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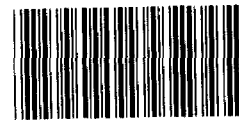
Before the Subcommittee on Compensation
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Committee on Post Office and Civil Service,
House of Representatives

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FEDERAL
EMPLOYMENT

Reauthorization of the
Federal Employees Leave
Sharing Act of 1988

Statement of
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General Government Division



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Madam Chair and Members of the Subcommittee:

I am pleased to appear here today to present GAO's views on the reauthorization of the Federal Employees Leave Sharing Act of 1988. Under this program, federal workers are allowed to share their annual leave with fellow employees who are facing unpaid absences caused by personal or family medical emergencies. Unless the act is extended or made permanent, the program will terminate on October 31, 1993.

While we have not reviewed the leave sharing program on a governmentwide basis, we have obtained some information on its operation from three sources. First, we have reviewed the recent evaluation report issued by the Office of Personnel Management (OPM), which summarizes information obtained from 71 agencies that participated in the leave sharing program. Second, we have our own first-hand experience on the benefits and costs of implementing a voluntary leave sharing program at GAO. Third, we have the results of a federal employee attitude survey we published in 1992 that shows how federal workers view various aspects of federal employment, including the opportunity to share leave.¹ Our analysis of these sources of information indicates that the leave sharing program has received widespread support and acceptance. Moreover, the OPM report and our own experience suggest that the administrative costs of the leave sharing program are not great. Based on these sources of information, we believe the program warrants being made permanent.

OPM REPORT RECOMMENDS
THE PROGRAM BE MADE PERMANENT

In its April 30, 1993, report on the 5-year leave sharing experiment, OPM concluded that the program had operated successfully and that agencies and employees alike favored its continuance. This conclusion was based on responses to an OPM survey by 65 agencies participating in the voluntary leave transfer program and 6 agencies participating in the voluntary leave bank program. The leave transfer approach allows employees to donate annual leave to other employees who have exhausted all their available paid leave in a medical emergency, while the leave bank approach permits employees to contribute annual leave to a leave bank from which they may make withdrawals when faced with a medical emergency. OPM observed that, overall, agencies were pleased with the leave sharing program. OPM also noted that the agencies had incurred approximately \$5.1 million in administrative costs for the program during fiscal years 1991 and 1992.

OPM concluded that both the leave transfer and leave bank approaches to leave sharing were viable and recommended that both

¹See Federal Employment: How Federal Employees View the Government as a Place to Work (GAO/GGD-92-91, June 18, 1992).

be made part of a permanent program. OPM recommended that agencies be permitted to choose either approach--or a combination of both--in the future.

Information cited in the OPM report indicates that the leave sharing program is serving employee needs. For the 65 agencies using the leave transfer approach during fiscal years 1991 and 1992, more than 21,000 employees received donations of over 3.5 million hours of annual leave. Similarly, five of the six agencies that operated leave banks reported they were well received and supported by their employees. (One agency terminated its leave bank program and adopted the leave transfer approach.) About 2,000 employees received almost 500,000 hours of leave from the five agencies' leave banks during the 2-year period.

GAO'S EXPERIENCE PARALLELS GOVERNMENTWIDE RESULTS

The leave sharing program has been well supported at GAO as well. Out of a workforce of just over 5,000 people, 65 GAO employees applied to be leave recipients in our leave transfer program during fiscal years 1991 and 1992. All applications were approved. In 55 of the cases, the medical emergencies involved the employees themselves, while in 10 cases family members were facing medical emergencies. In total, 1,572 employees, or nearly one-third of our staff, donated 20,457 hours of leave to their colleagues who needed help.

We estimate that GAO spent about \$25,000 a year to administer and monitor leave transfers under the program. In our view, this is a good investment in light of the advantages we and our employees receive from the program. As an employer, we would like to see the program continued.

GOVERNMENTWIDE EMPLOYEE SURVEY SHOWS SUPPORT FOR LEAVE SHARING

The popularity of leave sharing is supported by our employee attitude survey results as well. In the spring and summer of 1991, we administered a questionnaire survey to a governmentwide random sample of federal employees. Among other things, the questionnaire asked about participation in the leave sharing program. The survey showed that the program was used by many federal employees: almost 20 percent of all respondents said they had donated annual leave to other employees. Nearly 1 percent said they had received leave donations from others. These numbers suggest that many employees are willing to help the relatively few who find themselves in need of leave donations.

We understand that a number of questions have been raised about possible refinements in the leave sharing program. Because we have not studied the program, we can offer no informed advice on this subject. However, our employee attitude survey surfaced employee interest in a possible expansion of the program that we would offer for your consideration.

The survey revealed that about 30 percent of all respondents had spouses and/or other family members who also worked for the government. For the purposes of the survey, other family members were defined as parents, siblings, and children. The respondents expressed strong interest in seeing the leave sharing program changed to allow family members to share annual leave with each other under any circumstances. Fifty-two percent of them said it was somewhat to very likely that they would share annual leave with their spouses or other family members in the following year if the law allowed it, and 25 percent said such an option would make them more likely to stay in federal employment.

We believe that, with proper controls, allowing employees to share annual leave with spouses and family members for any reason may be an appropriate way to expand the program. We are aware of situations, for example, where one spouse of a federal employee couple has used so much of his/her annual leave attending to their children's needs that family vacations are difficult to arrange. One spouse has ample leave, but the other doesn't. In our opinion, allowing the couple to share leave in circumstances like this is a policy the government should consider adopting.

CONCLUSION

The concept of allowing employees to obtain help from their agencies and colleagues when they have exhausted their leave in medical emergencies is consistent with our past position that the government should pay greater attention to employees' work/family needs. Progressive employers have learned that programs to help employees balance their work and family responsibilities are good investments that pay high dividends in terms of attracting and retaining quality employees. We believe that reauthorization of the Federal Employees Leave Sharing Act offers an opportunity for the federal government to make important gains in this area.

That concludes my formal statement. I would be pleased to answer any questions you might have.



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