, we spot-checked the propriety of personnel actions caused by program terminations or redirected priorities, regional reorganization, and reduced staffing and budget levels; in the San Francisco region, we also spot-checked the accuracy and completeness of RIF-related documents and the propriety of RIF-related personnel actions.

OPM's central office organizations and its 10 regional offices provided data on the number of positions eliminated in connection with the reorganization and RIF, the reasons for eliminating positions, and other major changes in organization or staffing levels and the operational impacts that these changes have had or likely will have on the delivery of OPM services.

We also interviewed personnel officials of the Departments of Justice, Commerce, Labor, and Health and Human Services--selected at random from the executive departments--to get their opinions on any operational impacts that OPM's actions may

^{3/}We selected the Denver region because it achieved staffing and budget reductions without conducting a RIF. We selected San Francisco because it is one of OPM's largest and busiest regions, and it conducted a RIF.

^{4/}Our sample of 20 cases yields a confidence interval of ± 9 percent at the 95-percent confidence level.

have had on the quantity, quality, timeliness, and usefulness of OPM services to Federal agencies.

Our review was conducted from March through December 1982 ^{5/} in accordance with generally accepted Government audit standards.

As your office requested, we did not obtain agency comments on this report. However, we discussed its contents with OPM officials and considered their views in preparing it.

^{5/}After we completed our audit work, OPM reassigned about 30 SES and non-SES GS-15 personnel to correct what they considered to be a skill imbalance in Headquarters and regional offices.

CHAPTER 2

OVERVIEW OF OPM RETRENCHMENT

AND REDIRECTION EFFORTS

Retrenchment at OPM was partially self-initiated by the new director and partially in response to the budget reductions mandated by the President and the Congress. Retrenchment occurred in the central personnel management oversight functions and programs financed by OPM's S&E appropriation. Retirement, health, and life insurance benefit administration, financed by trust funds, and reimbursable Government training, and certain reimbursable staffing services for Federal agencies, financed by a revolving fund, were not affected directly.

With the submission in March 1981 of the President's revised budget for fiscal year 1982, OPM officials began planning for reducing the size and scope of OPM operations. Between March 1981 and December 1981, OPM

- terminated its intergovernmental personnel grant program for State and local governments;
- terminated its consulting services program for Federal agencies;
- de-emphasized personnel management research efforts in such areas as productivity and compensation-program development;
- de-emphasized broad advisory management assistance to Federal agencies in areas of financial management, management information systems, and organizational analysis; and
- shifted emphasis and priorities toward what it considers more basic central personnel agency functions.

On October 1, 1981, the Director issued guidance for controlling and reducing spending during fiscal year 1982. Guidance included

- placing a freeze on hiring new employees;
- requiring the Director's approval before filling vacancies through competitive internal selection; and
- limiting paid overtime and travel, and reevaluating the need for certain other expenditures.

The staffing and budget reductions legislated by the Congress in December 1981 accelerated OPM's planned retrenchment. OPM's budget office estimated that the agency was spending at an annual rate of \$116 million as of January 23, 1982, and this amount had to be reduced by \$11.5 million to OPM's approved 1982 funding level of \$104.5 million.

To absorb required S&E staffing and budget reductions and, at the same time, accomplish its planned retrenchment and redirection, OPM

- realigned its central office and field office organizational structures and reassigned personnel to help facilitate the handling of its reordered program priorities and to improve managerial efficiency and control;

- reduced its S&E staffing levels through attrition, a hiring freeze, and a formal RIF, which, together, accounted for the abolishment of about 475 positions between January and September 1982;

- reduced its S&E spending through furloughs of employees for 6 days, reimbursable details of employees to other Federal agencies and to the separately financed trust and revolving funds; and through belt-tightening measures in other non-personnel areas such as travel and purchasing; and

- reduced the level of effort for programs financed by the S&E appropriation.

The Director established a task force to monitor the agency's efforts to control and reduce its spending. The task force began to monitor OPM spending early in 1982 and was disbanded in June 1982, when its estimates showed that OPM would meet its personnel and spending ceilings. The following table shows the task force's original and final estimated savings that would be realized by the end of the fiscal year.

Estimated Funding Reductions

<u>Actions</u>	<u>Original estimated savings</u>	<u>Final estimated savings</u>
	----- (millions) -----	
RIF	\$ 1.2	\$ 0.9
Furloughs	3.3	1.8
Attrition	2.0	4.4
Reduction in "other object" spending	3.0	3.2
Employee details	<u>2.0</u>	<u>1.5</u>
Total	<u>\$11.5</u>	<u>\$11.8</u>

The final figures show higher-than-expected savings from attrition and reductions in "other object" spending and less-than-expected savings from the detailing of employees. RIF savings were lower than the original estimate, because heavy attrition immediately before the RIF meant that fewer RIF separations were necessary. The final savings from furloughs were lower than the initial estimate primarily because the required furlough time was reduced from 10 days to 6 days.

As the following table shows, actual S&E spending in 1982 of \$104.4 million was down in all categories except costs associated with the RIF (i.e., severance pay, unemployment compensation, and accrued annual leave), and payments to reimburse Federal employees for insurance claims and indemnities against the Government.

OPM Actual S&E Spending

<u>Spending categories</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
	----- (000's omitted) -----		
Personnel compensation	\$76,972	\$78,957	\$67,880
Personnel benefits	<u>8,041</u>	<u>8,417</u>	<u>7,167</u>
Subtotal	<u>\$85,013</u>	<u>\$87,374</u>	<u>\$75,047</u>
Benefits for former employees	28	15	538
Travel	2,331	1,791	1,294
Transportation of things	274	219	150
Rent, communications, and utilities	21,655	21,713	20,802
Printing and reproduction	2,403	3,063	2,101
Services	3,919	4,130	2,636
Supplies and materials	1,174	1,348	845
Equipment	456	1,241	960
Insurance claims and indemnities	4	-	10
Grants	75	47	-
Miscellaneous	<u>-</u>	<u>11</u>	<u>1</u>
Subtotal	<u>\$ 32,319</u>	<u>\$ 33,578</u>	<u>\$ 29,337</u>
Total	<u><u>\$117,332</u></u>	<u><u>\$120,952</u></u>	<u><u>\$104,384</u></u>

CHAPTER 3

OPM ADMINISTERED ITS REDUCTION IN FORCE AND OTHER RETRENCHMENT AND REDIRECTION ACTIONS PROPERLY, BUT THOSE ACTIONS WERE DISRUPTIVE

OPM's retrenchment and redirection actions were administered in accordance with applicable laws, regulations, and established procedures and practices, but they were disruptive for OPM and unsettling for many of its employees and users of its services.

RIF REDUCED AND REALIGNED OPM'S WORK FORCE

One of the most significant actions taken by OPM was a RIF in March 1982. According to the guiding regulations, a RIF may be appropriate when an agency finds any of the following conditions: lack of funds or work; reorganization; change of duties; or when the need to make a place for a person exercising reemployment or restoration rights requires the agency to displace an employee through separation, downgrade, furlough for more than 30 days, or reassignment. No single factor can be identified as the reason for OPM's RIF; rather, a combination of the following factors led the agency's managers to conclude that a RIF was necessary:

- OPM eliminated its consulting services and agency advisory programs, reduced the level of effort devoted to productivity improvement research, and eliminated the intergovernmental personnel program as a categorical grant program.
- OPM estimated that demands for certain of its services would decrease. For example, OPM expected that its fiscal year 1980 workload of 1,088,000 applications for Federal employment and 23,000 requests from Federal agencies for full field investigations of new employees would decrease to 756,600 applications and 22,000 field investigations in each of fiscal years 1982 and 1983. (Note: fiscal year 1981 actual figures were 788,132 applications and 24,242 field investigations.)
- These program changes and workload reductions resulted in hundreds of surplus positions. Because of a high rate of employee attrition and a hiring freeze, OPM was able to

place many of the employees occupying the surplus positions elsewhere in its organization; however, not all surplus employees were absorbed through this process.

--Because of a hiring freeze, OPM had not been replacing persons who left the agency. OPM officials told us that during the time of the hiring freeze, more clerical and technical personnel left the agency than did professional or administrative personnel. As a result, the agency was left with skill imbalances: staff shortages in clerical and technical job series, and (because of program terminations and reductions mentioned above) staff surpluses in certain professional and administrative job series.

--With a 16-percent reduction in its S&E appropriation at the end of the first quarter of the fiscal year, OPM's managers believed they had to act quickly to reduce the agency's size and spending rate. Based on the reduced S&E funding level, OPM management allocated lower personnel ceilings and spending levels to the various OPM groups and offices, which, in turn, resulted in additional surplus positions.

OPM'S RIF AFFECTED EMPLOYEES AND PROGRAMS

OPM abolished 365 occupied positions in its March 1982 RIF. At OPM headquarters, all five major work groups--Administration, Compensation, Staffing, Compliance and Investigations, and Workforce Effectiveness and Development--and one staff office (Office of Planning and Evaluation) abolished 189 positions. OPM's regional offices abolished 176 positions. Professional, technical, and clerical positions in a variety of job occupations and grade levels were abolished.

The RIF directly affected 758 of OPM's 7,251 employees. A total of 135 full-time permanent employees and 49 temporary, part-time, and intermittent employees were separated. The following table summarizes all RIF actions.

Summary of RIF actions at OPM
March 1982

<u>Full-time permanent employees</u>	<u>Central Office</u>	<u>Field Office</u>	<u>Total</u>
Downgraded	197	55	252
Reassigned	91	89	180
Retired	4	6	10
Resigned	3	1	4
Retired or transferred from surplus positions before receiving a RIF notice	17	11	28
Transferred to other agencies	36	32	68
Switched to part-time in lieu of separation	-	2	2
Separated, rehired into a temporary position	31	3	34
Separated from Federal service	<u>82</u>	<u>19</u>	<u>101</u>
Total	<u>461</u>	<u>218</u>	<u>679</u>
<u>Part-time and intermittent employees</u>			
Downgraded	-	5	5
Reassigned	-	10	10
Resigned	-	3	3
Transferred from surplus positions before receiving a RIF notice	-	-	-
Transferred to other agencies	-	11	11
Separated from Federal service	<u>-</u>	<u>11</u>	<u>11</u>
Total	<u>-</u>	<u>40</u>	<u>40</u>
<u>Temporary employees</u>			
Reassigned	-	1	1
Terminated	<u>26</u>	<u>12</u>	<u>38</u>
Total	<u>26</u>	<u>13</u>	<u>39</u>
Total RIF actions	<u>487</u>	<u>271</u>	<u>758</u>

Employees separated by RIF receive priority consideration for reemployment into vacancies for which they are qualified. As of September 1, 1982, 5 months after the RIF, 88 of the 184 employees who had been separated were reemployed by the Federal Government: 31 at OPM and 57 in other Federal agencies. OPM could not tell us how many separated employees had been employed in non-Federal jobs.

For the 257 OPM employees downgraded during the RIF, the average grade reduction was 2.74 grades. The largest reduction was 11 grades, affecting 2 persons. A GS-14 social science analyst in the Workforce Effectiveness and Development (WED) group was downgraded to a GS-3 miscellaneous clerk in the Compensation Group's Office of Retirement Programs, and a GS-14 supervisory personnel research psychologist in WED's performance appraisal services group was downgraded to a GS-3 payroll clerk in the Administration Group's Office of Finance and Budget. In another case, a GS-15 supervisory pay specialist in the Compensation Group's Compensation Planning Division, whose position was abolished, declined a downgrade to a GS-3 payroll clerk position and was separated. One hundred seventeen employees were downgraded one grade. As of September 1, 1982, 100 of the 257 employees demoted in the RIF had been repromoted an average of 2.8 grades; 89 of these employees had been repromoted to their pre-RIF grade level or higher.

We reviewed, in detail, a random sample of RIF-related personnel actions. We found that the actions were taken in accordance with existing laws and regulations. ^{1/} Nine current or former OPM employees filed formal grievances concerning OPM's actions during the RIF. One grievance was resolved partially in the employee's favor, resulting in a less severe reduction in grade for the employee; the remaining issues in this grievance and the other grievances were denied by OPM. Five current or former employees filed appeals with MSPB. One of these appeals was withdrawn, one was dismissed for lack of jurisdiction, one was decided in OPM's favor, and the remaining two had not been resolved by the time we completed our audit work.

^{1/}See appendix I of this report for a discussion of Federal RIF procedures.

OTHER ACTIONS WERE TAKEN
TO REDUCE SPENDING

OPM took two other significant actions to reduce spending: it furloughed employees in units that spent S&E appropriations, and it curtailed discretionary spending for non-personnel items.

In January 1982, OPM's budget office estimated that OPM's S&E spending reached about \$116 million annually, and that it expected a fiscal year 1982 S&E appropriation of only \$104.5 million. The budget office estimated that if employees were furloughed for 10 days, the savings would fill the gap between the spending rate and the savings that reasonably could be expected from the other "belt-tightening" measures.

In February 1982, OPM notified employees that, because of the 16-percent cut in S&E funding, a maximum of 10 days of furloughs would be required between March 28 and August 7, 1982, and an additional 12 days might be required between August 8 and September 30, 1982.

Thus, beginning March 28, 1982, employees were furloughed according to the percent of S&E funds spent by their units. Employees assigned to units that spent only S&E funds were furloughed 1 day each pay period; employees assigned to organizations that derived 25 percent of their funding from S&E funds were furloughed one-quarter day each pay period; and so on. Employees whose organizations derived less than 12.5 percent of their funding from S&E and those who worked exclusively for OPM's trust and revolving funds or were on reimbursable details to other agencies were not furloughed.

OPM's task force monitored the agency's success in reducing its spending, and, by the first week in June, found that savings from attrition and reductions in non-personnel compensation spending would be higher than anticipated. OPM, therefore, decided to reduce the furlough requirement to 6 days, and on June 4, 1982, OPM notified employees that the furlough requirement had been reduced.

OPM's budget office had based its estimated savings from attrition on the agency's historical rate of about 1 percent a month. Actual attrition was higher than that--about 6 percent during March 1982 (the month of the RIF) and about 1.2 percent a month (on average) for the other months of fiscal year 1982.

Another area where OPM saved money was in non-personnel spending, which includes such items as travel, rent (both the

standard level user charge paid to the General Services Administration and rents paid to commercial landlords), telephone and other utilities, printing and reproduction, subscriptions, supplies and materials, purchase or rental of equipment, and renovations of office space.

OPM's non-personnel spending in fiscal year 1982 was about 13 percent lower than in fiscal year 1981, as summarized in the following table:

OPM's Non-Personnel Spending

<u>Object classifications</u>	<u>Fiscal year 1981</u>	<u>Fiscal year 1982</u>	<u>Percentage change</u>
	----- (thousands) -----		
Benefits for former personnel (note a)	\$ 15	\$ 538	+3486.7
Travel	1,791	1,294	-27.8
Transportation	219	150	-31.5
Rent, communications, and utilities	21,713	20,802	-4.2
Printing and reproduction	3,063	2,101	-31.4
Services (Repairs and maintenance, space alterations, training, consultants, etc.)	4,130	2,636	-36.2
Supplies and materials	1,348	845	-37.3
Equipment	1,241	960	-22.6
Insurance claims and indemnities	(b)	10	-
Intergovernmental Personnel	47	(b)	-
Miscellaneous	<u>11</u>	<u>1</u>	<u>-90.9</u>
Non-personnel spending total	<u>\$33,578</u>	<u>\$29,337</u>	<u>-12.6</u>

a/This includes the costs of severance pay and unemployment compensation benefits to employees involuntarily separated by RIF and lump-sum payments to all employees with accrued annual leave who left OPM, regardless of the circumstances (retirement, resignation, RIF, etc.).

b/Less than \$1000. (No percentage change was computed for this object class.)

OPM also reduced S&E expenditures \$1.5 million by arranging reimbursable details of its employees to other agencies and encouraging internal details of employees to revolving fund or trust fund projects.

RETRENCHMENT ACTIONS
WERE DISRUPTIVE

As demonstrated by the following, OPM's personnel and spending reductions were obviously disruptive to the agency and adversely affected employees' morale and productivity at least temporarily:

- 184 employees lost their jobs.
- 257 employees were downgraded.
- 191 employees were reassigned to other jobs within the agency.
- Approximately 3,000 employees lost up to 6 days' pay and the Government lost the services of those employees during that period.
- For each position abolished by the RIF, two employees were affected by downgrade, separation, reassignment, or some other action.
- All but the most essential training for OPM employees was eliminated.
- As a result of the program changes and/or the RIF, OPM staff expertise was lost in several areas and employees were separated or moved to new jobs.
- Many employees, reassigned during the RIF, were subsequently detailed back to their old jobs for short periods of time to complete ongoing projects, or to assist or train replacements. Thus, two OPM jobs were disrupted.
- Considerable OPM management and staff time and resources were spent in planning and executing the RIF and furloughs.

As discussed in the next chapter, three OPM reorganizations from November 1981 through November 1982 also disrupted the agency's operations.

CHAPTER 4

OPM HAS REORDERED PROGRAM PRIORITIES AND PERSONNEL AGENCY FUNCTIONS

OPM reorganized its central office and field offices and realigned many of its personnel when it refocused its priorities on what it considers traditional, fundamental central personnel agency functions. These functions include, among other things

- preparing, overseeing, and enforcing civil service rules and regulations;
- performing staffing services for Federal agencies;
- administering health, life, and retirement benefit programs and funds for Federal employees, retirees, and survivors of employees and retirees; and
- monitoring the maintenance and improvement of the Senior Executive Service, merit pay and executive bonus programs, and the recently consolidated performance appraisal and productivity program.

OPM SHIFTED TO "BACK TO BASICS" MANAGEMENT

In the past, OPM performed a combination of personnel management and administration functions for Federal agencies, employees, retirees, and survivors of former employees and retirees. With passage of the Civil Service Reform Act in 1978, OPM placed greater emphasis on its broad personnel management functions. It provided direct assistance and consultation to Federal agencies on a variety of management issues and helped agencies develop, implement, and improve new, important reform initiatives: the Senior Executive Service, merit pay and executive bonuses, and performance appraisal systems.

Then, beginning in March 1981, the current OPM Director began redirecting agency priorities and resources toward more traditional, fundamental central personnel functions. According to the OPM Director, his "back to basics" philosophy and approach was to focus management attention on six basic areas:

- Overseeing and enforcing civil service rules and regulations and merit principles.
- Improving staffing services to Federal agencies.

- Insuring the financial integrity of the civil service retirement fund and improving the quality of retirement services.
- Improving Federal productivity and employee incentive by consolidating existing productivity and performance appraisal efforts and making the performance appraisal system, merit pay, and executive bonus programs work.
- Improving the financial integrity and administration of the Federal Employees Health Benefits Program.
- Assisting Federal agencies and employees affected by Government-wide personnel reductions.

The Director's stated rationale for OPM's redirection is summarized below:

- His "back to basics" approach is consistent with the Reagan Administration's theme of Government retrenchment. Employing agencies, necessarily, have primary responsibility for managing their personnel; OPM has primary responsibility for oversight of the civil service system and for providing personnel management services and advice to other agencies.
- Major CSRA initiatives are now "on line," and he believes that general oversight, maintenance, and improvement of these initiatives do not require as much OPM involvement as did their development and implementation.
- Previous administrations did not devote enough management attention to traditional, fundamental central personnel agency responsibilities such as oversight of the health insurance program, administration of disability and other early retirement provisions, processing of civil service retirement claims, and OPM's fiduciary role as retirement fund trustee.

The staffing and budget reductions imposed on OPM in December 1981 accelerated the planned retrenchment and redirection efforts that were already underway. These reductions were substantial enough to keep OPM from continuing to do all the things it had been doing in recent years.

FEWER SUBUNITS NOW REPORT
TO THE DIRECTOR

A reorganization in November 1981 restructured several lines of authority within OPM, but with little change in the

number or names of the offices and groups within the agency. Prior to this reorganization, 18 subunits of the agency reported directly to the Office of the Director. This reorganization reduced that number to 6: the Offices of the General Counsel, Planning and Evaluation, Congressional Relations, Public Affairs, Labor-Management Relations, and the Federal Prevailing Rate Advisory Committee. Four other staff offices and five program groups began reporting to the Director through the Office of the Deputy Director.

The Office of Intergovernmental Personnel Programs was abolished when the intergovernmental personnel grants were eliminated. OPM also combined two of its offices, Office of Personnel and Office of Equal Economic Opportunity (EEO), into a single Office of Personnel and EEO. Finally, the Office of Affirmative Employment Programs was made a component of the Workforce Effectiveness and Development Group.

A MAJOR REORGANIZATION IN JANUARY 1982 CONSOLIDATED SEVERAL FUNCTIONS

In January 1982, the Director announced another reorganization of OPM. This reorganization turned some formerly separate offices into subordinate units of other groups and created a single unit responsible for administering and overseeing the day-to-day operations of the agency.

In this reorganization, the number of subunits reporting directly to the Office of the Director was once again reduced, from six to five, by making the Office of Labor-Management Relations a component of the Workforce Effectiveness and Development Group. In addition, the number of subunits reporting to the Director through the Deputy Director was reduced from nine to eight, through changes described below.

A new Administration Group was created to consolidate, under one Associate Director, OPM's offices of internal personnel, EEO, finance, budget, and management operations, along with OPM's responsibilities for the Interagency Advisory Group (IAG) and OPM's oversight and administration of the Senior Executive Service (SES). The Executive Personnel and Management Development Group was eliminated as a separate entity and its functions and personnel were transferred to other groups. Training and development services for SES personnel were assigned to the Workforce Effectiveness and Development Group, which operates training programs for other portions of the Federal work force, while administrative matters, such as recruitment and assignment of executives, management of

executive positions, and general oversight, are now within the purview of OPM's Administration Group. 1/

Also, the Agency Relations Group, which had been responsible for assisting agencies in implementing the changes mandated by the CSRA, was eliminated. However, a small agency relations staff to assist agencies and continue IAG functions was retained within the Administration Group.

OPM's regional offices, which formerly reported through the Agency Relations Group, now report to the Deputy Director. The agency compliance and evaluation function of the Agency Relations Group was transferred to a newly created Compliance and Investigations Group, as were the personnel investigations functions from the Staffing Group.

OPM MERGED POLICY AND COMMUNICATIONS FUNCTIONS AND CREATED DIRECTOR'S REGIONAL REPRESENTATIVES IN NOVEMBER 1982 REORGANIZATION

In November 1982, another reorganization took place. 2/ The Director, OPM, announced the formation of a new Office for Policy and Communication at OPM's Central Office and the appointment of five Director's representatives for OPM's regional offices. Four components were joined to form the new Office for Policy and Communications: (1) the Office of Agency and Labor-Management Relations, (2) the Office of Interagency Coordination, (3) the Office of Planning and Evaluation, and (4) the Office of Public Affairs. According to OPM, the five regional representatives, each responsible for activities within two regions, will help organize and direct activities of the Federal Executive Board, help manage the Combined Federal Campaign in the regions, and perform other responsibilities for the Director, OPM.

FIELD OFFICES ALSO REORGANIZED TO EFFECT PROGRAM CHANGES AND BRING REGIONAL STRUCTURES MORE IN LINE WITH THOSE OF THE CENTRAL OFFICE

OPM's regional offices also reduced or eliminated activities and reorganized their management structures in keeping with

1/Subsequent to completing our audit work, OPM reassigned responsibility for all aspects of SES to the Workforce Effectiveness and Development Group.

2/See appendix II for a current OPM organization chart.

redirected program priorities and reduced funding. About 36 percent of the March 1982 RIF-related actions involved field office employees.

In field offices, retrenchment actions were taken in several program areas, notably

- the intergovernmental personnel grant program was eliminated;
- the Central Office assumed responsibility for much of OPM's affirmative employment program;
- the field offices closed some area offices, particularly job information centers; and
- hours of operation at job information centers were curtailed to less than 8 hours a day and less than 5 days a week.

In January 1982, the Central Office prescribed a unified regional organizational structure for the field offices. This structure required four principal divisions within regional offices: staffing services, personnel investigations, agency compliance and evaluation, and work-force effectiveness and development. The functions of the four principal divisions are supposed to correspond to the functions of their counterparts in the Central Office. Regional directors also were granted discretion to organize other functions they deemed appropriate.

CHAPTER 5

OPM REDUCED SCOPE AND QUANTITY OF MANY OVERSIGHT ACTIVITIES AND SERVICES

OPM continues to perform central personnel agency functions. However, because of its Director's "back to basics" strategy, realignment of functions and personnel, staff attrition, RIF, and S&E budget reductions, it is a much different organization now than it was 2 years ago. For example, OPM's working relationship with Federal agencies has changed. Basically, agencies are now more on their own and cannot count on, and do not receive, as much OPM advice and assistance as they did in prior years. OPM has delegated much of its personnel management authority to agencies; it does not get as actively involved in agencies' day-to-day management of human resources. Also, OPM reduced the scope and quantity of its oversight and does not provide as much advisory assistance and services to Federal agencies in non-personnel areas, such as financial management and management information systems, as it did in prior years. On the other hand, OPM is now devoting increased attention to some personnel areas such as administration of retirement and health benefits.

Personnel laws and OPM's guiding policies and regulations provide the general framework for Federal personnel management. However, individual Federal agencies, necessarily, have the primary responsibility for managing their valuable human resources. OPM's primary roles are to provide overall leadership, perform certain personnel administration functions, and help insure that Federal agencies adhere to civil service rules and regulations and merit system principles.

Authority for most personnel management activities has been delegated to individual Federal agencies. The effectiveness of OPM's role of overseeing the agencies personnel management activities cannot be reliably assessed, either before or after the cutbacks, because (1) OPM's contributions are not readily measurable, and (2) comparative and evaluative data do not exist. Nevertheless, we are concerned about the possible implications and potential impact of retrenchment and redirection at OPM. Over the years, we have reported to the Congress, OPM, and others on many personnel management issues and problems, ¹/ many of which continue to exist, particularly with

¹/See appendix III for a listing of prior GAO reports dealing with OPM's oversight of Federal personnel management and CSRA initiatives.

CSRA initiatives. OPM leadership is needed to help address and resolve them.

The following sections of this chapter discuss the retrenchment and redirection at OPM from an operational perspective and, to the extent possible, address the possible implications and potential impacts those changes may have.

OPM ABSORBED STAFFING LEVEL
REDUCTIONS IN MANY FUNCTIONS AND
SUBORGANIZATIONAL COMPONENTS

Because of staff attrition, reorganizations, RIF, and reduced S&E staffing and spending levels for fiscal year 1982, OPM absorbed staffing level reductions in many of its functions and suborganizational components.

The following table compares the staffing levels of OPM functions and components between (1) December 1981 (before the reduced S&E funding levels mandated by the Congress were effected and before the major reorganization in January 1982), (2) March 1982 (immediately after the RIF), and (3) August 1982, (5 months after the RIF).

OPM's Central Office Staffing Levels

<u>OPM functions/ suborganizational components</u>	Approximate number of personnel assigned		
	End of	End of	End of
	December <u>1981</u>	March <u>1982</u>	August <u>1982</u>
Staffing	364	327	314
Standards development	59	52	52
Personnel research and development	61	36	35
Personnel investigations	350	305	293
Administrative law judges	11	8	7
Training	178	175	172
Performance and productivity management	81	66	66
Federal Executive Institute	23	23	22
Government-wide executive personnel management	39	35	34
Government-wide executive and management development	72	72	70
Government-wide affirmative employment	36	36	32
Government-wide Labor- management relations	30	21	20
Agency compliance and evaluation of civil service rules and merit principles	64	58	56
Government work-force information	73	68	64
Retirement administration	973	942	908
Insurance administration (note a)	100	94	56
Financial control and management of compensation programs	124	119	125
Pay and benefits policy (note a)	76	68	78
Pay programs	33	31	27
Compensation program development (note a)	61	39	1
Automated systems development	52	51	45
Government Ethics	26	25	23
 <u>OPM staff Offices</u>			
Executive Direction (note a)	23	33	28
Management Support	356	341	318
Finance and Budget	78	78	74
Personnel and EEO Office	81	89	68
Congressional Relations	12	12	12
General Counsel	44	50	51
Public Affairs	22	20	20
Planning and Evaluation (Internal and CSRA)	65	61	62
Inspector General (note a)	20	15	45

a/Some functions were combined with others and transferred from one suborganizational component or staff office to another. This explains some of the variations in assigned personnel for these functions between December 1981 and August 1982.

We analyzed, in more detail, the staffing level and personnel changes in five OPM central office functions--labor-management relations, affirmative employment, SES oversight and executive development, agency compliance and evaluation, and CSRA evaluation. We found that, although those functions absorbed staffing level reductions as a result of staff attrition and the various retrenchment and redirection actions that occurred at OPM, all the functions, except for CSRA evaluation, basically, retained a large percentage of their staff. OPM's CSRA evaluation function, on the other hand, lost several staff members with expertise as a result of the RIF and an internal reorganization of its parent unit, the Office of Planning and Evaluation. Appendix IV contains detailed information on the staffing level and personnel changes for these five functions.

OPM REDUCED ITS LEVEL OF EFFORT ON REFORM-ACT-RELATED FUNCTIONS

The CSRA introduced several new features to the Federal civil service system, such as the Senior Executive Service, merit pay, and a requirement that agencies implement measurable performance standards and objective performance appraisal systems. OPM was responsible for overseeing the development and implementation of these changes.

To carry out its responsibility, OPM, in 1979, developed a 5-year strategy for evaluating the implementation and impact of the CSRA. OPM's initial strategy consisted of (1) creating program plans for evaluating 11 individual reform initiatives, such as the SES, merit pay, and performance appraisal; (2) arranging for an integrated examination of selected reforms by independent contractors; and (3) instituting a survey of Federal employees' attitudes about the reforms and their effects.

OPM established organizational components to direct the implementation of the reform act. These components included the agency relations, executive personnel, and merit pay and performance appraisal groups. These groups dealt with the development and implementation of the new programs and revised personnel management procedures called for in the act.

Then, with the new "back-to-basics" initiatives, and required staffing and budgetary reductions, OPM reduced its efforts in these areas beginning in fiscal year 1982. OPM's Associate Directors said that, since nearly all agencies had already implemented reform act initiatives, OPM no longer needed to maintain a separate staff for that purpose. OPM officials told us that its interagency coordination staff along with staff from its various program and compliance offices, continue to work with agencies to monitor and improve initiatives.

OPM also restructured its program for researching and encouraging productivity and performance improvements in the Government. Early in fiscal year 1982, the Director abolished the productivity program, which had been engaged in promoting productivity enhancement in the Government. Later in fiscal year 1982, the Director announced the formation of a new performance management office in the Workforce Effectiveness and Development Group to develop a system more directly linking employees' pay with on-the-job performance. The office also includes all the previously separate OPM groups that were working on developing and implementing the merit pay system and an improved performance appraisal system. This new initiative, a high priority of the Administration according to the OPM Director, essentially will replace the former productivity, merit pay, and performance appraisal programs.

OPM's 5-year reform act evaluation effort included a Federal Employee Attitude Survey (FEAS) and contracts with three universities for organizational assessments of the implementation of the CSRA in various Federal agencies. The last FEAS was conducted in the fall of 1980. OPM plans to conduct another FEAS during the summer of 1983, but due to funding reductions, the scope of this FEAS may be cut back. The scope of organizational assessments has also been reduced: early in fiscal year 1982, one university was dropped; another was dropped for fiscal year 1983; and the remaining university will reduce the number of sites in its case studies.

OPM CONTINUES TO PERFORM BASIC
CENTRAL PERSONNEL AGENCY FUNCTIONS,
BUT LEVEL OF EFFORT AND SOME
SERVICES HAVE BEEN REDUCED

OPM continues to oversee civil service rules, regulations, and merit principles; to recruit and examine job applicants and certify candidates for job openings; and to administer the health and life insurance and retirement programs. However, OPM has reduced its level of effort devoted to general oversight activities, performs fewer agency compliance reviews, participates in fewer agency-led evaluations, and in general provides fewer advisory services to Federal agencies.

As part of its emphasis on "bedrock personnel management," OPM now devotes more attention to managing several problem areas that we have reported on in the past--retirement claims processing, early and disability retirement administration, and group health insurance. OPM has made some changes in these important areas already--many previously recommended by GAO--and has other changes under active study and/or consideration.

OPM's insurance and retirement operations were not directly affected by retrenchment and redirection; however, they were indirectly affected through the RIF process as employees from various units "bumped" or "retreated" into positions held by "specialists" and financed through the insurance and retirement trust funds. OPM officials claimed, however, that this movement of people into and out of trust fund positions did not seriously disrupt the groups' work. They also, pointed out that employees whose salaries were paid entirely from trust funds were not furloughed.

In some trust fund operations, OPM has actually assigned more staff. In the area of disability retirement claims processing, for example, OPM increased staff from 9 to 18 between January and April 1982. The agency brought 10 paraprofessional claims examiners into the disability claims section to perform initial reviews of claims.

As stated previously, OPM's Director has said that OPM's highest priority is its responsibility to review agencies' compliance with civil service rules, regulations, and merit system principles. Basically, OPM does this through its guidance and regulations, position classification reviews, agency compliance evaluations, and special reviews and studies. Yet, while the agency compliance and evaluation office did not abolish occupied positions during the RIF, it was required to absorb reductions in its staffing and spending levels because of the cuts in OPM's S&E appropriation.

OPM officials told us that the central and field offices now are conducting fewer reviews and fewer special studies of the application of civil service rules and regulations, and that the scope of some evaluations has been reduced. Several OPM field office officials told us that staffing reductions had forced them to eliminate evaluations with the lowest priorities. Also, they said they would be hard pressed to meet their legal requirements for monitoring the use of delegated personnel authorities and probably would have to reduce or eliminate technical evaluation assistance to Federal agency evaluation staffs. ^{2/}

Because of current Government-wide retrenchment efforts, Federal agencies and others have "ordered" or used fewer of OPM's staffing services. For example, OPM is receiving fewer

^{2/}For a discussion of why OPM needs to evaluate delegated personnel management authorities, see GAO report "Delegated Personnel Management Authorities: Better Monitoring and Oversight Needed" (GAO/FPCD-82-43; Aug. 2, 1982).

job applications, and agencies are requesting fewer personnel investigations. This has led OPM to reduce staffing levels in these services.

In spite of a reduced workload for staffing services, a staffing backlog has developed. For example, OPM central office staffing officials told us that in May-June 1982 OPM had (1) 10,000 applications over the 20-day processing standard compared with only 4,000 in May-June 1981, and (2) 641 certificates (of best qualified job applicants) over the 5-day processing standard compared with only 150 in May-June 1981.

They also said that the development and production of job classification and qualification standards was slowing. Officials in several OPM regional offices also reported backlogs in examining work, including applications, certifications to employing agencies, correspondence, evaluations of OPM area offices, and reviews of employing agencies' examining authorities. They told us that employment suitability investigations financed by OPM's S&E appropriation were backlogged in fiscal year 1982 because OPM investigators were detailed to reimbursable revolving fund investigations as part of OPM's efforts to curtail S&E spending.

OPM also has curtailed its operations in Government recruiting. With the fiscal year 1982 general retrenchment in the nondefense sector of the Government, OPM reduced its recruitment efforts at the central office by eliminating positions for (1) determining staff needs and (2) recruiting on college campuses. In the regions, OPM closed some area offices and some job information centers and reduced hours of operation at the remaining centers.

For example, with the closing of New York's job information centers in the Bronx and Jamaica, the New York metropolitan area is now served only by the center in Manhattan. In addition, OPM's Southeast (Atlanta), Southwest (Dallas), Mid-Atlantic (Philadelphia), New England (Boston), Great Lakes (Chicago), Northwest (Seattle), and Western (San Francisco) regions told us that they reduced both the number and the hours of operation of their job information centers.

OPM central office staffing officials acknowledged that closing or curtailing services at Federal job information centers may have adversely affected individual applicants, but they claimed that it had not hampered the Government's recruitment efforts. They stated that there are fewer employment opportunities and that sufficient numbers of people apply for job vacancies to provide adequate competition.

Additionally, officials of several OPM regional offices told us that other OPM services--such as benefits counseling, training development assistance, technical assistance, affirmative employment, performance appraisal and related outreach efforts--were reduced or curtailed. They said that, while OPM continues to respond to agency requests for assistance, it no longer "pushes" its services.

OPM's Government-wide work-force information data system was also affected. According to OPM central office officials, budget reductions forced the abolishment of 14 of the Workforce Information offices' 70 positions. They told us that effects on services included the following:

- Users must now set priorities for their requests for data from OPM's Central Personnel Data File and other sources, and OPM does not process low priority requests.
- Some Government-wide reports are produced less frequently, and users have to settle for older data.
- Fewer copies of statistical reports on the Federal work force are being produced and distributed.
- Several OPM publications, pamphlets, and reports were eliminated as part of a Government-wide effort, coordinated by the Office of Management and Budget, to reduce both publication costs and low-priority paperwork.

OPM ELIMINATED CERTAIN ACTIVITIES
AS A RESULT OF ITS REORDERED
PRIORITIES AND OTHER FACTORS

OPM terminated its intergovernmental personnel grant program, which provided grants to State and local governments to improve their civil service systems and procedures. OPM provided grant money, technical assistance, and oversight of State and local efforts to improve their personnel management and training systems. In fiscal year 1980, OPM budgeted \$20 million for this program. OPM began to phase out the program grants during fiscal year 1981, when it allocated only \$14.1 million for the program, and in fiscal year 1982, the program was terminated. OPM allocated 178 full-time permanent positions

to this program in fiscal year 1980, 99 such positions in fiscal year 1981, and no positions in fiscal year 1982. ^{3/}

In 1981 the Director terminated OPM's consulting services program. Under this program, OPM had provided consulting services on a broad range of topics, including financial, organizational, and personnel management. The Director believed that these services were expendable in view of his desire to redirect OPM's activities toward an emphasis on "bedrock personnel management." By eliminating these services, OPM abolished 57 more positions in its central office.

OPM also eliminated a planning division within the compensation program development office. This division had performed analyses of compensation issues and had developed proposals for reforms of Federal compensation policies. OPM abolished the office because it felt that Congress and the Administration would not agree on any pay-setting reform in the near future. Further, OPM's managers said they could always recreate an office to study and develop compensation reform proposals if renewed interest in a reform proposal develops. The 23 positions in that planning division, as of December 31, 1981, were declared surplus; the incumbents of those positions left OPM, were reassigned to vacant positions elsewhere in OPM, or were subjected to the March 1982 RIF.

USER AGENCY OBSERVATIONS ON RETRENCHMENT AND REDIRECTION AT OPM

We obtained perspectives and informal comments on the operational impacts of retrenchment and redirection at OPM from personnel officials at four randomly-selected major Federal departments: Health and Human Services, Labor, Justice, and Commerce. Although officials at all four departments identified some weaknesses and shortcomings in OPM's services, officials of three departments believe that they benefitted from OPM's changes in operating strategy and emphasis; they were optimistic and enthusiastic about their added independence and flexibility.

Officials from all four departments said they were not looking to OPM for as much leadership nor were they requesting as much OPM assistance as they had in prior years. Their

^{3/}The Intergovernmental Personnel Act of 1970 also authorized the temporary assignment of personnel between Federal agencies and other organizations for work of mutual concern and benefit. Authority for these assignments was not terminated. However, a separate GAO review of these assignments found OPM's reorganizations and personnel cut-backs hampered its management of this program.

primary rationale was OPM's shift in emphasis to more basic central personnel agency functions, their general belief that it is now less useful to request OPM services because of lost staff expertise, low staff morale, and OPM staffs' own uncertainties about OPM's role, responsibilities and current policies in some areas.

Although officials from all four departments told us they were no longer seeking additional leadership from OPM, officials from at least two departments believe that it would be beneficial for their own staff and OPM staff if OPM clarified its role and responsibilities with respect to Federal personnel management. In that regard, two of the department officials we interviewed believe that OPM is not functioning as a "team" because of a basic mistrust between its career employees and its non-career management people. In fact, one agency personnel official attributed part of OPM's staff morale problem to its staffs' uncertainty about and noninvolvement in OPM policy-making. One department's Director of Personnel believed that OPM staff have an uncooperative attitude and refuse to adapt to and accept the current OPM Director's philosophy. He told us that he felt that OPM staffers have attempted to "stonewall" and undermine some of the changes instituted by the OPM Director. Officials from at least two departments believe that the OPM Director has softened his stance on several issues, has become more attuned to personnel management issues and problems, and is becoming more willing to listen to career personnel directors of employing agencies.

Other OPM shortcomings and problems identified by personnel officials of one or more of the four departments we surveyed include the following:

- OPM is performing fewer agency compliance and evaluation reviews and, at the same time, is participating in fewer agency-led evaluations.
- It is difficult to obtain timely, definitive OPM responses to questions regarding labor-management relations, merit pay and performance appraisal, staffing and position management and classification.
- OPM was late in announcing the summer employment program for fiscal 1983 and OPM no longer conducts examinations for clerical positions at local area high schools if there are fewer than 100 job applicants.
- OPM's position classification and qualification standards program has become "bogged down" in controversy over revised standards for procurement officers.

- Agency relations officers, who were eliminated in fiscal year 1982, had been helpful to agencies; this means that each agency must now do more research and "leg work" of its own.
- OPM's certifying and staffing services are a little less timely, but this is not a problem now because agencies are hiring fewer employees.
- Officials expressed concern about OPM's capability, because of staff reductions, to recentralize examination authority (which had previously been delegated to individual agencies) and provide timely services to employing agencies.
- OPM no longer provides leadership in training for modern technologies such as computer-assisted learning, video instruction, and other related areas.
- OPM needs to provide new, more timely policy direction in some areas. One department had wasted time and effort in trying to discern new OPM directions in the areas of early retirement, Professional/Administrative/Clerical Exam (PACE), special pay rates, classification accuracy, and labor-management relations.
- OPM scaled back its "clearinghouse" efforts in labor-management relations cases, executive development opportunities, and availability of Government-wide training courses, which require individual agencies to separately obtain information in these areas.
- Concern because a number of key personnel retirements and other attrition at OPM since 1979 have depleted much of OPM's expertise.
- One department's compensation staff, which is ill-equipped to handle new duties, had to assume work formerly performed by OPM on special rates of pay.
- Complaints about delays in OPM's distribution of adequate supplies of health benefits materials; one department was swamped with information requests from retirees who could not get timely information from OPM.

In several areas, personnel of one or more of the four departments we surveyed told us that they had noticed no changes in the quantity, quality, timeliness, or usefulness of OPM services, or that they believed the changes at OPM were beneficial to their agencies. Examples of their comments were:

- OPM now requires fewer reports and detailed personnel data from employing agencies.
- Dissolution of OPM's agency relation officers program was beneficial because the departments prefer dealing directly with OPM's program people, with the result that their agency staffs are becoming more knowledgeable and independent.
- An Assistant Secretary for Administration and Director of Personnel told us that OPM has been very responsive and supportive of their agency's efforts, particularly in the area of performance appraisals. They also said it is too early to judge the effects of retrenchment and redirection at OPM.
- OPM's decentralization of agency compliance and evaluation reviews to its field offices is appropriate, but more resources should be devoted to this function.
- OPM has improved its training programs; they are now better, more competitively priced, more flexible, more responsive to the department's needs, and the department is buying more OPM training.
- One department perceived no changes in OPM's SES monitoring and oversight and agency compliance and evaluation activities.
- OPM's change in leadership and style is much welcomed, particularly in view of the intent of the reform act. OPM still sets general personnel policy but does not tell agencies how to interpret and administer it.
- OPM guidance and assistance on RIF's is adequate (this from a department that conducted a major RIF in fiscal year 1982).

OVERVIEW OF THE RIF PROCESS

Under RIF procedures, individual employees are not selected for removal, rather certain positions are abolished, and employees occupying abolished positions are displaced from those jobs. However, they may have rights to displace other employees, or they may be placed into vacant positions for which they are qualified. But agency managers are not required to fill vacancies during a RIF.

For RIF purposes, the agency must establish competitive areas, competitive levels, and retention registers. Competitive areas are geographical or organizational limits in which employees compete for retention. Competitive levels are groups of positions by occupation or grade within each competitive area. Retention registers list employees within each competitive level in order of their retention standing.

An individual employee's retention standing is determined according to the employee's tenure group first, then veterans' preference, and length of service, and, finally, current performance rating. Employees are grouped into one of three groups:

- Group I - Career employees not serving a probationary period
- Group II - Career employees serving a probationary period and career-conditional employees
- Group III - Indefinite, term, status quo, and some temporary employees.

Within each tenure group, employees are grouped into one of three subgroups:

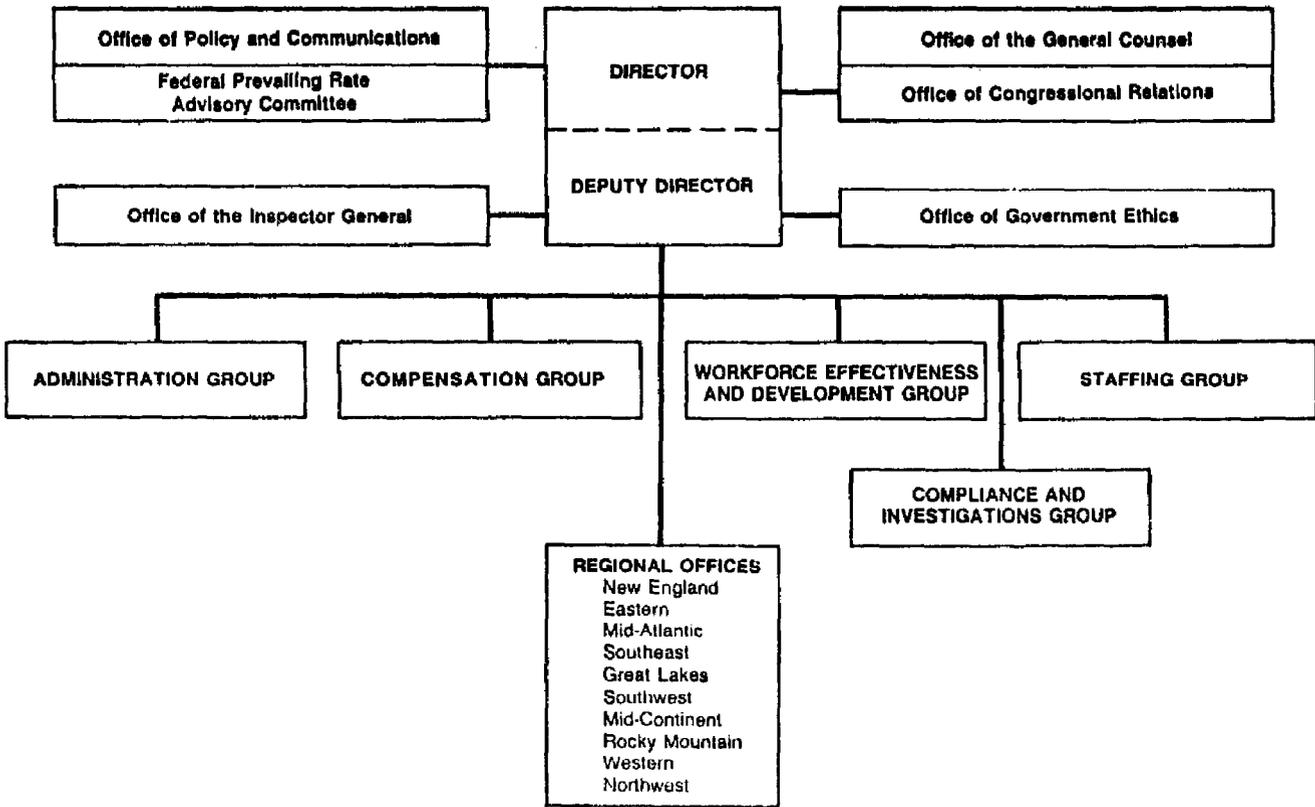
- AD - Veterans with 30 percent or more disability
- A - Other veterans
- B - Nonveterans

Then, within subgroups, employees are listed on the retention registers by length of Federal service. For RIF purposes, an employee rated between "satisfactory" and "outstanding" receives an additional 2 years' credited service; employees rated "outstanding" are credited with 4 years' additional service.

OPM's regulations grant wide discretion to agency managers in conducting some aspects of a RIF. For example, agencies have considerable discretion to decide on competitive areas and competitive levels. Agencies also have broad discretion in deciding which positions to abolish.

When an employee's position is abolished in a RIF, that employee competes with others for one of the remaining positions in the agency that is within the employee's competitive area. In the first round of competition, an employee whose position was abolished competes for a position within his or her competitive level. The employee with the lowest standing would be the first released from a competitive level, because an employee whose position was abolished may displace the employee with the lowest retention standing in the same competitive level. The second round of competition occurs among employees who were released from their competitive level. An employee who was released from his or her competitive level may "bump" into a position in another competitive level provided that he or she is qualified to perform the work and that the position is occupied by an employee of a lower tenure group and subgroup. (For example, an employee in retention group IA may bump into positions held by employees in retention group IB and may bump into positions held by any employee in groups II and III.) In the third round of competition, an employee may "retreat" into an available position which is identical to or substantially the same as a position from or through which the employee was promoted. When retreating, an employee may displace an employee with less length of service in his or her own subgroup.

United States
Office of Personnel Management



PRIOR GAO REPORTS DISCUSSING THE OFFICE OF PERSONNEL
MANAGEMENT'S OVERSIGHT OF THE CIVIL SERVICE
REFORM ACT AND OTHER PERSONNEL LAWS AND PROGRAMS
(OCTOBER 1978-DECEMBER 1982)

Civil Service Reform--Where It Stands Today (FPCD-80-38;
May 13, 1980)

An Evaluation Of The Intergovernmental Personnel Act Of 1970
(FPCD-80-11; Dec. 19, 1979)

Letter report to OPM on grade and pay retention (Jan. 8, 1980)

Joint letter to OPM and FLRA on the need to reserve management
rights in collective bargaining (FPCD-79-35; Apr. 18, 1979)

Annual Adjustments: The Key To Federal Executive Pay
(FPCD-79-31; May 17, 1979)

Need For An Overall Policy And Coordinated Management Of Federal
Retirement Systems (FPCD-78-49, Dec. 29, 1978)

Part-time and Other Federal Employment: Compensation And
Personnel Management Reforms Needed (FPCD-78-19; June 5, 1979)

Minimum Benefit Provisions Of the Civil Service Disability
Retirement Program Should Be Changed (FPCD-80-26, Nov. 30, 1979)

Investment Policies, Practices, And Performances Of Federal
Retirement Systems (FPCD-79-17; Aug. 31, 1979)

Letter report to Director, OPM, on the need for personalized
benefit statements (FPCD-79-53; May 14, 1979)

Letter report to Director, OPM, on retirement credit for
Japanese Americans interned during World War II (FPCD-79-39;
Mar. 28, 1979)

Letter report to Director, OPM, on voluntary early retirement
provisions (Nov. 28, 1979)

Comparative Growth In Compensation For Postal and Other
Employees Since 1970 (FPCD-78-43; Feb. 1, 1979)

Determining Federal Compensation: Changes Needed To Make the
Process More Equitable And Credible, (FPCD-80-17; Nov. 13, 1979)

Development Of The Classification Standards For Flight Service
Station Specialists (FPCD-79-52; July 25, 1979)

Wages For Federal Blue-Collar Employees Are Being Determined According To Law, But Improvements Are Needed (FPCD-80-12, Oct. 29, 1979)

Handbook For Government Work Force Requirements (FPCD-80-36; Jan. 28, 1979)

Federal Agency Standards For Employee Conduct Need Improvement (FPCD-80-8; Oct. 18, 1979)

Hatch Act Reform--Unresolved Questions (FPCD-79-55; July 24, 1979)

Letter report to Director, OPM, on inadequate recordkeeping of employees' official time spent on representation functions with unions (FPCD-79-11; Sept. 17, 1979)

Does The Federal Incentive Awards Program Improve Productivity? (FGMSD-79-9; Mar. 15, 1979)

Problems Concerning The Federal Equal Opportunity Recruiting Program (FPCD-79-62; June 18, 1979)

Total Compensation Comparability For Federal Employees (FPCD-80-82; Sept. 3, 1980)

Problems In Developing And Implementing A Total Compensation Plan For Federal Employees (FPCD-81-12; Dec. 5, 1980)

Proposal To Lower The Federal Compensation Comparability Standard Has Not Been Substantiated (FPCD-82-4; Jan. 26, 1982)

Federal Pay--Setting Surveys Could Be Performed More Efficiently (FPCD-81-50; June 23, 1981)

Additional Improvements Needed In The National Survey Of Professional, Administrative, Technical, And Clerical Pay (FPCD-82-32; Apr. 5, 1982)

Civil Service Disability Retirement Program (FPCD-81-18; Dec. 15, 1980)

Voluntary Early Retirements In The Civil Service Too Often Misused (FPCD-81-8; Dec. 31, 1980)

Changes Needed In Calculation Of Reduction In Civil Service Annuities For Survivor Benefits (FPCD-81-35; Feb. 26, 1981)

Cost of Increased Retirement Benefits For Panama Canal Employees (FPCD-81-42; May 6, 1981)

Action Needed to Eliminate Delays in Processing Civil Service Retirement Claims (FPCD-81-40; July 20, 1980)

Tightening Eligibility Standards Could Cut Involuntary Retirement Costs by Millions of Dollars (FPCD-81-71; Sept. 25, 1981)

Terminating Benefits To Economically Recovered Disability Retirees Should Be More Timely (FPCD-82-46; July 9, 1982)

Updating Interest Rates Changed On Outstanding Civil Service Retirement Contributions Would Save Millions (FPCD-8239; Aug. 4, 1982)

Agencies Need Controls to Preclude Severance Payments to Certain Ineligible Former Employees (GAO/FPCD-82-44; May 7, 1982)

First Look at Senior Executive Service Performance Awards (FPCD-80-74; Aug. 15, 1980)

Federal Merit Pay: Important Concerns Need Attention (FPCD-81-9; Mar. 3, 1981)

Evaluation Called for to Monitor and Assess Executive Appraisal Systems (FPCD-81-55; Aug. 3, 1981)

Serious Problems Need to be Corrected Before Federal Merit Pay Goes Into Effect (FPCD-81-73; Sept. 11, 1981)

Actions Needed to Enhance the Credibility of Senior Executive Service Performance Award Programs (FPCD-81-65; Sept. 30, 1981)

Federal Work Force Planning: Time for Renewed Emphasis (FPCD-81-4; Dec. 30, 1980)

Government Earns Low Marks On Proper Use Of Consultants (FPCD-80-48; June 5, 1980)

Improving the Credibility and Management of the Federal Work Force Through Better Planning and Budgetary Controls (FPCD-81-54; July 17, 1981)

Personnel Conversions During Presidential Transition: Improved Monitoring Needed (FPCD-81-51; May 27, 1981)

Effects of The Presidential Transition On The Senior Executive Service (FPCD-82-29; Mar. 23, 1982)

Part-time Employment In The Federal Government (FPCD-82-54; July 12, 1982)

Federal Civilian Personnel: A Work Force Undergoing Change
(GAO/FPCD-83-9; Oct. 14, 1982)

The Alternative Work Schedules Experiment: Congressional
Oversight Needed To Avoid Likely Failure (FPCD 81-2;
Nov. 14, 1980)

Federal Agencies Stress Management Training Programs
(FPCD-81-32; Jan. 8, 1981)

OPM Needs To Provide Better Guidance To Agencies For Approving
Government-Funded College Courses For Employees (GAO/FPCD-82-61;
Sept. 20, 1982)

Achieving Representation Of Minorities And Women In The Federal
Work Force (FPCD-81-5; Dec. 3, 1980)

Ways To Improve Federal Management And Use of Productivity-Based
Reward Systems (FPCD-81-24; Dec. 31, 1980)

Interagency Advisory Group For Personnel Policy And Operations
(FPCD-80-77; Sept. 15, 1980)

Federal Employees Excluded From Certain Provisions Of The Civil
Service Reform Act (FPCD-81-28; Apr. 7, 1981)

Obstacles Hamper the Office of Personnel Management's Evaluation
Of The Implementation Of The 1978 Civil Service Reform Act
(FPCD-81-69; Sept. 14, 1981)

Civil Service Reform After Two Years: Some Initial Problems
Resolved But Serious Concerns Remain (FPCD-82-1; Nov. 10, 1981)

Mental Health Programs For Federal Employees (FPCD 81-15;
Mar. 17, 1981)

Programs To Help Displaced Federal Civilian Employees Obtain
Employment (GAO/FPCD-82-75; Sept. 28, 1982)

Uniform Guidelines On Employee Selection Procedures Should Be
Reviewed And Revised (GAO/FPCD-82-26; July 30, 1982)

Better Guidance Is Needed For Determining When Examining
Authority Should Be Delegated To Federal Agencies (FPCD-82-41;
July 1, 1982)

Delegated Personnel Management Authorities: Better Monitoring
And Oversight Needed (GAO/FPCD-82-43; Aug. 2, 1982)

OPM's Initial Attempts To Implement Demonstration Provisions Of
The Civil Service Reform Act Of 1978 (FPCD-80-63; Sept. 5, 1980)

Letter report to OPM on the need to improve agency
administrative systems (GAO/FPCD-83-15; Dec. 22, 1982)

DETAILED INFORMATION ON STAFFING LEVELS AND
PERSONNEL CHANGES FOR FIVE OPM FUNCTIONS

LABOR-MANAGEMENT RELATIONS

Before the January 1982 reorganization, the labor-management-relations function had five subcomponents--Office of Assistant Director, Union Consultation, Third-Party Intervention, Technical Guidance and Information, and Policy and Program Evaluation. Then the Union Consultation and Policy and Program Evaluation subfunctions were consolidated into a new subfunction called Union-Management Relations, and the Third-Party Intervention subfunction was transferred to OPM's Office of General Counsel.

Between December 31, 1981, and August 31, 1982, the staffing level of the labor-management-relations function was reduced by 10 positions--7 professional, 1 technical, and 2 clerical. Six of the seven professional positions lost were labor-relations specialists and the seventh was a paralegal specialist.

Of the 10 employees affected by the March 1982 RIF, 1 labor relations specialist (SES member) retired, 2 (GS-13 and GS-7) left OPM before the RIF, and 3 (GS-15, GS-14, and GS-13) were transferred (along with the Third Party Intervention subfunction they were performing) to OPM's General Counsel. The paralegal specialist (GS-5) left OPM after the RIF. A personnel clerk (GS-6) and a secretary (GS-5) left OPM before the RIF; another secretary (GS-5) was reassigned as part of the transfer of function.

Then, the consolidation of the policy and program evaluation and union consultation subfunctions in January 1982 resulted in a "surplus" GS-15 labor relations specialist position. As part of the March 1982 RIF, that position was abolished and its incumbent reassigned to the newly consolidated subfunction as a GS-14.

As of August 31, 1982, the labor-management-relations function had 20 staff members, compared to 30 in December 1981. However, 19 of the 20 staff members assigned in August 1982 already had been assigned to this function in December 1981, most of them in the same jobs and at the same grade levels.

In November 1982, the labor-management-relations function and the agency-relations function were combined and transferred to the newly created Office of Policy and Communications, which reports to the Director, OPM. One result of this reorganization was the reassignment of the long-time director of the labor-management relations function.

AFFIRMATIVE EMPLOYMENT

The Office of Affirmative Employment Programs (AEP) was made a component of the Workforce Effectiveness and Development Group in the fall of 1981. Also, OPM officials told us that the affirmative employment function was cut back in OPM's 10 regional offices, and OPM's central office staff assumed responsibilities previously vested in the field offices.

As of August 1982, the AEP function had six subcomponents--Office of Assistant Director, Federal Women's Program, Veterans Employment Program, Selective Placement Program, Minority Employment Program, and Hispanic Employment Program. A program development subcomponent had been eliminated between March 1982 and August 1982; four of the six staff members (GS-13, GS-12, GS-7, and GS-2) assigned to that subcomponent were absorbed by other affirmative employment subcomponents; one staff member (GS-14) transferred to another function and job within OPM; and the fifth staff member, (GS-5 secretary) left OPM. Additionally, one personnel staffing specialist (GS-12) in the minority employment subcomponent and one secretary (GS-5) in the hispanic employment subcomponent left OPM; neither was replaced.

The affirmative employment function in OPM's central office had 32 staff members, compared with 36 as of December 31, 1981. Although the function absorbed a staff reduction of four, 30 of the 32 staff members assigned in August 1982 had been assigned to this function in December 1981, most of them in the same jobs.

SES ADMINISTRATION AND
EXECUTIVE/MANAGEMENT DEVELOPMENT

The Executive Personnel and Management Development (EPMD) Group was dissolved as part of the major reorganization in January 1982; its executive oversight/administration function was assigned to the Administration Group, which is headed by the former Associate Director of the Executive Personnel Group, and its executive training and development functions were assigned to the Workforce Effectiveness and Development Group, which also handles those functions for non-SES personnel. As shown in the following table, the SES functions absorbed a total net staff reduction of about 10 percent through attrition, reorganization, and RIF. Although the function lost several key people, many of the staff were retained.

SES STAFF

<u>SES oversight/administration</u>	<u>Number of personnel assigned</u>		
	<u>Dec. 1981</u>	<u>March 1982</u>	<u>Aug. 1982</u>
	<u>EPMD Group</u>	<u>Administration Group</u>	
Office of Associate/Assistant Director	3	3	1
SES Division	4	-	-
Executive Placement and Information	7	-	-
Evaluation and Research Executive Personnel	5	-	-
Programs	-	9	10
Agency Officers	18	18	18
Executive Records	5	5	5
Subtotal	<u>42</u>	<u>35</u>	<u>34</u>
		<u>WORKFORCE EFFECTIVENESS AND DEVELOPMENT GROUP</u>	
<u>Executive and management development</u>			
Office of Assistant Director	3	2	1
Executive and Management Training	5	6	6
Western Executive Seminar Center	11	11	11
Central Executive Seminar Center	9	9	9
Eastern Executive Seminar Center	9	9	8
University Relations and Long Term Training	2	-	-
Long Term Training and Special Projects	-	3	3
Washington Management Institute	9	11	10
Government Affairs Institute	8	8	9
Programs and Guidance	7	3	3
Agency Assistance	12	6	7
Policy and Program Development	-	4	3
Federal Executive Institute	23	23	22
Subtotal	<u>98</u>	<u>95</u>	<u>92</u>
Total	<u>140</u>	<u>130</u>	<u>126</u>

AGENCY COMPLIANCE AND EVALUATION

The agency compliance and evaluation function was transferred to a newly created Compliance and Investigation Group when the Agency Relations Group was abolished in January 1982. The compliance and evaluation function serves as a primary vehicle for overseeing and enforcing civil service rules, regulations, and merit principles--OPM's number one priority according to the OPM Director. Although no positions were abolished in this function at OPM's central office, it did absorb a net staff reduction of about 10 percent between December 1981 and August 1982.

As the following table shows, the net staffing reduction at the OPM central office was spread over several subcomponents; some components remained the same, and one gained.

AGENCY COMPLIANCE AND EVALUATION STAFFING

	<u>Number of personnel assigned</u>		
	<u>Dec. 1981</u>	<u>March 1982</u>	<u>Aug. 1982</u>
Assistant Director's office	3	3	3
Analysis and Development			
Division	4	4	4
Analysis Branch	7	6	6
Development Branch	9	9	7
Classification/Appeals	7	7	7
Evaluation	14	10	10
Advisory Services	12	11	10
Compliance	<u>8</u>	<u>8</u>	<u>9</u>
Total	<u>64</u>	<u>58</u>	<u>56</u>

The agency compliance and evaluation function had a net loss of eight employees between December 31, 1981, and August 31, 1982, six professional/administrative and two clerical. However, 48 of the 56 staff members assigned to this function in August 1982 had been assigned here in December 1981 and in March 1982, most in the same jobs.

In addition to the central office, all 10 OPM regional offices have assigned staff to the agency compliance and evaluation function. As the following table shows, the number of regional staff members assigned to this function declined by 11 between December 1981 and August 1982.

Number of Regional Employees Assigned to
Agency Compliance and Evaluation Function

<u>Regional Office</u>	<u>December 1981</u>	<u>March 1982</u>	<u>August 1982</u>
Southeast	17	13	12
New England	20	19	17
Great Lakes	18	19	17
Southwest	24	24	24
Rocky Mountains	16	16	14
Eastern	17	16	16
Mid-Atlantic	16	12	12
Northwest	12	17	17
Western	14	13	13
Mid-Continent	<u>12</u>	<u>15</u>	<u>13</u>
Total	<u>166</u>	<u>164</u>	<u>155</u>

CSRA EVALUATION

The Evaluation Management Division of the Office of Planning and Evaluation is responsible for central management and coordination of OPM's CSRA evaluation effort. Additionally, it identifies program areas that need new or revised policy or program guidance and awards and monitors research grants and contracts for the purpose of evaluating the effects of civil service reform.

The CSRA evaluation function was affected by the displacing, bumping, and retreating actions associated with the March 1982 RIF. None of the function's positions was abolished during the RIF, but valuable staff expertise was lost because several of the displaced staff members were from academia, and had relatively low seniority. Consequently, many of their positions during the RIF were taken over by more senior, but less knowledgeable, employees from other OPM organizations. Additionally, some staff members assigned to this function were later reassigned to another component of the Office of Planning and Evaluation.

As the following table shows, the staffing level of the overall evaluation function as of August 31, 1982, was the same as that of the CSRA evaluation function alone as of December 31, 1981.

Staffing Levels of Overall Evaluation Function

<u>Number of staff assigned</u>	<u>December 1981</u>	<u>March 1982</u>	<u>August 1982</u>
Total	<u>a/12</u>	<u>a/10</u>	<u>b/12</u>
Professional	11	9	11
Clerical	<u>1</u>	<u>1</u>	<u>1</u>
Full-time permanent	4	3	6
Part-time permanent	5	6	5
Intermittent	3	1	1

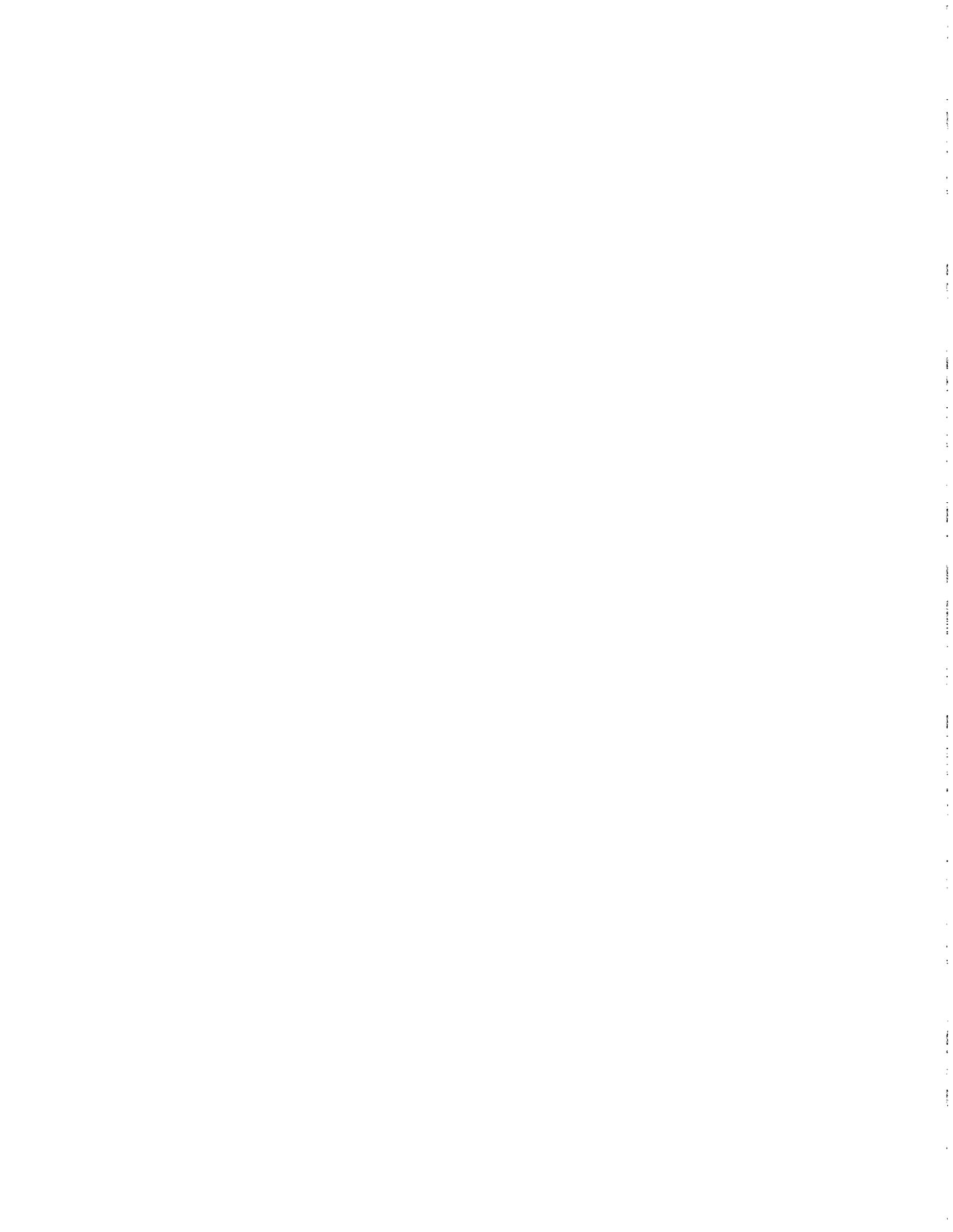
a/CSRA evaluation only.

b/CSRA and internal management evaluation.

Of the 12 staff members assigned to evaluation in August 1982, only 4 had been with CSRA evaluation as of December 31, 1981. Four additional staff members who had been with CSRA evaluation in December 1981 and March 1982 had been transferred to the Office of Planning and Evaluation's Policy Coordination Division in August 1982.

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