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B-164031(3)  
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August 15, 1974

**RELEASED**

The Honorable Frank Church  
Chairman, Special Committee on Aging 5  
United States Senate

Dear Mr. Chairman:

On January 21, 1974, your office requested us to inquire into three issues regarding regional operations of the Administration on Aging (AOA), Department of Health, Education, and Welfare (HEW):

- What are the responsibilities of the Regional Program Directors on Aging and do their responsibilities extend to other than AOA programs?
- Are the regions operating in accordance with the delegation of authority provided for in the August 22, 1973, memorandum issued by the Commissioner, AOA, or the November 5, 1973, plan submitted to the Congress?
- Have funds for the title III and title VII programs under the Older Americans Act of 1965, as amended, been withheld from the States by regional actions or lack of action?

Our work was performed in HEW's Boston and Denver regions as your office requested. Also, as requested, we performed limited work in Massachusetts and Colorado to verify information developed at the regional level.

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RESPONSIBILITIES OF  
REGIONAL PROGRAM DIRECTORS

Position descriptions for Regional Program Directors on Aging in Boston and Denver show that their principal duties and responsibilities are to

- serve as technical advisers to the HEW Regional Director and Assistant Regional Director, Office of Human Development (OHD);
- develop regionwide program plans, including goals, objectives, and priorities;
- provide specialized program guidance, consultation, and technical assistance to public and private agencies and communities within the region;
- promote and assist in the development of research, demonstration, and training projects;
- provide consultation and assistance to State agencies in developing State and area plans;
- evaluate programs to identify gaps and needs, help mobilize resources from other Federal agencies, and initiate actions for correction of deficiencies in program operations;
- represent the HEW Regional Director and the Assistant Regional Director, OHD, in relationships with private, nonprofit, and professional organizations;
- advise and report to the Assistant Regional Director, OHD, and central office officials on program needs, problems, and developments;
- assess manpower needs in the State agencies, make recommendations to meet these needs, and help develop in-service training;

- review audits, civil rights compliance, and reports on administrative studies relating to designation of State agencies; negotiate resolution of negative findings and exceptions, and make recommendations to the Assistant Regional Director, OHD, for final action; and
- recommend policy, standards, and needed legislation.

In addition, on August 22, 1973, the Commissioner, AOA, delegated authority to the Regional Program Directors for approval of State plans required under titles III and VII of the Older Americans Act of 1965, as amended. These officials were also given authority to approve designations of State agencies, under section 705(a)(1) of the act; authority to authorize administrative expenses exceeding 10 percent; and authority to determine what portion of a State's allotment is available for planning and administration under section 705(a)(2)(B). These authorities could be exercised only after consultation with the Assistant Regional Director, OHD, and the approval of the HEW Regional Director. Regional Program Directors retained authority, however, for initiating recommendations relating to approval of State plans under titles III and VII. These delegations were modified on December 21, 1973, and were revoked on February 4, 1974. Our examination of AOA regional operations in Boston and Denver did not disclose any instances in which the responsibilities of these Regional Program Directors extended beyond AOA programs.

#### REGIONAL OFFICE OPERATIONS

Under a 1967 reorganization, AOA was made a component of the Social and Rehabilitation Service (SRS) of HEW. Then on April 1, 1973, it was made a part of OHD within the Office of the Secretary. However, the SRS Regional Commissioners retained authority to approve State plans for programs under titles III and VII of the act until August 22, 1973, when the Commissioner, AOA, delegated these functions to the Regional Program Directors on Aging.

From April 1 to August 21, 1973, 10 title VII State plans were approved in the Boston and Denver regions--no title III State plans were approved. Of the title VII plans approved, six were approved by the Regional Commissioner, SRS, in Boston and four were approved by the Regional Program Director in Denver; the Acting Assistant Regional Director, OHD, and the HEW Regional Director concurred.

On December 21, 1973, the Commissioner, AOA, issued a memorandum to the Regional Program Directors amending and superseding the August 22, 1973, delegation of authority. The authority delegated to these officials, however, was essentially the same as that provided for in the August 22 memorandum. The new memorandum, however, provided that the Commissioner consult with the Assistant Secretary, OHD, and then make the final decision on matters on which the Regional Program Director, the Assistant Regional Director, OHD, and the HEW Regional Director disagreed. The Commissioner revoked this delegation on February 4, 1974.

From August 22, 1973, to February 4, 1974, the following State plans were approved by the Acting Regional Program Director in Boston and the Regional Program Director in Denver:

<u>Region or State</u>	<u>Date of approval</u>	
	<u>Title III plans</u>	<u>Title VII plans</u>
Boston region:		
Connecticut	1-17-74	--
Maine	1- 8-74	--
Vermont	1-21-74	--
Denver region:		
Colorado	1- 8-74	--
Montana	1- 8-74	--
Utah	1- 8-74	10- 3-73
Wyoming	1- 7-74	11- 8-73

Because the Regional Program Director or the Acting Regional Program Director approved the title III and VII plans approved in the regions during this period, it appears that the regional offices were operating in accordance with the August 22 and December 21, 1973, delegations of authority.

In a February 4, 1974, memorandum to the Regional Program Directors, the Commissioner, AOA, withdrew--effective immediately--the delegations in his December 21, 1973, memorandum. On February 6, 1974, the Assistant Secretary, OHD, issued a memorandum to the HEW Regional Directors advising them that the authority to approve State plans had been withdrawn and that the Commissioner would take final actions on all matters relating to State plans under titles III and VII. The Regional Program Directors were to initiate recommendations on these matters which were to be transmitted through the OHD Assistant Regional Directors, the HEW Regional Directors, and the headquarters office of OHD to the Commissioner, AOA. For New Hampshire and Rhode Island (Boston region) and North Dakota and South Dakota (Denver region), the Commissioner, AOA subsequently approved title III State plans.

Proposed delegation of authority  
plans submitted to the Congress

On November 5, 1973, the Secretary, HEW, in accordance with section 201 of the Older Americans Act of 1965, as amended, submitted a plan to the Congress for delegating certain functions of the Commissioner, AOA, to the HEW Regional Directors. According to the plan, the Regional Directors on Aging were to be given authority to act in connection with the administration of programs under titles III and VII of the act and could redelegate their authority to the Assistant Regional Directors, OHD, or the Regional Program Directors.

In a November 13, 1973, memorandum to the Regional Program Directors, the Director, Office of State and Community Programs, AOA, explained the proposed plan for delegation of authority. The memorandum stated that the delegation of authority would not become effective until the time required under section 201(a) of the Older Americans Act of 1965, as amended, had elapsed (60 days of continuous session of the Congress). The August 22, 1973, delegation of authority, therefore, remained in effect, and, since the Congress adjourned December 23, 1973, before the 60 days of continuous session had transpired, the plan did not become effective.

In a prior report (B-165430, May 14, 1974), we concluded that the authority delegations made by the AOA Commissioner, on August 22 and December 21, 1973, were delegations to one not directly responsible to the Commissioner and were, therefore, subject to the notification provisions of section 201 of the Older Americans Act. The notification was not carried out in accordance with section 201, and the delegations therefore were improper.

On March 26, 1974, the Secretary, HEW, submitted another plan to the Congress which would delegate to the HEW Regional Directors those functions previously delegated to the Regional Program Directors on Aging. The plan would authorize the Regional Directors to act on matters concerning the administration of programs under titles III and VII and would allow them to redelegate this authority to the Assistant Regional Directors, OHD, or to the Regional Program Directors. The procedures outlined in the February 6 memorandum of the Assistant Secretary, OHD, however, were to remain in effect until the Congress completed consideration of the March 26 proposal.

Although the Congress did not act on the March 26 proposal, in May 1974 it began deliberation on House bill 11105. This law (enacted July 12, 1974, as Public Law 93-351) contains an amendment to section 201(a) of the Older Americans Comprehensive Services Amendments of 1973 which prohibits the AOA Commissioner from delegating authority to anyone not directly responsible to him. Although the March 26 proposal technically went into effect on June 10, 1974, it was never implemented because HEW officials anticipated the passage of House bill 11105. Therefore, AOA continued to operate under the procedures outlined in the February 6 memorandum from the Assistant Secretary, OHD.

DISTRIBUTION OF TITLE III  
AND TITLE VII FUNDS

Funds provided under titles III and VII of the act are generally in the form of formula grants over which regional offices have little or no control. In our review

of regional office operations in Boston and Denver, we noted only one instance where the distribution of funds had been delayed by actions in the regional office.

The Assistant Regional Director, OHD, and the HEW Regional Director in Denver disagreed with the Regional Program Director on Aging over the use of about \$42,000 in title VII funds available for technical assistance grants. The Regional Program Director believed that the funds should be given directly to consultants while the Assistant Regional Director and the HEW Regional Director believed that the funds should be given to the States. As a result of this disagreement, there was a delay of about 30 days in awarding these funds.

After referring the question of the use of the funds to the Director, Division of Budget and Financial Management, OHD, the regional office found that the grants could not be made to States from these funds. Grants were subsequently made in the amount of about \$21,000 to the University of Utah and about \$21,000 to the Community Nutrition Institute, Washington, D.C.

The Secretary of Elder Affairs for Massachusetts stated in February 1974 that three State regional elderly affairs offices were closed in December 1973, when Federal funding expired. In his opinion, the funding expired because the Regional Program Director on Aging did not approve \$1.8 million of title III funds due to the State's not having an approved plan for carrying out elderly programs. We were told, however, that Massachusetts did not have Federal funds to operate its regional offices because the Secretary for Elder Affairs had not at that time officially requested AOA's permission to use Massachusetts' allotment of \$1.8 million. Such permission was required since the new State plan had not been approved. Permission for Massachusetts to use its title III allotment was subsequently requested and granted in April 1974.

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We did not obtain written comments from AOA on the matters discussed in this report. However, we discussed our findings and conclusions with AOA officials and considered their comments in preparing this report.

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We do not plan to distribute this letter further  
unless you agree or publicly announce its contents.

Sincerely yours

A handwritten signature in dark ink, appearing to read "Thomas B. Atch". The signature is written in a cursive style with a large, stylized initial 'T'.

Comptroller General  
of the United States