United States General Accounting Office

GAO

Report to Congressional Requesters

June 1995

FEDERAL REORGANIZATION

Congressional Proposal to Merge Education, Labor, and EEOC

GAO/HEHS-95-140

GAO

United States
General Accounting Office
Washington, D.C. 20548

Health, Education, and
Human Services Division

B-261054

June 7, 1995

The Honorable William F. Goodling
Chairman, Committee on Economic and
Educational Opportunities
House of Representatives

The Honorable Steve Gunderson
House of Representatives

Over the years, the Congress has responded to the public's need for educational and employment assistance and services by creating federal programs and authorizing executive branch departments and agencies, such as the Departments of Education and Labor, to administer these programs. Because of the spiraling federal deficit, the Congress has become concerned over the federal role in funding and managing these programs. Currently, the Congress and the administration are considering ways to improve the federal role to achieve cost savings without losing necessary education and employment assistance and services.

As part of the congressional deliberations, you jointly proposed on February 15, 1995, to merge the current Departments of Education and Labor. The proposal also would merge the Equal Employment Opportunity Commission (EEOC), the federal entity enforcing laws prohibiting employment discrimination, with the two departments. This merger proposal had two major components: (1) the consolidation, elimination, and reduction of existing management functions and programs from Education, Labor, EEOC, and other federal agencies into a new cabinet-level organizational structure and (2) the achievement of administrative cost savings resulting from this new structure.

Although your proposal identified the specific organizational structure for the new Department of Education and Employment, deliberations concerning which programs would be affected were ongoing when you asked for our assistance. Consequently, we were asked to concentrate on the administrative cost savings component of the merger proposal, which, on the basis of your draft proposal, would be about $1.65 billion over 5 years.[1]

More specifically, you asked us to provide the following information related to your proposal:

- What funds and staff would each new Department of Education and Employment office have, and, on the basis of prior GAO work, what additional issues should be addressed when creating these offices?
- What is the likely impact of proposed administrative cost savings on staffing levels in the Department of Education and Employment?
- What additional opportunities may exist to further consolidate programs within the Department of Education and Employment?

To answer these questions, we analyzed your February 1995 draft proposal and subsequent changes made to the proposal through April 26, 1995. We used fiscal year 1995 budget data to determine the funding and staffing impact of estimated cost savings. However, we did not include any proposed fiscal year 1995 program funding rescissions for Education, Labor, EEOC, and other federal agencies. We worked closely with officials in the federal agencies affected by the proposed merger to obtain needed budget data. As agreed with your offices, we did not independently verify the budget information obtained nor did we compare it with similar data presented in the President's budget. In addition, we reviewed past GAO work to identify further opportunities for program consolidation within the new offices.[2]

Our report does not critique the validity of the merger proposal nor identify alternative methods to streamline Education, Labor, and EEOC operations. In addition, this report does not discuss ongoing efforts within these agencies to streamline and downsize their respective agency operations.

Education, Labor, and EEOC provided comments on a copy of our draft report. (See apps. IV through VI.) Although the Department of Health and Human Services (HHS) was asked to provide comments because, under the

[1]As we reported in Budget Issues: Assessing Executive Order 12837 on Reducing Administrative Expenses (GAO/AIMD-94-15, Nov. 16, 1994), no common definition exists for administrative expenses at the federal level. Definitions and reporting of administrative expenses vary signigicantly among agency credit and grant programs because of differences in programs. We define administrative costs in this report as compensation, benefits, and other related expenses associated with managing the proposed Department, administering grant programs, providing safety and health inspections, and overseeing employee pensions.

[2]See appendix VII for a list of related GAO products.

proposal, several programs it currently manages would be transferred into the new Department, it did not.

Results in Brief

The proposed Department would consolidate many of the programs and functions within the existing Departments of Education and Labor and EEOC as well as some programs currently administered by other agencies. The new Department's budget would be approximately $71 billion and support over 25,600 full-time equivalent (FTE) positions and about 1,200 field offices.

Under this proposal, the new Department would be organized under three undersecretary activities: (1) Workforce Preparation and Policy, which incorporates most education and adult training programs; (2) Civil Rights, which incorporates all aspects of enforcement of employment discrimination and civil rights laws; and (3) Workplace Policy, which incorporates programs focusing on workplace modernization, safety, and employee benefits. While there are opportunities to be gained in merging and consolidating these Departments, there are also issues which need to be addressed to achieve the intended goals of the new Department.

To realize administrative cost savings, the proposal would (1) eliminate some programs currently administered within and outside of Education and Labor, (2) eliminate or reduce duplicative departmentwide management functions, (3) reduce operating budgets for selected programs, and (4) consolidate education and job training programs. Administrative cost savings could total about $1.65 billion—$990 million in compensation and benefits; $530 million in other expenses, such as rents and utilities; and $140 million from the administrative costs of eliminated programs. The program savings from consolidations are not discussed in this report because final decisions on affected programs had not been made at the time our review was completed.

If the reduction in administrative spending occurred in fiscal year 1996, about 3,500 positions would need to be eliminated to achieve the $990 million in 5-year savings from compensation and benefits. However, about 1,100 additional positions may need to be eliminated to cover the costs of a reduction in force (RIF) of this size. If the reductions were phased in over a 3-year period, about 4,200 positions would need to be eliminated to achieve the same savings.

Our past work has shown that private-sector firms that downsize through dramatic staffing reductions in a single year, without adequate planning for the structure and functions of the organization's downsizing, frequently do not succeed. The combination of staff skills becomes imbalanced, and subsequent rehiring of separated employees or hiring and training of new employees often occurs. Rather, a phased-in approach could allow for a more orderly transition and would increase the likelihood of using other alternatives to reduce staffing.

The proposal also identifies specific categorical programs to be consolidated. On the basis of our past work, we have identified additional categorical programs that may be candidates for consolidation. For example, in addition to Education and Labor, 13 other agencies administer about 65 federally funded job training programs. Many of these programs frequently target the same clients, share the same goals, and provide similar services, but are not included in the proposal. Other similar program areas with opportunities for program consolidation include teacher training programs and early childhood programs.

Ultimately, merging the affected agencies is a policy decision that will be made by the Congress in consultation with the administration. Our work contributes to this process by (1) providing basic information on the components of the proposal, (2) identifying staffing implications of estimated cost savings in the proposal, and (3) highlighting additional opportunities to consolidate programs based on our work. We emphasize in our report that an in-depth examination of the proposal and its components is needed before considering such a merger. Such an examination is not currently included in the proposal.

Background

Currently, the Department of Education manages the federal investment in education and leads the long-term effort to improve education. Established in 1980, Education's mission is to ensure access to education and to promote improvements in the quality and usefulness of education. In fiscal year 1995, Education was appropriated $32.1 billion and authorized 5,131 FTE positions to administer and carry out its activities. Education administers about 240 programs with its budget. About three-fourths of its budget is discretionary and one-fourth is mandatory funds.

The Department of Labor's mission is to foster, promote, and develop the welfare of U.S. wage earners, to improve their working conditions, and to advance their opportunities for profitable employment. In carrying out this mission, Labor—established as a department in 1913—administers and enforces a variety of federal labor laws guaranteeing workers' rights to safe and healthful working conditions, a minimum hourly wage and overtime pay, freedom from employment discrimination, unemployment insurance, and workers' compensation.

Labor also protects workers' pension rights; provides for job training programs; helps workers find jobs; works to strengthen free collective bargaining; and keeps track of changes in employment, prices, and other national economic measurements. Although Labor seeks to assist all Americans who need and want to work, special efforts are made to meet the unique job market problems of older workers; economically disadvantaged, dislocated workers, youth, women, individuals with disabilities, and other groups. In fiscal year 1995, Labor had a budget of $33.8 billion and was authorized 17,632 FTE positions to administer and carry out its activities. One important fact to keep in mind is that about two-thirds of Labor's budget is composed of mandatory spending on income maintenance programs.

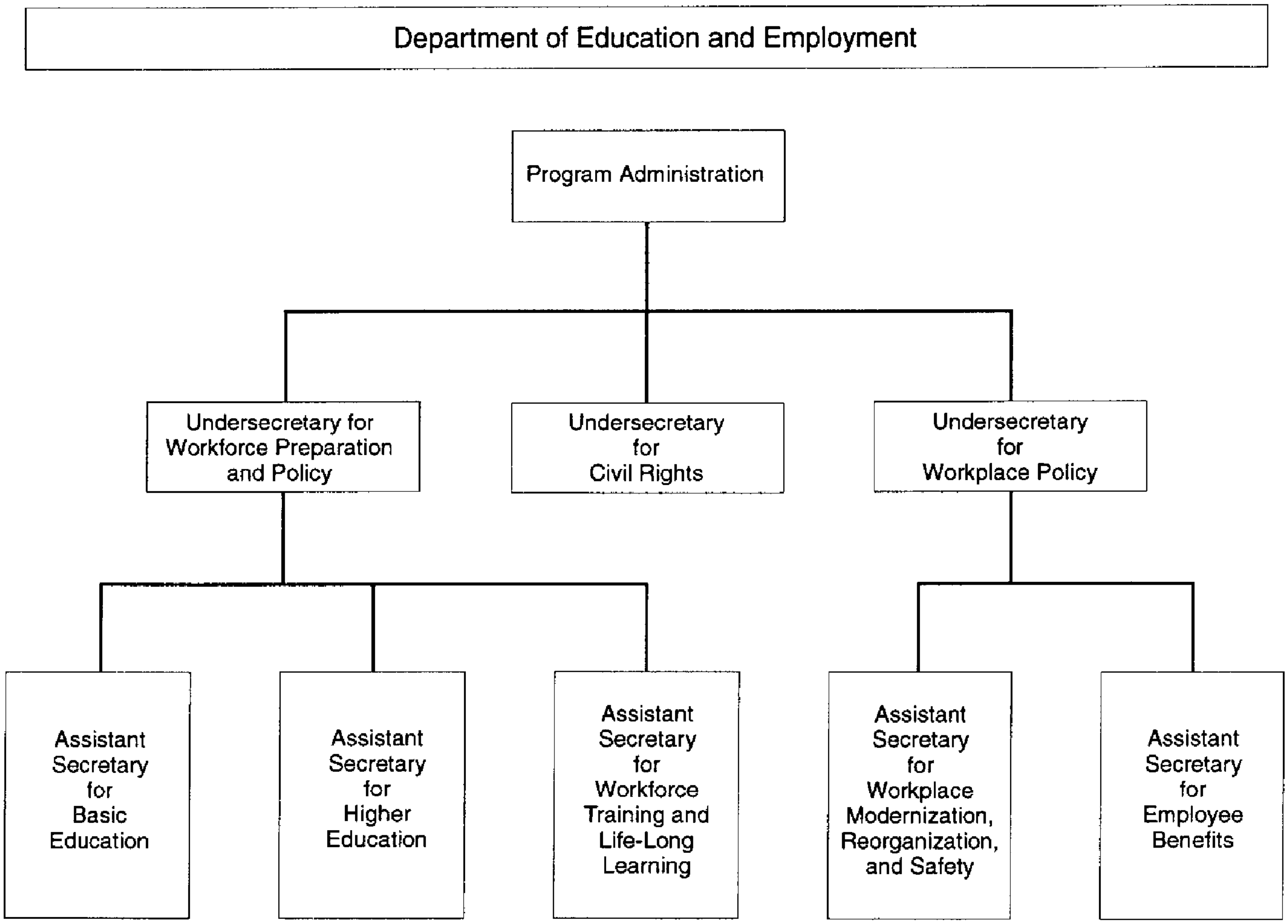
Established in 1964, EEOC's mission is to eliminate discrimination based on race, color, religion, sex, national origin, disability, or age in hiring, promoting, firing, setting wages, testing, training, apprenticeship, and all other terms and conditions of employment. EEOC conducts investigations of alleged discrimination; makes determinations on the basis of gathered evidence; attempts conciliation when discrimination has taken place; files lawsuits; and conducts voluntary assistance programs for employers, unions, and community organizations. EEOC also has oversight responsibility for all compliance and enforcement activities relating to equal employment opportunity among federal employees and applicants, including discrimination against individuals with disabilities. In fiscal year 1995, EEOC was appropriated $233 million and authorized 3,020 FTE positions to perform its assigned duties and responsibilities.

According to congressional sponsors, the proposal for the new Department of Education and Employment is based on the premise that the nation cannot adequately prepare its youth for the challenges of the 21st century until fundamental changes are made in federal policy on education and employment issues. The sponsors believe such policy changes would require merging federal duties and responsibilities into a single Department.

A Consolidated Department Could Accommodate Existing Agencies, but Some Issues Remain

The proposed Department of Education and Employment, as shown in figure 1, would consolidate the Departments of Education and Labor and EEOC and several programs from other agencies. On the basis of fiscal year 1995 data, the new Department would have a budget of $70.6 billion and 25,652 authorized FTE positions. The proposed Department would also have about 1,200 field offices throughout the country. According to the proposal, the Department's mission would be to (1) administer federal education and employment programs and policies that support the preparation of a skilled U.S. workforce able to compete in a global economy and (2) ensure the civil rights of students and workers.

Figure 1: Proposed Department of Education and Employment



The Department would be headed by a presidentially appointed Secretary, with support from a Deputy Secretary and three Undersecretaries. Each of the three Undersecretaries would be responsible for one of the following activities: (1) Workforce Preparation and Policy, which incorporates most elementary, secondary, and higher education and adult training programs; (2) Civil Rights, which incorporates all aspects of enforcing employment and educational discrimination laws; and (3) Workplace Policy, which incorporates programs focusing on workplace modernization, safety, and employee benefits. (See app. I.)

Certain issues relative to the new Department of Education and Employment offices have been raised in prior GAO reports and should be considered during merger deliberations. (See app. I.) In addition, efforts need to be made to ensure that a sound financial management structure results from the merger of these agencies. At a minimum, compliance with the structural aspects of the Chief Financial Officers Act of 1990 must be met.

Education, Labor, and EEOC also raised other issues in their comments on a draft of this report. These agency concerns will need to be addressed to alleviate agency reservations about the proposed merger. (See apps. IV through VI.)

Impact of Estimated Administrative Cost Savings on Staffing Level

As currently drafted, the proposal to merge Education and Labor and the EEOC could result in a savings of about $1.65 billion in selected administrative costs through the year 2000—an average reduction of about 20 percent from current administrative costs. The proposal does not call for any administrative cost reductions in the functions that will carry out civil rights activities in the proposed Department's Office of Civil Rights.

The proposal plans to achieve this estimated average administrative savings by (1) eliminating or reducing duplicative departmentwide management functions, (2) eliminating some programs currently administered within and outside of Education and Labor, (3) reducing operating budgets for selected programs, and (4) consolidating education and job training programs. For example, the proposal would eliminate the Secretaries of Education and Labor and replace them with one Secretary for the new Department.

To illustrate the impact of the estimated administrative cost savings on staffing levels, we were asked to compare the impact of taking the full amount needed to achieve the $1.65 billion savings in 1 year with the impact of spreading administrative cost reductions over 3 years. In each case, we applied the percentage reduction specified in the proposal to both compensation and benefit costs and other expenses. The overall administrative cost reduction averaged 20 percent, although percentages for individual offices ranged from 4 to 40 percent. The smallest reductions required by the proposal are in the Office of Employee Benefits and the

Bureau of Education and Employment Statistics, a unit included in the Program Administration function. The largest reductions—40 and 30 percent—are planned for departmentwide management functions, such as the Secretary, and for the administration of education and job training programs, respectively. (See app. II.)

If the full reduction in administrative spending occurred in fiscal year 1996, which we refer to as "scenario 1," about 3,500 FTE positions would need to be eliminated to achieve the $990 million in 5-year savings from compensation and benefits that we used for analysis purposes. As previously mentioned, we determined that an additional $530 million would be taken from other administrative costs such as rents, utilities, travel, and equipment and $140 million in administrative cost savings from eliminated programs.

Our past work has shown that similarly sized government downsizing efforts have required RIF procedures. In these situations, the costs associated with RIFs often require additional staffing reductions, usually about a third more.[3] Thus, the total FTE position reductions likely in a single year could be about 4,600 (3,500 direct reductions and 1,100 additional reductions to cover RIF expenses).

On the basis of our past work, we found that dramatic staffing reductions taken in a single year, without adequate planning for the structure and functions of the new downsized organization, frequently result in skill imbalances and subsequent rehiring of separated employees or hiring and training of new employees. Projected savings are often not realized.[4] (See app. II.)

One approach to minimizing such a disruption, which we refer to as "scenario 2," would be to reduce administrative spending over a 3-year period; the total reduction would be about 4,200 FTEs over 3 years. Such an approach would allow more time for strategic planning to identify appropriate functions to be eliminated and to modify or develop new administrative processes. This approach is typically the one followed by successful private-sector organizations that downsize. Taking average reductions in staffing of 9 percent in both the first and second years and

[3]Reduction in Force Can Sometimes Be More Costly to Agencies Than Attrition and Furlough (GAO/PEMD-85-6, July 24, 1985) and Congressional Oversight: The General Accounting Office (GAO/T-OCG-95-4, Mar. 30, 1995).

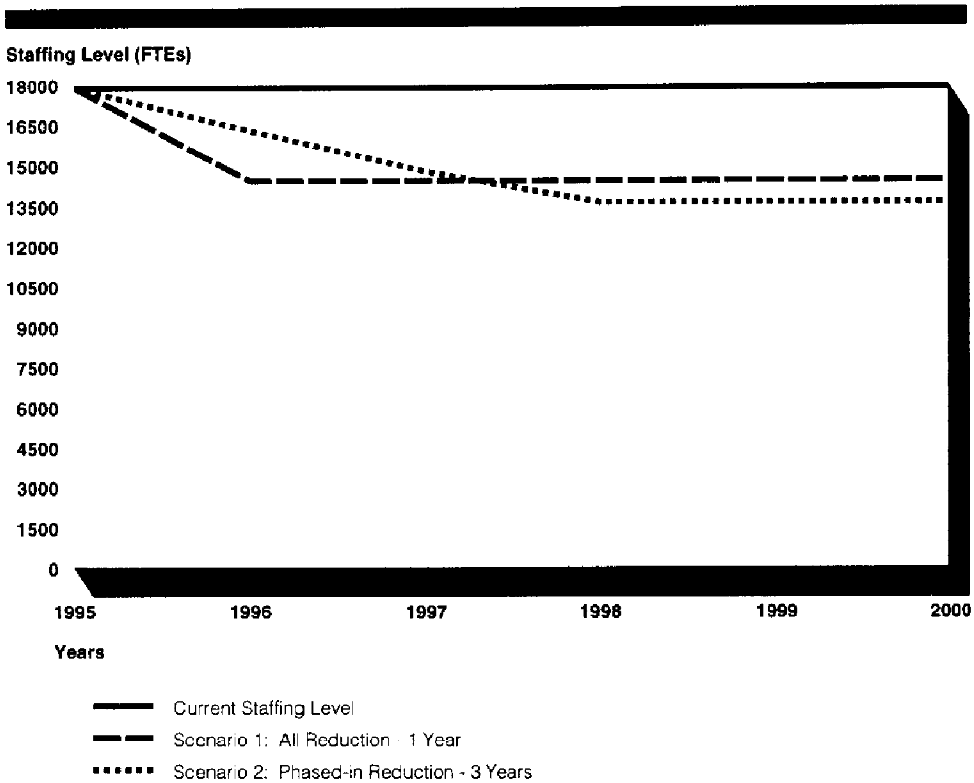
[4]Workforce Reductions: Downsizing Strategies Used in Selected Organizations (GAO/GGD-95-54, Mar. 13, 1995).

7 percent the third year would allow for the same level of budget savings as would occur if the reductions were fully implemented in fiscal year 1996.

If attrition and other voluntary separations were insufficient to achieve the desired reductions, RIFs would still be necessary, increasing the required staffing reductions—beyond 4,200—because additional employees would have to be terminated to cover costs associated with RIF procedures.

Figure 2 illustrates the impact of immediate and phased-in administrative cost reductions on staffing levels. While scenario 1 could result in a deeper staffing reduction in the first year (about 3,500 FTEs, which do not include the 1,100 positions that may be required to cover RIF expenses), scenario 2 may actually result in greater overall staffing reductions over the 5-year period (almost 4,200 FTEs) from current staffing levels. Because the proposal eliminates selected programs, does not call for administrative cost reductions in the Office of Civil Rights, and excludes Labor trust funds, the universe of FTE positions from which staffing reductions could be taken is only about 18,000 of the proposed Department's 25,650 FTEs. (See app. II.)

Figure 2: Staffing Implications of Administrative Cost Reductions Under Alternative Scenarios



Base staffing is 17,858 FTEs.

Total reduction for scenario 1 is 3,460 FTEs.

Total reduction for scenario 2 is 4,189 FTEs.

These totals do not include the 300 FTEs that would be reduced as a result of eliminated programs.

Decisions about which specific positions or staff would be affected or how the staffing reductions would be taken have not been made. As a result, it is impossible to pinpoint the actual staffing implications or costs of these reductions. Additionally, because these basic decisions have yet to be made, we could not incorporate in our analysis any offsetting costs the proposed Department may incur during a staff reduction, such as buy-out expenses, severance pay, and other costs associated with eliminating staff.

While possibilities exist for short-term budgetary savings, positioning the new Department to absorb the proposed reductions without hurting service quality and meet future challenges requires extensive planning and follow through. According to private-sector experts, this type of top management-led review requires officials to (1) identify new ways of doing business and the organizational changes needed to achieve them, (2) earmark outmoded work processes and structures for elimination or revision, and (3) determine the types and number of employees needed in the new organization. Such an examination of current agency activities is not included in the proposal.

Additional Consolidation Opportunities Not Included in Merger Proposal

Potential opportunities to consolidate programs exist beyond those identified in the merger proposal. On the basis of our past work, we have identified additional categorical grant programs that may be candidates for consolidation. These programs would primarily be administered by the proposed Offices of Basic Education, Higher Education, and Workforce Training and Life-Long Learning. However, further review by agency officials would be needed before these programs could be merged with the other programs already in the proposal.

Office of Basic Education

The existing proposal calls for the Head Start program, now administered by HHS, to be managed by the Office of Basic Education. However, HHS and other federal agencies currently administer many other early childhood programs not included in the proposal. We found in fiscal years 1992 and 1993 that the federal government funded over 90 early childhood programs in 11 agencies and offices.[5] Of this total, 34 programs are considered to be key programs that served at least 2 million children and spent $3.66 billion in fiscal year 1992. (See app. III.)

This office would also manage programs that fund or provide teacher training services, but at least eight other agencies currently administer similar programs not included in the proposal. We recently reported that in fiscal year 1993 at least 86 teacher training programs existed in nine federal departments and agencies.[6] (See app. III.)

[5]Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

[6]Multiple Teacher Training Programs: Information on Budgets, Services, and Target Groups (GAO/HEHS-95-71FS, Feb. 22, 1995).

We identified other elementary and secondary programs in addition to those included in the proposal that could be considered for inclusion in or consolidation under this office's authority. Currently, at least eight departments and agencies administer these programs. (See app. III.)

Office of Higher Education

According to the proposal, this office would administer about 33 programs that provide financial aid and scholarships to students preparing to attend or currently enrolled in postsecondary institutions. The fiscal year 1995 grant amounts for programs to be administered by this proposed office total \$15.2 billion. However, we identified about 35 additional postsecondary education programs that could be considered for inclusion in or consolidation under this new office's authority. These programs also provide support for students in postsecondary institutions. Many of these programs are currently administered by HHS and the Department of Veterans Affairs (VA). (See app. III.)

Office of Workforce Training and Life-Long Learning

The number of federally funded executive branch job training funding streams has grown to 163.[7] Along with several Education and Labor programs, 64 employment training programs administered by 13 other agencies could be considered for program consolidation purposes. In fiscal year 1995, funding for these 64 programs totaled about \$3 billion. Many of these programs frequently target the same clients, share the same goals, and provide similar services. Merging these programs would provide an opportunity to place them under the same management authority.[8] Additionally, 13 employment training programs administered by Education and Labor could be considered for program consolidation purposes. (See app. III.)

Conclusions

The proposal to merge the Departments of Education and Labor and EEOC to create a new Department of Education and Employment envisions saving administrative costs and creating a streamlined, less duplicative, and more efficient means to provide needed services. However, downsizing to the degree specified in the existing proposal must be carefully planned. If downsizing proceeds too rapidly, expected cost savings might not be realized due to the added costs of RIF procedures and

[7]Multiple Employment Training Programs: Major Overhaul Needed to Reduce Costs, Streamline the Bureaucracy, and Improve Results (GAO/T-HEHS-95-53, Jan. 10, 1995).

[8]We also noted in Addressing the Deficit: Budgetary Implications of Selected GAO Work for Fiscal Year 1996 (GAO/OCG-95-2, Mar. 15, 1995) the possible budgetary savings for consolidating such programs.

disruption of service delivery. The experience of private-sector organizations that downsized has been that in-depth examination is imperative for successful downsizing.

Agency Comments and Our Evaluation

On May 10, 1995, Education, Labor, and EEOC provided comments on this draft report. (See apps. IV through VI.) The agencies expressed two major concerns. First, they were critical of the proposal and questioned whether it would achieve program efficiencies and management improvements. Second, they also believed our report should have critiqued the draft proposal. We understand their concerns about the draft proposal and anticipate their views will be addressed in subsequent congressional deliberations. Regarding their comments about our report, we provided information that will contribute to ongoing and future debates, such as staffing and funding levels in the new Department, implications of estimated cost reductions, and additional opportunities for program consolidation. Additionally, we clearly pointed out the importance of an in-depth examination prior to making any further decisions on the merger.

Comments on Congressional Proposal

The Secretary of Education stated that the merger proposal is both unwise and unworkable. In his view, creating a mega-bureaucracy would not in any way make government more streamlined, effective, or efficient. He believes that the merger would de-emphasize the importance of education at a time when education is more important than ever to America's future.

In Labor's comments, the Assistant Secretary for Policy stated that the merger proposal has profound and far-reaching implications that have not been adequately analyzed and that require further study. He further stated that it is both unwise and counterproductive to send the signal that either Labor or Education is expendable given the nation's looming deficit in skills and education. In Labor's view, the merger could only compromise service, increase confusion, and decrease productivity.

The EEOC Chairman's major concern was that, although it is not clear how EEOC would fit into the new merged agency, EEOC's structure as a bipartisan and independent agency would be lost. The existing agency has been in existence since the enactment of Title VII of the Civil Rights Act of 1964 as a five-member, bipartisan independent executive branch agency charged with enforcing employment antidiscrimination law. The Congress recognized that this structure would enhance enforcement and insulate EEOC from direct political pressures. In the Chairman's view, the proposal will require the Congress to revisit this long-standing approach concerning the enforcement of antidiscrimination laws.

We appreciate these concerns. Ultimately, however, the Congress will decide on the merits of the merger proposal after consultation with the administration. The proposal continues to evolve, and we understand that congressional hearings will be held in the future. These hearings should offer an opportunity for the affected agencies to air their concerns about the proposal.

Comments on GAO Draft Report

The Secretary of Education was the most critical of our report because he believed it discussed administrative staffing reductions without any discussions of the program changes that might make such cuts possible. In this regard, Education pointed out that proposal sponsors estimated in February 1995 that more than $20 billion in savings over 5 years would result from the proposed merger. Among other things, the Secretary believes our report largely accepted at face value the claims of the proposed merger. He also believed that perhaps the only value added by our report is that it answers the question of how many staff positions would be eliminated to reach $1.65 billion in projected administrative cost savings over 5 years.

Labor was also critical of the fact that our report addressed only the $1.65 billion in administrative savings. Labor believes that the more than $19 billion in savings needed to reach the $21 billion savings over 5 years claimed by proposal sponsors would have to come from specific programmatic cuts that were not included in the proposal and our report.

In EEOC's comments, the Chairman mentioned several concerns relative to our draft report. EEOC stated that the draft report contains no discussion of the impact of the new agency on the vigorous enforcement of federal antidiscrimination laws that would fall within its jurisdiction. The Chairman also stated that the report did not discuss the implications of a merger on what EEOC considers to be its most pressing problem—inadequate resources to adequately accomplish its statutory mission.

Despite the issues raised by the agencies, we believe our work provides a valuable contribution to the continuing debate about the proposal. First, the report provides basic information on the proposal that has not been previously developed. Second, it highlights additional candidates for program consolidation. Third, it raises issues that must be dealt with before any action is taken to merge the affected agencies into the new Department.

We used information in the draft proposal as of April 26 to prepare profiles to describe the new Department's management functions and six major offices. This information included funding and staffing levels, field office locations, as well as other issues that, on the basis of our prior work, the new Department may have to address. We also identified the staffing implications of the administrative cost savings in the proposal.

At the time of our review, final decisions about the programs to be administered by the new Department had not been made. As a result, we did not address issues associated with program changes. Instead, on the basis of our past work, we highlighted additional programs that could be candidates for inclusion in the proposal to assist congressional sponsors in their efforts to achieve cost savings or increase program efficiencies. It is important to recognize that overall savings attributable to this merger cannot be determined until final decisions are made on remaining phases of this proposal.

Finally, throughout our report we repeatedly cautioned that this merger effort must be conducted in a careful and thorough manner. Additionally, we noted that positioning the new Department to absorb staffing reductions without hurting service quality and to meet further challenges requires extensive planning and follow through. Even though Education and Labor criticized our report, both agreed that this issue was central to any decision that would be made about merging Education, Labor, and EEOC.

The Departments and EEOC also provided technical comments. These comments included updated information on the material contained in our draft report. Changes were made to the final report where appropriate to address these comments.

As arranged with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days after its issue date. At that time, we will send copies of this report to the Director, Office of Management and Budget; the Secretaries of Education, Labor, and HHS; the Chairman of EEOC; and other interested parties. Other GAO contacts and staff acknowledgments are listed in appendix VIII. If you or your staffs have any questions concerning this report, please call me on (202) 512-7017.

Clarence C. Crawford
Associate Director, Education and
Employment Issues

Contents

Letter		1
Appendix I The Proposed Department of Education and Employment: Office Profiles		24
	Program Administration	27
	Office of Civil Rights	35
	Office of Basic Education	43
	Programs to Be Administered by the Proposed Office of Basic Education	45
	Elementary and Secondary Education Programs Proposed for Elimination	46
	Office of Higher Education	49
	Programs to Be Administered by the Proposed Office of Higher Education	51
	Postsecondary Education Programs Proposed for Elimination	52
	Postsecondary Education Programs Proposed for Transfer to Other Agencies	52
	Office of Workforce Training and Life-Long Learning	55
	Programs to Be Administered by the Proposed Office of Workforce Training and Life-Long Learning	57
	Education and Training Programs Proposed for Elimination	59
	Education and Training Program Proposed for Transfer	60
	Office of Workplace Modernization, Reorganization, and Safety	67
	Office of Employee Benefits	75
Appendix II Impacts of Proposed Administrative Cost Reductions		82
	Estimated Administrative Cost Savings in Proposal	83
	Potential Impact of Cost Savings Estimates on Proposed Department's Staffing	86
	Estimated Savings Up to the Year 2002	88
	Lessons From Recent Downsizing Experiences	89
Appendix III Programs Not Included in the Merger Proposal That May Be Consolidation Candidates		92
	Key Early Childhood Programs Not Included in the Proposal	92
	Other Education-Related Programs Not Included in the Proposal	95
	Selected Postsecondary Education Programs Not Included in the Proposal	96
	Employment Training Programs Not Included in the Proposal	97

Appendix IV Comments From the Department of Education	101
Appendix V Comments From the Department of Labor	107
Appendix VI Comments From the Equal Employment Opportunity Commission	110
Appendix VII Selected GAO Products on Education, Labor, and EEOC-Related Issues	115
Bilingual Education and Minority Languages Affairs	115
Bureau of Labor Statistics	115
Civil Rights	115
Departmental Administration-Department of Education	115
Departmental Administration-Department of Labor	116
Dislocated Workers	116
Education Reform	117
Educational Research and Improvement	118
Elementary and Secondary Education	118
Employment Service	119
Employment Standards Administration	120
EEOC	121
Mine Safety and Health Administration	122
Multiple Employment Training Program Consolidation	122
Occupational Safety and Health Administration	122
Office of the American Workplace	124
Pension Insurance and Enforcement Programs	124
Postsecondary Education	125
School-to-Work Transition	128
Special Education and Rehabilitative Services	129
Training and Employment Services	129

Unemployment Insurance 130
Veterans Employment and Training 130
Vocational and Adult Education 130
Other 131

Appendix VIII GAO Contacts and Staff Acknowledgments 132

Tables
Table I.1: Locations of Activities to Be Included in Program Administration 28
Table I.2: Funding, Staffing, and Field Office Information for Program Administration 30
Table I.3: Funding, Staffing, and Field Office Information for the Proposed Office of Civil Rights 36
Table I.4: Funding, Staffing, and Field Office Information for the Proposed Office of Basic Education 44
Table I.5: Funding, Staffing, and Field Office Information for the Proposed Office of Higher Education 50
Table I.6: Funding, Staffing, and Field Office Information for the Proposed Office of Workforce Training and Life-Long Learning 56
Table I.7: Funding, Staffing, and Field Office Information for the Proposed Office of Workplace Modernization, Reorganization, and Safety 68
Table I.8: Funding, Staffing, and Field Office Information for the Proposed Office of Employee Benefits 76
Table II.1: Estimated Administrative Cost Savings, Fiscal Years 1996-2000, in the Proposed Department of Education and Employment 85
Table II.2: Comparison of Staffing Reductions Resulting From Cost Savings Scenarios 87
Table II.3: Estimated Administrative Savings, Fiscal Years 1996-2002, Under Alternative Scenarios 89

Figures
Figure 1: Proposed Department of Education and Employment 7
Figure 2: Staffing Implications of Administrative Cost Reductions Under Alternative Scenarios 11
Figure I.1: Proposed Program Administration Function 26

Figure I.2: Regional Organization and Headquarters Cities of the Departments of Education and Labor 32
Figure I.3: Proposed Office of Civil Rights 34
Figure I.4: Locations of Field Offices Currently Supporting the Equal Employment Opportunity Commission 38
Figure I.5: Locations of Field Offices Currently Supporting the Office of Federal Contract Compliance Programs, Department of Labor 39
Figure I.6: Locations of Field Offices Currently Supporting the Office for Civil Rights, Department of Education 40
Figure I.7: Locations of All Field Offices for the Proposed Office of Civil Rights 41
Figure I.8: Proposed Office of Basic Education 42
Figure I.9: Locations of Field Offices Currently Supporting the Head Start Program, Department of Health and Human Services 47
Figure I.10: Proposed Office of Higher Education 48
Figure I.11: Locations of Field Offices Currently Supporting the Office of Postsecondary Education, Department of Education 53
Figure I.12: Proposed Office of Workforce Training and Life-Long Learning 54
Figure I.13: Locations of Field Offices Currently Supporting the Employment and Training Administration, Department of Labor 61
Figure I.14: Locations of Field Offices Currently Supporting the Office of Veterans' Employment and Training, Department of Labor 62
Figure I.15: Locations of Field Offices Currently Supporting the Rehabilitative Services Administration, Department of Education 63
Figure I.16: Locations of Field Offices Currently Supporting the Job Opportunities and Basic Skills Training Program, Department of Health and Human Services 64
Figure I.17: Locations of All Field Offices for the Proposed Office of Workforce Training and Life-Long Learning 65
Figure I.18: Proposed Office of Workplace Modernization, Reorganization, and Safety 66
Figure I.19: Locations of Field Offices Currently Supporting the Occupational Safety and Health Administration, Department of Labor 69
Figure I.20: Locations of Field Offices Currently Supporting the Mine Safety and Health Administration, Department of Labor 70
Figure I.21: Locations of Field Offices Currently Supporting the Wage and Hour Division, Department of Labor 71

Figure I.22: Locations of Field Offices Currently Supporting the Office of Labor-Management Standards, Department of Labor	72
Figure I.23: Locations of All Field Offices in the Proposed Office of Workplace Modernization, Reorganization, and Safety	73
Figure I.24: Proposed Office of Employee Benefits	74
Figure I.25: Locations of Field Offices for ETA's Administration of Unemployment Insurance, Department of Labor	78
Figure I.26: Locations of Field Offices Currently Supporting the Office of Workers' Compensation Programs, Department of Labor	79
Figure I.27: Locations of Field Offices Currently Supporting the Pension and Welfare Benefits Administration, Department of Labor	80
Figure I.28: Locations of All Field Offices for the Proposed Office of Employee Benefits	81

Abbreviations

ADR	alternative dispute resolution
AFDC	Aid to Families With Dependent Children
BAT	Bureau of Apprenticeship and Training
DCR	Directorate for Civil Rights
EEO	equal employment opportunity
EEOC	Equal Employment Opportunity Commission
ERISA	Employee Retirement Income Security Act
ESA	Employment Standards Administration
ESEA	Elementary and Secondary Education Act
ETA	Employment and Training Administration
FTE	full-time equivalent
HHS	Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills Training program
JTPA	Job Training Partnership Act
MSHA	Mine Safety and Health Administration
OFCCP	Office of Federal Contract Compliance Programs
OCR	Office for Civil Rights
OLMS	Office of Labor-Management Standards
OSHA	Occupational Safety and Health Administration
OWCP	Office of Workers Compensation Programs
PCEPD	President's Committee for the Employment of People With Disabilities
PBGC	Pension Benefit Guaranty Corporation
PWBA	Pension and Welfare Benefits Administration
RIF	reduction in force
UI	Unemployment Insurance
VA	Department of Veterans Affairs
WHD	Wage and Hour Division

The Proposed Department of Education and Employment: Office Profiles

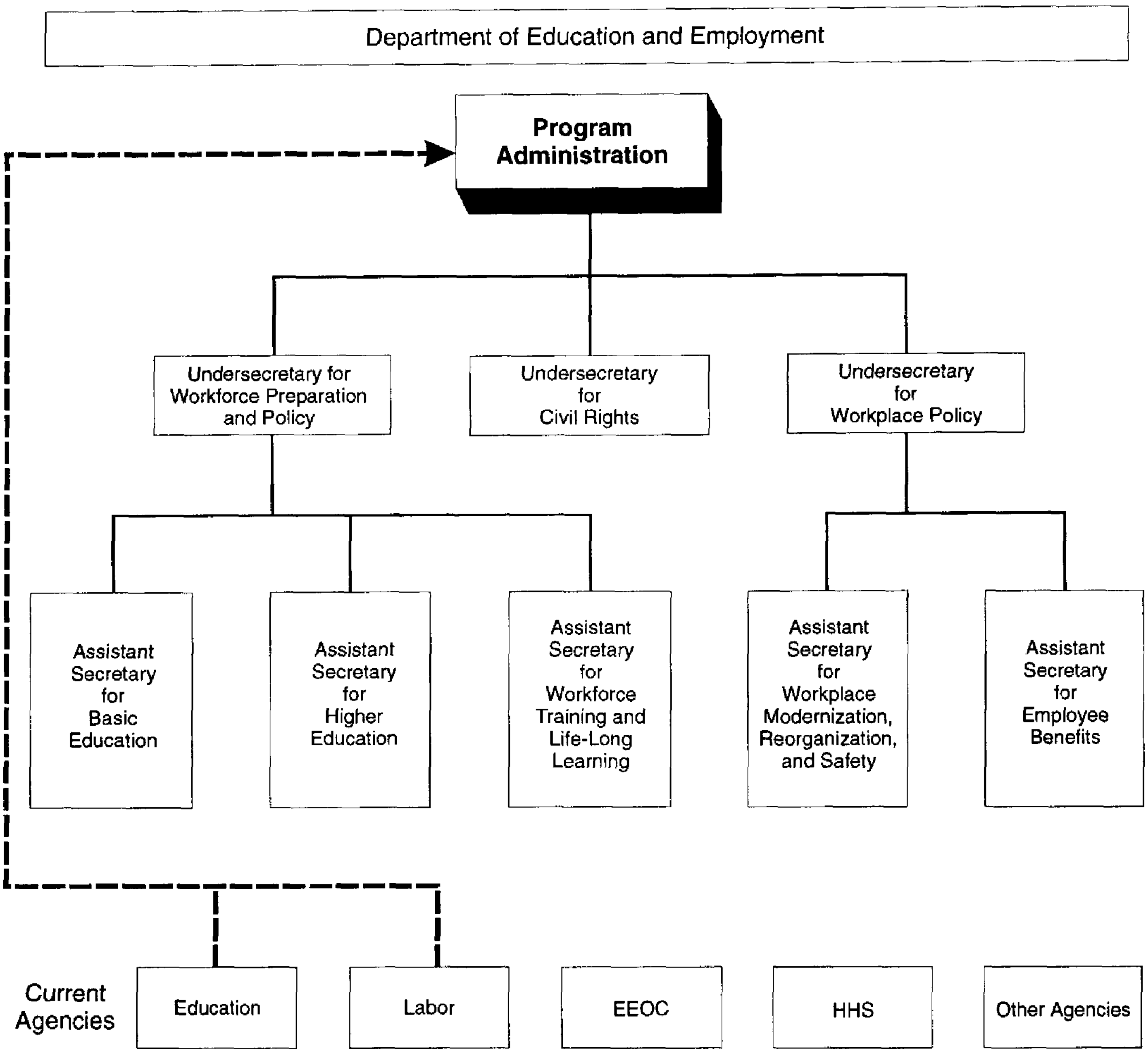
As envisioned by the congressional proposal to merge the Departments of Education and Labor and EEOC, the new Department of Education and Employment would have six major offices and a management function that would oversee these six offices. Program Administration would consolidate various management, internal oversight, and statistical activities from the Departments of Education and Labor. (The current proposal does not include similar EEOC activities.) The six offices, which would each be under the direction of an Undersecretary, would be the Office of Civil Rights; the Office of Basic Education; the Office of Higher Education; the Office of Workforce Training and Life-Long Learning; the Office of Workplace Modernization, Reorganization, and Safety; and the Office of Employee Benefits.

This appendix profiles the Program Administration function and the six offices for (1) the program activities from existing agencies that would be included, (2) the role, and (3) the fiscal year 1995 funding and staffing[9] levels and field offices that would support each of the proposed offices.[10] In each profile we also identify, on the basis of our prior work, issues that should be considered if these offices are created. Appendix III includes a list of other programs that could be considered for consolidation and brought into the new Department.

[9]In this report, staffing levels are designated by authorized full-time equivalent (FTE) levels for fiscal year 1995.

[10]All field office information is current as of May 1995, except for data provided by two offices within the Department of Labor. We used August 1994 data to determine the field offices currently supporting the Wage and Hour Division (WHD) and December 1994 data for the Office of Veterans' Employment and Training.

Figure I.1: Proposed Program Administration Function



Program Administration

As shown in figure I.1, the proposed Department would have an overall management function called Program Administration. This function would consolidate various management, internal oversight, and statistical activities from the Departments of Education and Labor. As the proposal is currently drafted, comparable activities from EEOC are not merged with those from Education and Labor.

Reorganization Proposal

The proposal states that Program Administration would include various departmentwide management functions from the Departments of Education and Labor. These functions include the Offices of the Secretary and Deputy Secretary; public, congressional, intergovernmental, and interagency affairs; management and budget; adjudication; general counsel and solicitor; and the inspector general. In addition, Program Administration would include the statistical activities currently performed by the Bureau of Labor Statistics and the National Center for Education Statistics. A list of these activities and their current agency location is shown in table I.1.

Table I.1: Locations of Activities to Be Included in Program Administration

	Current location	
Activities	**Department of Education**	**Department of Labor**
Secretary	X	X
Deputy Secretary	X	X
Legislative and Congressional Affairs	X	
Congressional and Intergovernmental Affairs		X
Intergovernmental and Interagency Affairs	X	
Public Affairs	X	X
Small Business and Minority Affairs		X
Undersecretary	X	
Office of Management	X	
Deputy Assistant Secretary for Policy and Budget		X
Administration and Management		X
Chief Financial Officer	X	X
General Counsel	X	
Solicitor		X
Adjudication		X
Office of the Inspector General	X	X
National Center for Education Statistics	X	
Bureau of Labor Statistics		X
Women's Bureau (statistics)		X
America's Job Bank		X
National and State Occupational Information Coordinating Committees	X	X

Note: The proposal calls for including only the statistics portion of the Women's Bureau; other management functions are scheduled to be eliminated.

Source: Congressional proposal.

As envisioned in the proposal, Program Administration would provide the vision and direction for the development of coordinated federal education and employment policies. It would focus on the effective and efficient delivery of education and job training programs, proper resolution and oversight of internal civil rights complaints, and adequate provision of proper working conditions, benefits, and pensions. The office would also collect and disseminate statistical information to be used by Department officials as well as public and private users.

The proposal also calls for eliminating at least part of two Department of Labor activities: the Bureau of International Labor Affairs and selected management functions of the Women's Bureau.

GAO Analysis

To better understand the resources potentially available for this function, we identified the fiscal year 1995 funding and staffing levels of activities proposed for inclusion in Program Administration. (See table I.2.) Program Administration would have about 154 field offices; about 40 percent (62) would be located outside of headquarters. Almost two-thirds of the offices (92) would be located in the headquarters cities of the 10 federal regions (see fig. I.2).

Table I.2: Funding, Staffing, and Field Office Information for Program Administration

Dollars in millions

Functions	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
Office of the Secretary	$14.2	129	129	0	0
Office of the Deputy Secretary	2.7	28	28	0	0
Public, Congressional, and Intergovernmental Affairs	21.1	226	141	85	30
Planning, Management, and Budget[b]	59.8	1,343	952	391	20
Chief Financial Officer	38.9	385	385	0	0
General Counsel and Solicitor	80.1	855	526	329	15
Adjudication	37.4	415	311	104	8
Office of the Inspector General	82.6	855	244	611	63
Bureau of Education and Employment Statistics[c]	580.9	2,771	1,888	883	18
Total	**$917.7**	**7,007**	**4,604**	**2,403**	**154**

[a]Total authorized FTE levels.

[b]Includes staffing for the Working Capital Fund, a centralized source of administrative and other support services in Labor.

[c]This function would include the Bureau of Labor Statistics, the Women's Bureau, America's Job Bank, and the National Occupational and Information Coordinating Committee from the Department of Labor. It also includes the National Center for Education Statistics and the National Occupational and Information Coordinating Committee from the Department of Education. While the proposal calls for including only the statistics portion of the Women's Bureau, the entire function is included here because the Department of Labor could not provide detailed information for the statistics function alone.

Source: Departments of Education and Labor.

Issues

The Program Administration function as proposed focuses on decreasing the redundancy of administrative and oversight activities in the Departments of Education and Labor by consolidating similar functions such as the Office of the Secretary, public and congressional affairs, the Chief Financial Officer, and the Offices of the Inspector General. Consolidating these functions into one office could also provide the opportunity to develop unified, efficient systems that not only streamline processes but support the new Department's mission and vision. Such systems could, for example, include a single payroll and personnel system.

However, to achieve the greatest potential savings from reducing administrative duplication, the consolidation of similar activities—such as EEOC's Office of the Inspector General—into Program Administration may be required. A separate Inspector General for civil rights activities may not be needed if the EEOC becomes part of the proposed Office of Civil Rights.

Figure I.2: Regional Organization and Headquarters Cities of the Departments of Education and Labor

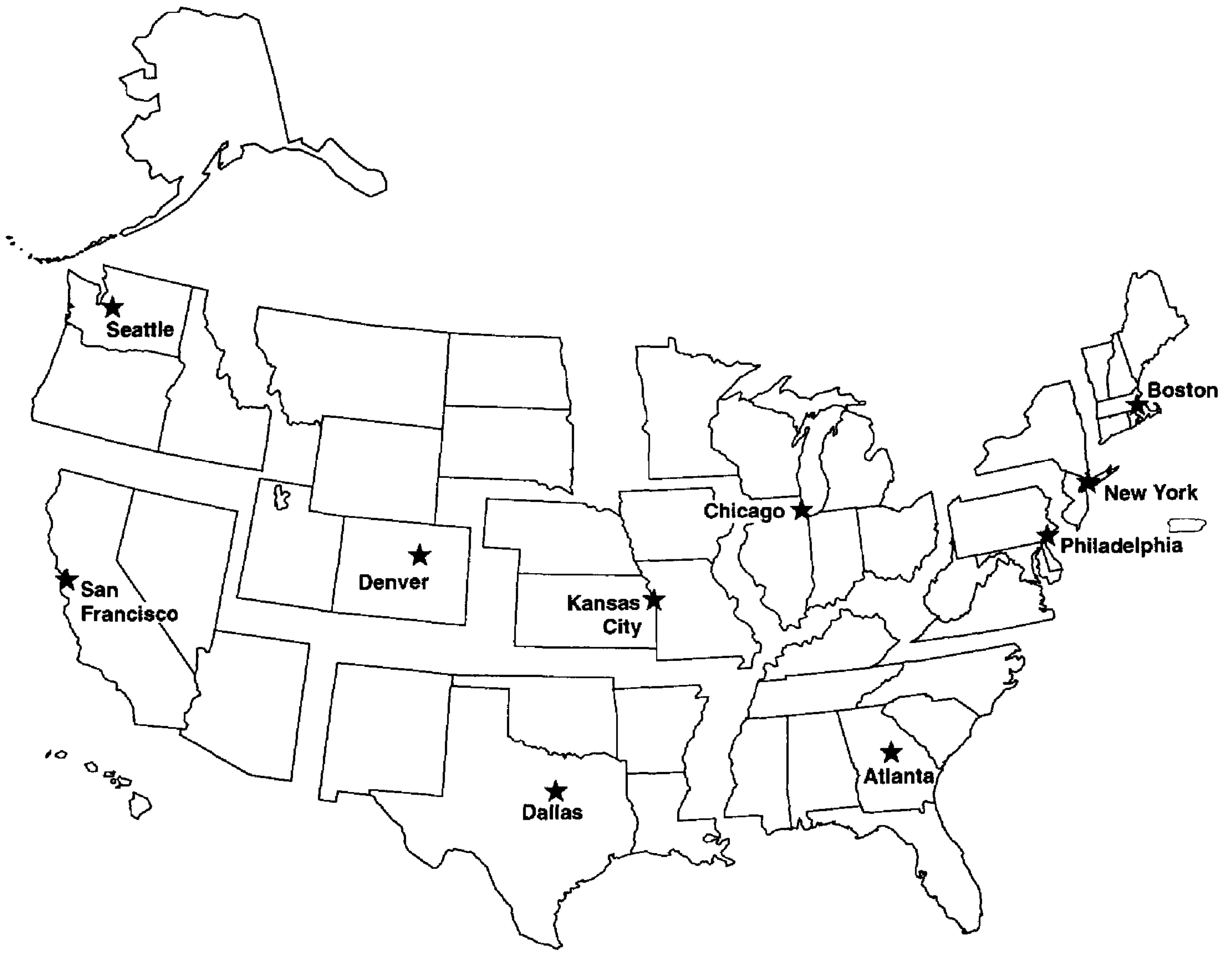
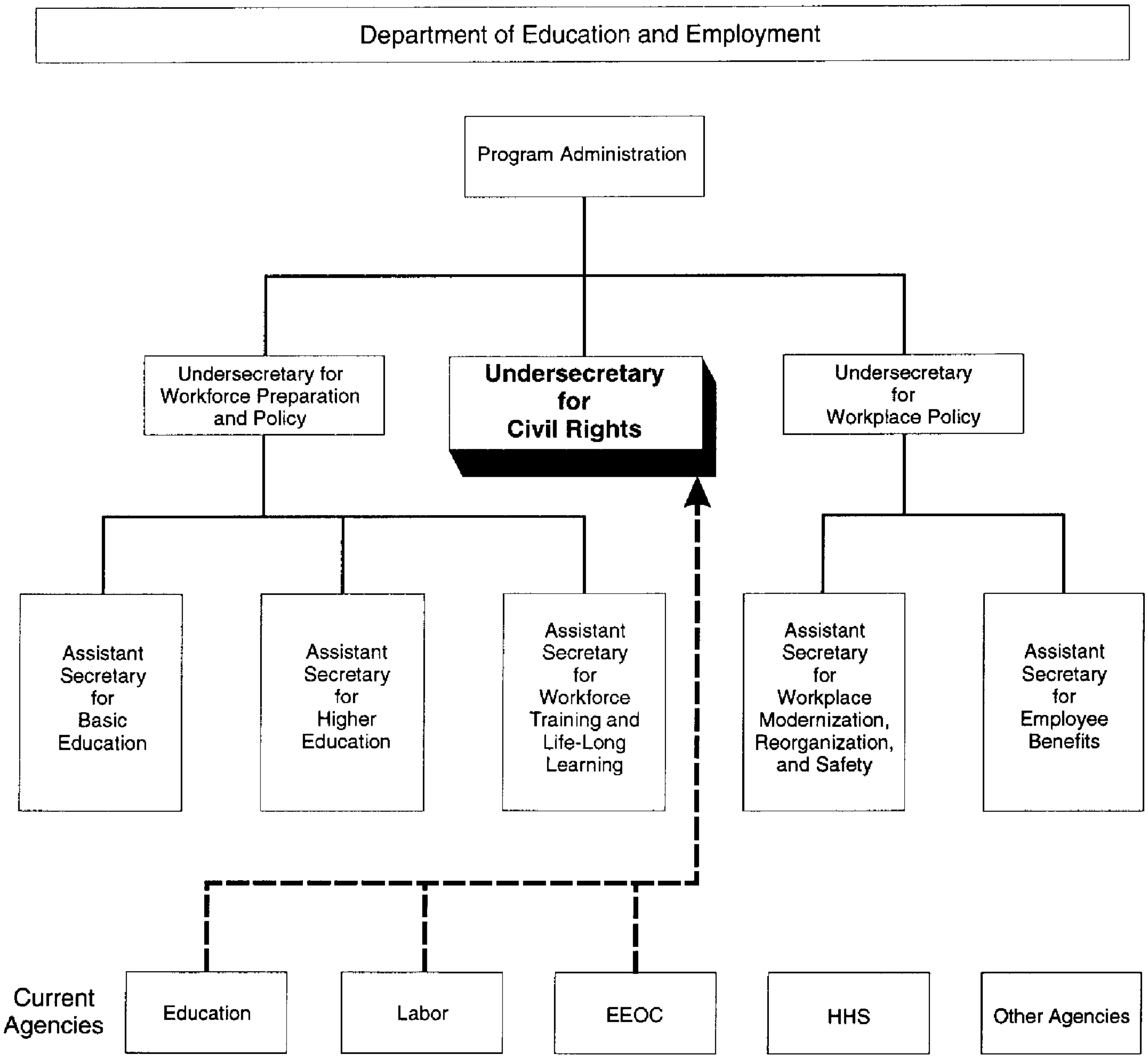


Figure I.3: Proposed Office of Civil Rights



Office of Civil Rights

As shown in figure I.3, the proposal would establish an Office of Civil Rights that would be headed by an Undersecretary. This new office would bring together (1) EEOC, (2) Labor's Office of Federal Contract Compliance Programs (OFCCP), Directorate for Civil Rights (DCR), and the President's Committee for the Employment of People With Disabilities (PCEPD), and (3) Education's Office for Civil Rights (OCR) and Training and Advisory Services Program (under Title IV of the Civil Rights Act) administered by the Office of Elementary and Secondary Education.

Reorganization Proposal

The proposed Office of Civil Rights would have jurisdiction over the Education and Labor programs affecting the civil rights of minority populations, disabled persons, and other populations requiring special considerations. The office would include all functions and responsibilities related to enforcing equal employment opportunity (EEO) laws currently administered by EEOC. The office would be charged with developing alternative methods of carrying out its responsibilities to create enforcement efficiencies designed to improve workforce and workplace civil rights protection.

GAO Analysis

To better understand the resources available for this proposed office, we identified the approximate number of staff and funding in the existing offices, programs, and activities that would be brought into this office. Our data are based on fiscal year 1995 funding and staffing levels provided by the Departments of Education and Labor and EEOC (see table I.3). The locations of the field offices in each of these activities and all that would support the proposed Office of Civil Rights are illustrated in figures I.4 through I.7

Table I.3: Funding, Staffing, and Field Office Information for the Proposed Office of Civil Rights

Dollars in millions

Agency/program/ activities	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
EEOC	$233.0	3,020	725[b]	2,295[b]	50
OFCCP[c]	61.5	855	96	759	64
OCR	58.3	833	166	667	11
Training and Advisory Services	21.6	3	3	0	0
DCR	4.8	63	54	9	0[d]
PCEPD	4.4	35	35	0	0
Total	**$383.6**	**4,809**	**1,079**	**3,730**	**125**

[a]Total authorized FTE levels.

[b]The EEOC could not give us its FTE ceiling broken out by headquarters and field offices. Therefore, we derived these numbers on the basis of EEOC's actual FTE data projections for headquarters and field offices in fiscal year 1995. EEOC based its projections on actual FTE usage as of March 1995.

[c]Totals include an allocated amount from management functions in the Department of Labor's Employment Standards Administration, where OFCCP is currently located.

[d]Field offices for DCR are included in the Administration and Management function in Program Administration.

Source: Departments of Education and Labor and EEOC.

Issues

Former and current EEOC officials and civil rights experts have suggested several options that they believe could improve the federal government's ability to enforce employment nondiscrimination laws.[11] The one mentioned most often is increased use of alternative dispute resolution (ADR) approaches, such as mediation. ADR is a group of techniques designed to resolve conflicts consensually, generally with the help of a neutral third party. While not much quantifiable data exist on ADR, many experts believe that ADR holds promise for achieving agreements in a less adversarial environment than exists in litigation and resolving conflicts in less time and at lower costs.

In 1994 EEOC reported on a pilot study using mediation to resolve discrimination complaints.[12] A total of 267 cases were mediated in four district offices, and the pilot showed that the average time to complete

[11]EEOC's Expanding Workload: Increases in Age Discrimination and Other Changes Call for New Approach (GAO/HEHS-94-32, Feb. 9, 1994).

[12]Report on Alternative Dispute Resolution Pilot Program prepared by EEOC's Office of Program Operations (Dec. 1994).

mediation was much less than for fully investigated cases. While the ADR pilot resulted in much shorter average processing times than for fully investigated cases, it should be noted that cases selected for the pilot were new cases and were referred immediately. About 52 percent of mediated cases were settled; in the comparable period, about 13 percent of fully investigated cases were conciliated or settled. Also, 92 percent of complainants and employers said they believed the mediation process was fair or very fair.

In April 1995, EEOC announced it will initiate an ADR program using mediation to handle some of its workplace discrimination complaints. Starting in fiscal year 1996, EEOC plans to randomly select cases for mediation and estimates that eventually about 10 percent of new eligible complaints will be included in the mediation program.

EEOC has also experimented with a screening process (called triage) to deal with new discrimination charges, resulting in a significant reduction in average processing time from 598 days in fiscal year 1990 to 204 days in the first 6 months of fiscal year 1993. Staff during the initial investigation at intake were expected to obtain from charging parties all evidence that supported their discrimination claims and assess the weight of evidence obtained.

EEOC then initiated a task force study related to this issue in November 1994 and in April 1995 announced that sweeping changes will be made in the way it handles discrimination complaints. EEOC initiated a triage process by which new discrimination cases will be categorized according to the early evidence presented that a violation has occurred. At the same time, EEOC announced that it will repeal its full investigation policy, in effect since 1983, which required it to investigate fully every complaint. EEOC also repealed its policy statement on remedies and relief for individual cases of unlawful discrimination.

If the proposed merger took place and EEOC's responsibilities were consolidated into an executive department, a reevaluation of EEOC's current five-member Commission structure may be needed since EEOC was originally established as an independent bipartisan Commission. The new office would be headed by the Undersecretary for Civil Rights.

Figure I.4: Locations of Field Offices Currently Supporting the Equal Employment Opportunity Commission

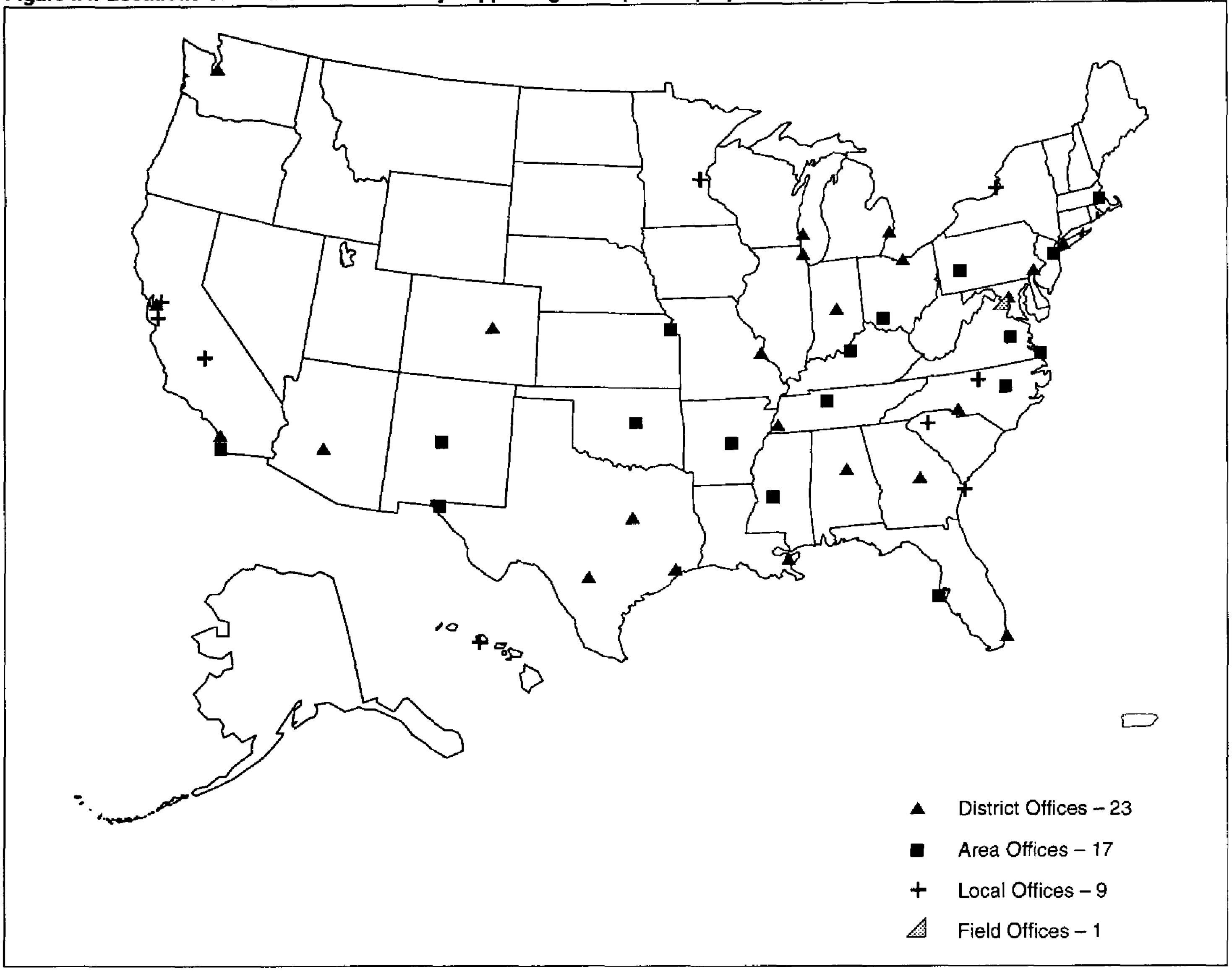


Figure I.5: Locations of Field Offices Currently Supporting the Office of Federal Contract Compliance Programs, Department of Labor

Figure I.6: Locations of Field Offices Currently Supporting the Office for Civil Rights, Department of Education

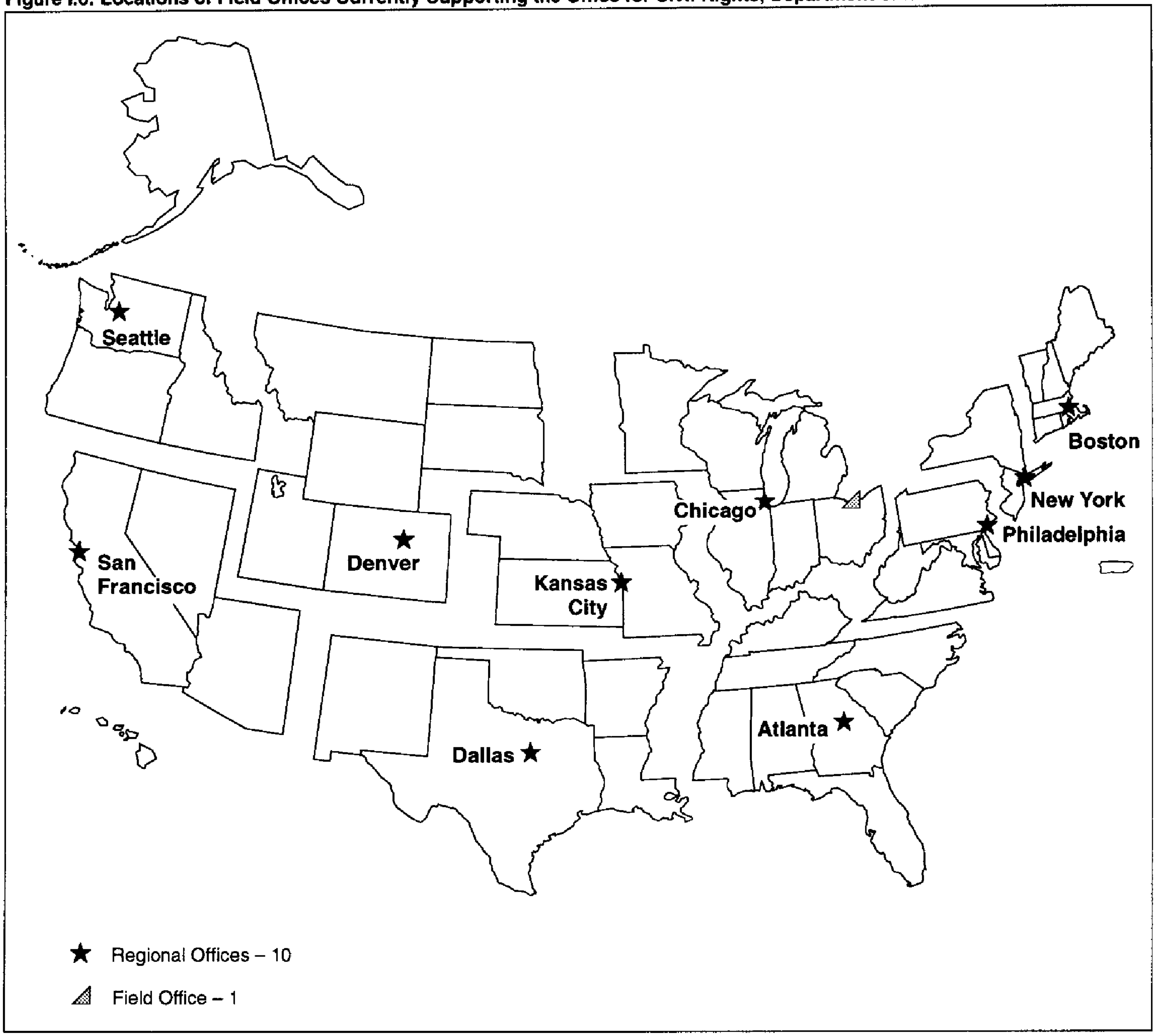


Figure I.7: Locations of All Field Offices for the Proposed Office of Civil Rights

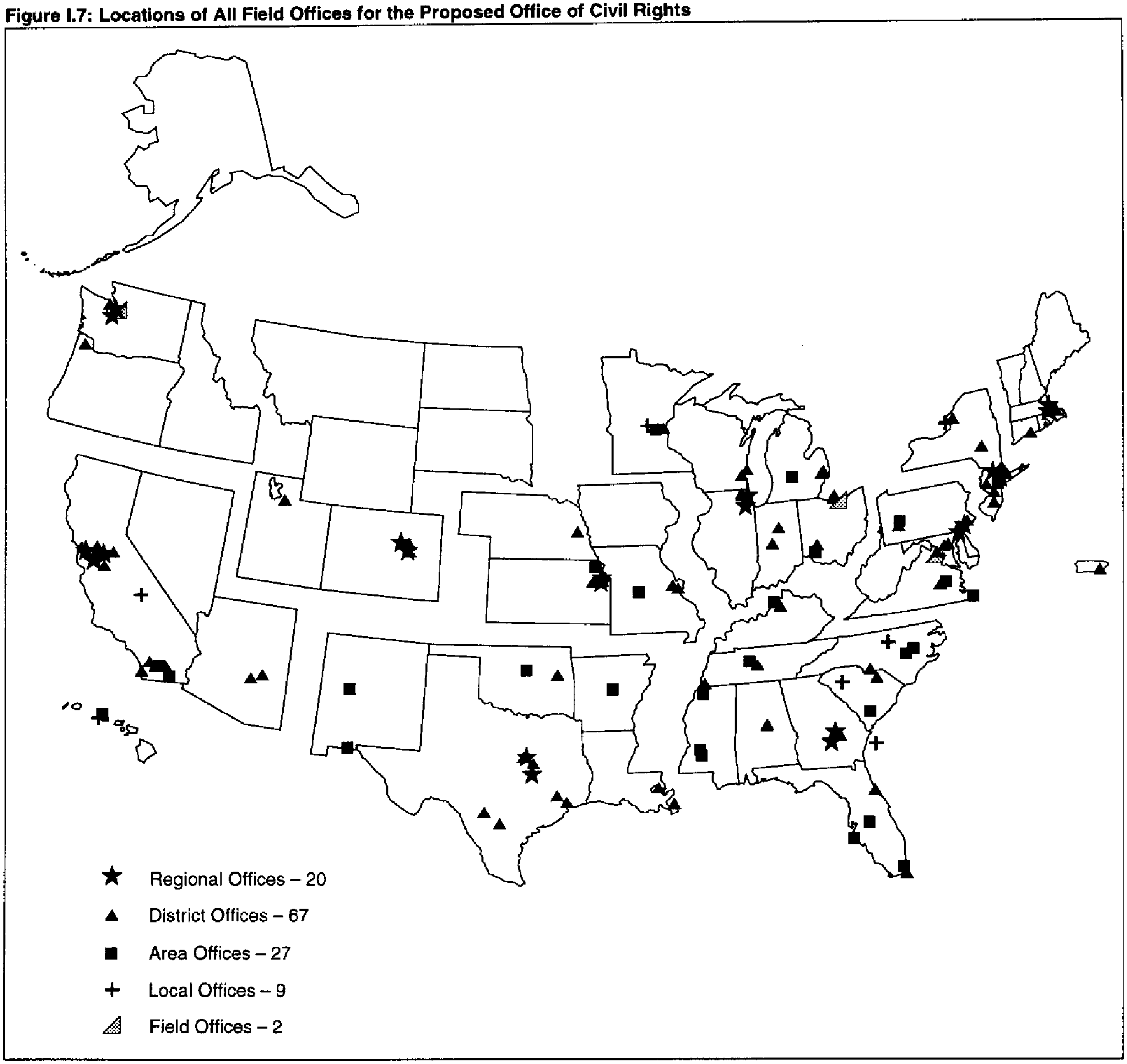
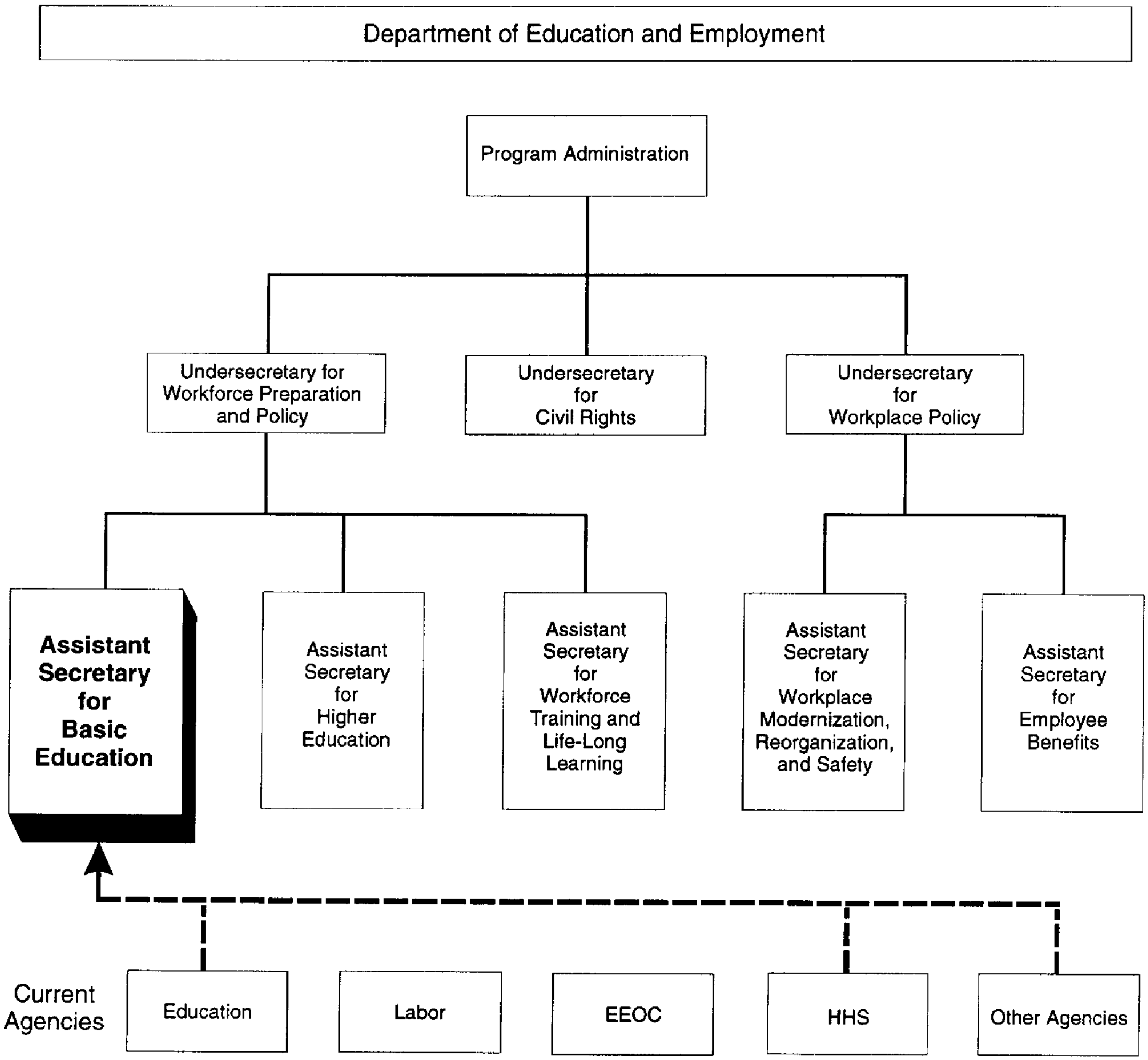


Figure I.8: Proposed Office of Basic Education



Office of Basic Education

Reorganization Proposal

As one of three units within the proposed Office of Workforce Preparation and Policy (see fig. I.8), the Office of Basic Education would join together about 40 federal programs currently administered by the Departments of Education and Health and Human Services (HHS) and the National Endowment for the Arts. (A list of these programs follows.) The Office of Basic Education would be charged with administering elementary and secondary education programs, including those related to special education, bilingual education, and education for Indian youth. It would also be asked to administer the Head Start program—the federal government's best known early childhood program—and selected art education and library programs.

According to the proposal, this office would be responsible for developing policies for and administering programs that support the general education of U.S. youth from preschool through adulthood, including special populations such as disadvantaged, disabled, limited English proficient, and Indian children.

GAO Analysis

To better understand the resources available to this proposed office, we determined the staffing and funding of the approximately 40 programs that would be included in this office. Our data are based on fiscal year 1995 funding for grant programs and authorized staffing levels to administer those programs (see table I.4). As shown in figure I.9, the proposed Office of Basic Education would be responsible for managing staff who administer the Head Start Program in 12 regional offices.

Table I.4: Funding, Staffing, and Field Office Information for the Proposed Office of Basic Education

Dollars in millions

Type of program	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
Early childhood education	$3,534.4	232	72[b]	160	12[c]
Elementary and secondary education	9,562.2	206	206	0	0
Special education	3,252.8	145	145	0	0
Bilingual education	245.2	44	44	0	0
Indian education	74.2	32	32	0	0
Other[d]	167.2	192	192	0	0
Total	**$16,836.0**	**851**	**691**	**160**	**12**

[a]Total authorized FTE levels.

[b]Includes staff located at two regional offices in Washington, D.C.

[c]Two regional offices are located in Washington, D.C.

[d]Includes selected programs currently administered by the National Endowment for the Arts and Education's Offices of Postsecondary Education and Education Research and Improvement.

Source: Departments of Education and HHS and the National Endowment for the Arts.

Issues

While the proposal calls for the Head Start program to be managed by the Office of Basic Education, HHS and other federal agencies currently administer many other early childhood programs not included in the proposal. We found in fiscal years 1992 and 1993 that the federal government funded over 90 early childhood programs in 11 agencies and 20 offices.[13] Of this total, 34 programs are considered to be key programs, and these 34 programs served at least 2 million children below the age of 5 and spent $3.66 billion in fiscal year 1992. Key programs not included in the proposal are identified in appendix III.

This office would also manage Education programs that fund or provide teacher training services, but at least eight other agencies currently administer similar programs that are not included in the proposal. We recently reported that in fiscal year 1993 at least 86 teacher training programs existed in nine federal departments and agencies.[14] Agency officials identified 42 of these programs that obligated $280 million in

[13]Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

[14]Multiple Teacher Training Programs: Information on Budgets, Services, and Target Groups (GAO/HEHS-95-71FS, Feb. 22, 1995).

fiscal year 1993 as primarily dedicated to teacher training. The programs not included in the proposal but that we believe should be considered for consolidation are identified in appendix III.

We identified other education-related programs in addition to the elementary and secondary education programs included in the proposal that could be considered for inclusion in or consolidation under this office's authority.[15] Currently, at least eight departments and agencies administer these programs, some of which are also identified in appendix III.

Programs to Be Administered by the Proposed Office of Basic Education

Department of Education Programs

Goals 2000
- State Grants
- Parents as Teachers
- Other Goals 2000 programs

Title I of the Elementary and Secondary Education Act
- Grants to local education agencies (LEA)
- Neglected and Delinquent Children
- State Program Improvement Grants
- Private School Improvement Expenses
- Evaluation

Revised Title VI—Innovative Education Program Strategies
- Innovative Education Program Strategies (Current Title VI)
- Eisenhower Professional Development
- Eisenhower National Activities
- Bilingual Programs
- Research Labs
- Safe and Drug Free Schools
- Education Infrastructure
- Dropout Prevention
- Magnet Schools
- Charter Schools

[15] Department of Education: Information on Consolidation Opportunities and Student Aid (GAO/T-HEHS-95-130, Apr. 6, 1995).

- Family and Community Endeavor Schools
- Educational Research Information Center (ERIC) Clearinghouse
- Telecommunications Demonstration in Math

Impact Aid
Inexpensive Book Distribution
Elementary and Secondary Education Act (ESEA) Technical Assistance
Consolidation
Even Start
Assessment
Javitz Gifted and Talented Program
Indian Education (youth)
Education for Homeless Children and Youth
Minority Teacher Recruitment and Minority Services
Foreign Language Assistance
Special Education[16]
21st Century Learning Centers
Library Support

- Interlibrary Cooperative
- Library Education and Training
- Library Research and Demonstrations

Department of Health and Human Services Programs

Head Start

National Endowment for the Arts Programs

Art in Education

Elementary and Secondary Education Programs Proposed for Elimination

Instruction in Civics, Government, and Law
Ellender Fellowships (Close-Up)
Education for Native Hawaiians
Training in Early Childhood Education and Violence Training
Women's Educational Equity
Ready to Learn TV
Star Schools

[16]Includes grants for states, preschools, and infants and toddlers, and funding for special purposes, such as children with severe disabilities and serious emotional disturbances.

Figure I.9: Locations of Field Offices Currently Supporting the Head Start Program, Department of Health and Human Services

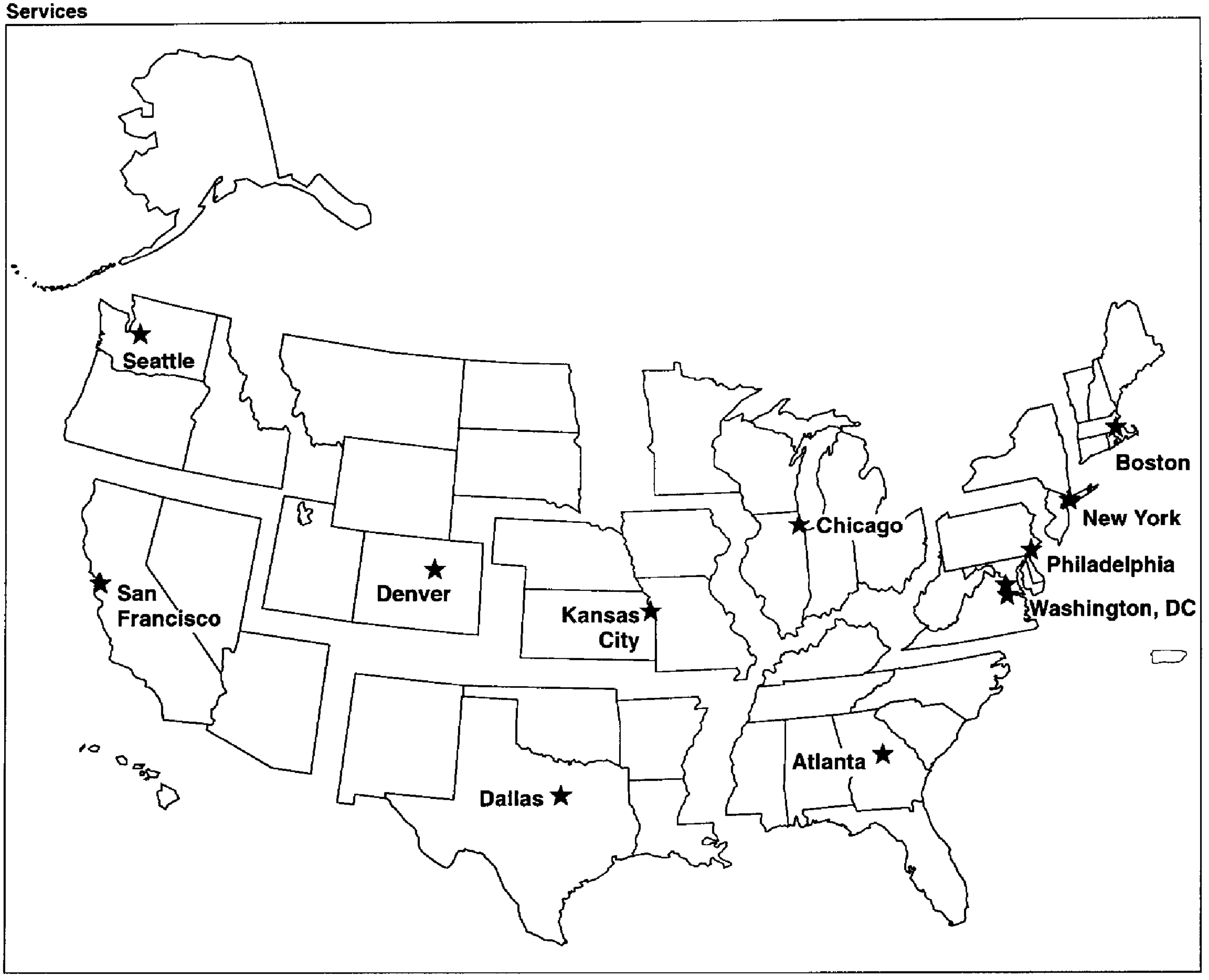
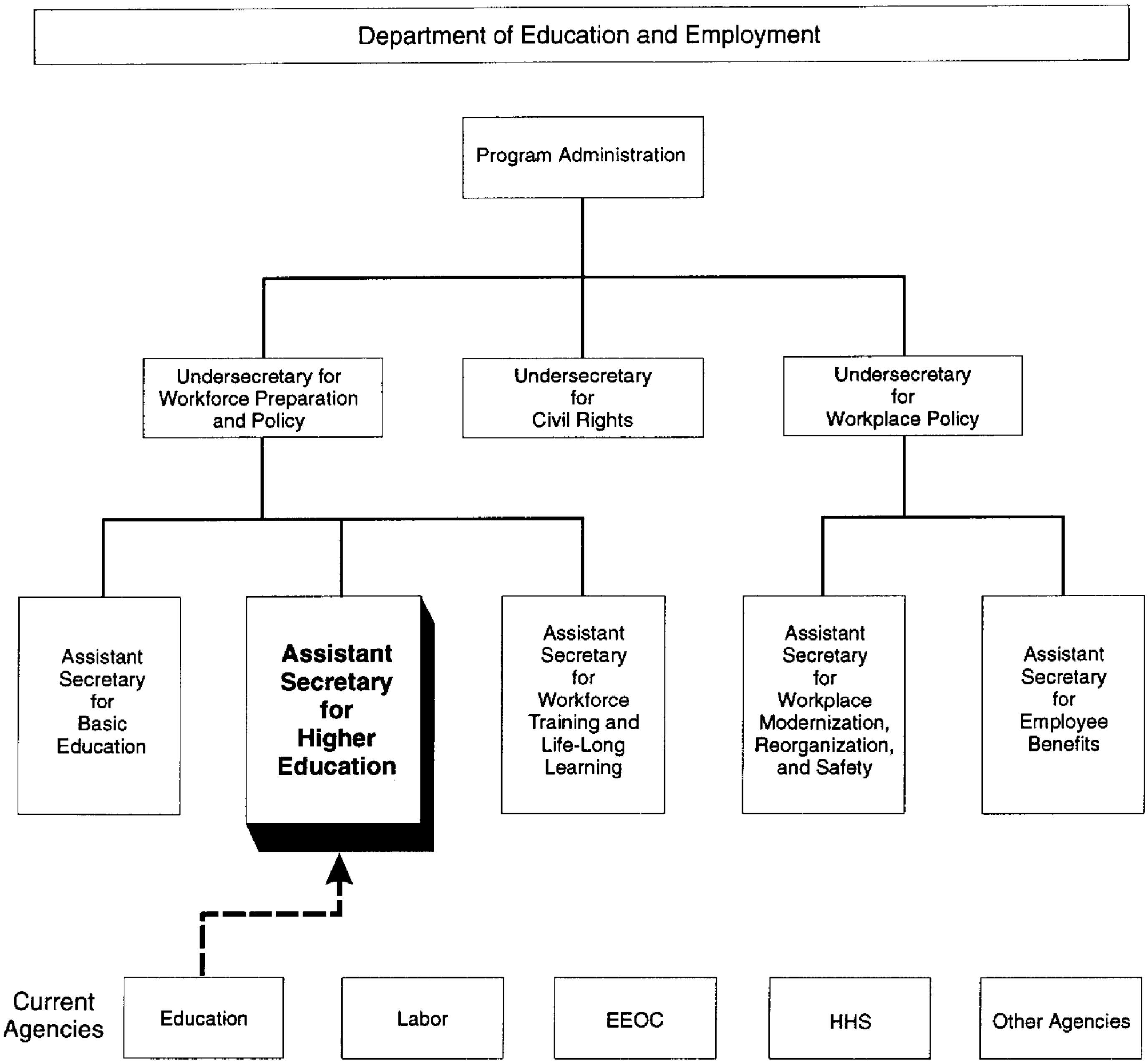


Figure I.10: Proposed Office of Higher Education



Office of Higher Education

Reorganization Proposal

As one of three units within the proposed Office of Workforce Preparation and Policy (see fig. I.10), the Office of Higher Education would manage about 33 federal programs currently administered by the Department of Education. (A list of these programs follows.) The Office of Higher Education, headed by an Assistant Secretary, would be responsible for administering programs that provide financial aid and scholarships to U.S. citizens preparing to attend or currently enrolled in colleges, universities, and trade and technical schools. It would also be charged with providing grants to postsecondary institutions such as Howard and Gallaudet Universities.

On the basis of the proposal, this office would serve as the central unit for carrying out the federal role in providing access to postsecondary education by managing student loans, grants, and a scholarship block grant.

GAO Analysis

To understand better the resources available to this proposed office, we determined the staffing and funding of the approximately 33 programs that would be included in this office. Our data are based on fiscal year 1995 funding for these grant programs and authorized staffing levels to administer these programs (see table I.5). As shown in figure I.11, the proposed Office of Higher Education would be responsible for managing staff who administer postsecondary education programs in 10 regional offices.

Table I.5: Funding, Staffing, and Field Office Information for the Proposed Office of Higher Education

Dollars in millions

Type of program	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
Grants	$7,507.0	422	[b]	[b]	
Loans (direct and other)	6,494.6	886	[b]	[b]	
Fellowships and Scholarships	1,120.3	21	[b]	[b]	
Other[c]	122.0	152	[b]	[b]	
Total	**$15,243.9**	**1,481**	**835**	**646**	**10**

[a]Total authorized FTE levels.

[b]All Department of Education headquarters and field offices currently administer one or more grant, loan, fellowship/scholarship, and other postsecondary programs or functions associated with one or more of those programs.

[c]Includes the National Technical Institute for the Deaf and postsecondary education programs supporting special populations, such as Historically Black Colleges and Universities, Gallaudet University, and Legal Training for the Disadvantaged.

Source: Department of Education.

Issues

In light of the continuing financial pressures to minimize federal costs while helping to ensure that needy students have access to financial aid for their postsecondary education, we reported in January 1995 that the Perkins loan program was one program that could be discontinued.[17] This program is a campus-based loan program whereby the federal government provides funds to schools that match them and make loans to needy students. The schools service and collect the loans and use funds collected from these loans to make new student loans. The federal government could discontinue its capital contributions and allow schools to continue to operate the programs at their own expense, or with the help of states, if they choose.

[17]Department of Education: Opportunities to Realize Savings (GAO/T-HEHS-95-56, Jan. 18, 1995).

Programs to Be Administered by the Proposed Office of Higher Education

Department of Education Programs

Pell Grants
Supplemental Educational Opportunity Grants
Work Study
Perkins Loans
State Student Incentive Grants
State Postsecondary Review Program
Federal Family Education Loan Program
International Education
Student Financial Database
TRIO[18]
Early Intervention
Fund for the Improvement of Postsecondary Education
Strengthening Institutions
Howard University
Historically Black Colleges and Universities
National Technical Institute for the Deaf
Gallaudet University
Direct Student Loans
Christa McAuliffe Fellowships
Desert Storm Benefits
Byrd Honors Scholarship
National Science Scholars
National Academy of Science, Space, and Technology
Douglas Teachers Scholarships
Olympic Scholarships
Teacher Corps
Harris Fellowships
Javitz Fellowships
Graduate Assistance
Faculty Fellowships
School, College, and United Nations Partnerships
Legal Training for the Disadvantaged

[18]These programs include Upward Bound, Talent Search, Student Support Services, Educational Opportunity Centers, and the McNair Postbaccalaureate Program.

Postsecondary Education Programs Proposed for Elimination

Alaska Native Culture and Arts Development
Eisenhower Leadership Programs
Law School Clinical Experience
Interest Subsidy Grant
Mary McLeod Bethune Fine Arts Center
Cooperative Education
College Housing and Academic Facilities Loan

Postsecondary Education Programs Proposed for Transfer to Other Agencies

Innovative Community Services Projects
(to the National Service Corporation)
Urban Community Service
(to the National Service Corporation)

Figure I.11: Locations of Field Offices Currently Supporting the Office of Postsecondary Education, Department of Education

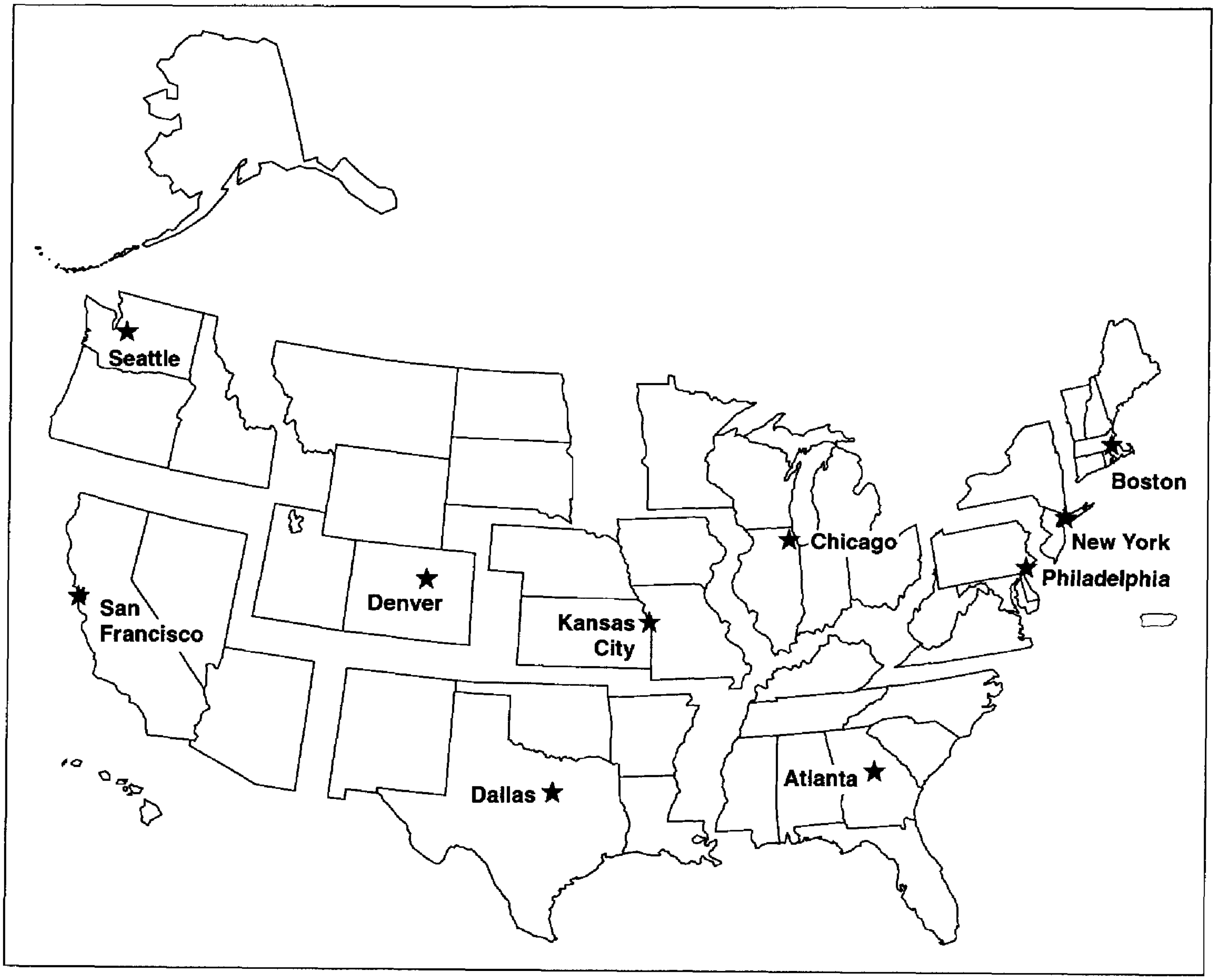
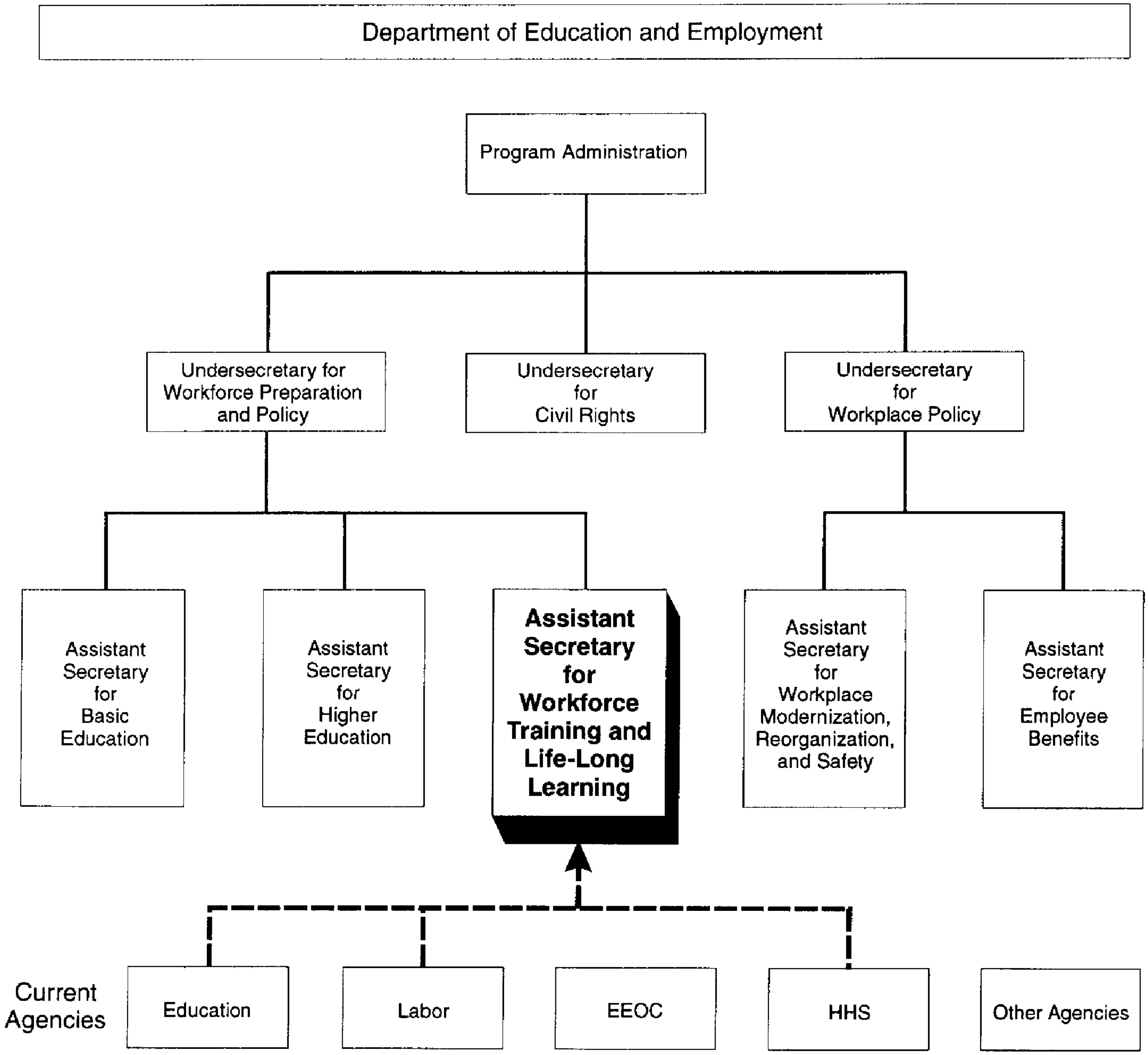


Figure I.12: Proposed Office of Workforce Training and Life-Long Learning



Office of Workforce Training and Life-Long Learning

Reorganization Proposal

As one of three units within the proposed Office of Workforce Preparation and Policy (see fig. I.12), the Office of Workforce Training and Life-Long Learning would include about 70 federal programs currently administered by the Departments of Education, Labor, and HHS. (A list of these programs follows.) The Office of Workforce Training and Life-Long Learning, headed by an Assistant Secretary, would be responsible for administering programs and proposed block grants for adult and youth employment and training, adult education and literacy, and vocational education and rehabilitation. It would also be charged with administering the Job Opportunities and Basic Skills Training (JOBS) program from HHS.

On the basis of the proposal, the Office of Workforce Training and Life-Long Learning would create a comprehensive workforce development strategy by overseeing a consolidated system of federal employment training and education programs for youth and adults. As envisioned, this comprehensive strategy would better ensure that American workers are prepared for jobs in an increasingly competitive global economy. To carry out the strategy, the office would be asked to encourage states in partnership with business to fashion programs that emphasize (1) training people for and placing them in jobs and (2) upgrading the skills of people who are currently employed. The office would also administer services through a series of block grants to the states and provide funding to grantees.

GAO Analysis

To better understand the resources available to this proposed office, we determined the funding and staffing for the approximately 70 programs that would be included in this office. Our data are based on fiscal year 1995 funding for grant programs and authorized staffing levels to administer those programs. (See table I.6.) The field offices for the existing programs, as well as all the field offices that would support this proposed office, are shown in figures I.13 through I.17.

Table I.6: Funding, Staffing, and Field Office Information for the Proposed Office of Workforce Training and Life-Long Learning

Dollars in millions

Type of program	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
Education/Youth/ School-to-Work	$125.0	9	9	0	0
Adult Education and Training	7,463.0	1,644	647	997	276
Adult Literacy	49.1	11	11	0	0
Vocational Rehabilitation	2,203.4	175	80	95	10
JOBS	1,300.0	91	26	65	10
Total	**$11,140.5**	**1,930**	**773**	**1,157**	**296**

[a]Total authorized FTE levels.

Source: Departments of Education, Labor, and HHS.

Issues

Our work suggests that the consolidation of employment training programs would provide an opportunity to reduce federal administrative duplication.[19] For example, 14 departments and agencies currently provide some employment training to the economically disadvantaged, and consolidation could decrease the number of entities providing this service. Obstacles to program coordination among state and local employment training officials could also be significantly reduced by eliminating conflicting planning and reporting cycles. For example, we concluded from our past work that establishing uniform planning and reporting cycles within or across programs would make it easier to deliver services at the local level.[20]

Moreover, the restructuring that could result from creating new block grants from programs to be administered by this office could present an opportunity to hold state and local administrators more accountable for employment training program results. From our work, we found that although almost 90 percent of the employment training programs collected data on the number of people served each year, less than 50 percent of the programs had knowledge of participants' obtaining jobs after they

[19]Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

[20]Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

received services.[21] From our research on the 1981 block grants, we found that a lack of reliable outcome—rather than process—data led, in large measure, to a gradual recategorization of these block grants.[22]

We identified that 64 additional employment training programs, like those programs already earmarked under the proposal, could be considered for inclusion in or consolidation under this office's authority.[23] Currently, these 64 programs are being administered by 13 departments and agencies other than Education and Labor and have fiscal year 1995 funding of about $3 billion. Appendix III lists these programs and 13 Education and Labor job training programs not included in the proposal.

Programs to Be Administered by the Proposed Office of Workforce Training and Life-Long Learning

Department of Education Programs

High School Equivalency Program
Migrant State Agency
College Assistance for Migrant Education
School-to-Work
Federal Corrections Institute
Vocational Education Basic State Grant
Comprehensive Career Guidance
Blue Ribbon Programs
Regional training—Skilled Trades
Business/Education Labor Partnerships
State Programs and Activities
Single Parents/Displaced Homemakers
Sex Equity

[21]Multiple Employment Training Programs: Basic Program Data Often Missing (GAO/T-HEHS-94-239, Sept. 28, 1994) and Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994). Education stated, however, that it maintains outcome data on vocational rehabilitation programs.

[22]Block Grants: Characteristics, Experiences, and Lessons Learned (GAO/HEHS-95-74, Feb. 9, 1995).

[23]Multiple Employment Training Programs: Information Crosswalk on 163 Employment Training Programs (GAO/HEHS-95-85FS, Feb. 14, 1995).

Criminal Offenders
Cooperative Demonstrations' Community-Based Organizations
Bilingual Vocational Training
Consumer and Homemaking Education
TechPrep Education
Student Literacy Corps
State Councils
Research
Smith-Hughs Act
Territorial Set Aside
Indian and Hawaiian Natives Set Aside
Tribally Controlled Postsecondary Vocational Institutions
Vocational Rehabilitation
- Basic State Grants
- Client Assistance
- Training
- Special Demonstrations
- Supported Employment Projects
- Migratory Workers
- Recreational Programs
- Projects With Industry
- Supported Employment State Grants

Adult Education/Literacy
- Demonstration Projects for Vocational/Academic Integration
- National Workplace Literacy
- Literacy for Incarcerated Adults
- State Literacy Resource Centers
- Adult Education Basic Grant Program
- Homeless
- National Programs
- Library Service
- Indian Education

American Printing House for the Blind

(As of April 26, 1995, the proposal did not specifically address the disposition of the following education programs: National Institute on Disability and Rehabilitation Research; Independent Living Centers, State Grants, and Services for Older Blind Individuals; Evaluation; Helen Keller Center for Deaf Blind Youth and Adults; Assistive Technology; and JTPA Adult Literacy Training.)

Department of Labor Programs

Employment and Training Administration (ETA) Program Operations
Veterans' Employment and Training
Job Training Partnership Act (JTPA) IIA Adult
JTPA III Dislocated Workers
Defense Conversion Adjustment
Clean Air Employment Transition
Job Corps
Veterans' Reemployment
Disabled Veterans' Outreach Program
Local Veterans' Employment Representative Program (Veterans' Dislocated Workers)
JTPA National Activities
Homeless Veterans Reintegration Project
North American Free Trade Agreement—Trade Adjustment Assistance
Employment Service Grants
Native American Training
Migrant and Seasonal Farmworkers
JTPA IIC Youth
JTPA Summer Youth
Skills Standards
School-to-Work
Bureau of Apprenticeship and Training (BAT)

Department of Health and Human Services Programs

Job Opportunities and Basic Skills Training Program

Education and Training Programs Proposed for Elimination

International Education Exchange
Civic Education
National Writing Project
National Diffusion Network
Educational Technology
Library Construction
Youth Fair Chance
Targeted Jobs Tax Credit
Job Corps "Freeze and Fix" Plan

(Proposal sponsors also plan to eliminate the Department of Agriculture's Food Stamp Employment and Training program and Appalachian Vocational and Other Education Facilities and Operations currently administered by the Appalachian Regional Commission.)

Education and Training Program Proposed for Transfer

Senior Community Service Employment Program (to the National Service Corporation)

Figure I.13: Locations of Field Offices Currently Supporting the Employment and Training Administration, Department of Labor

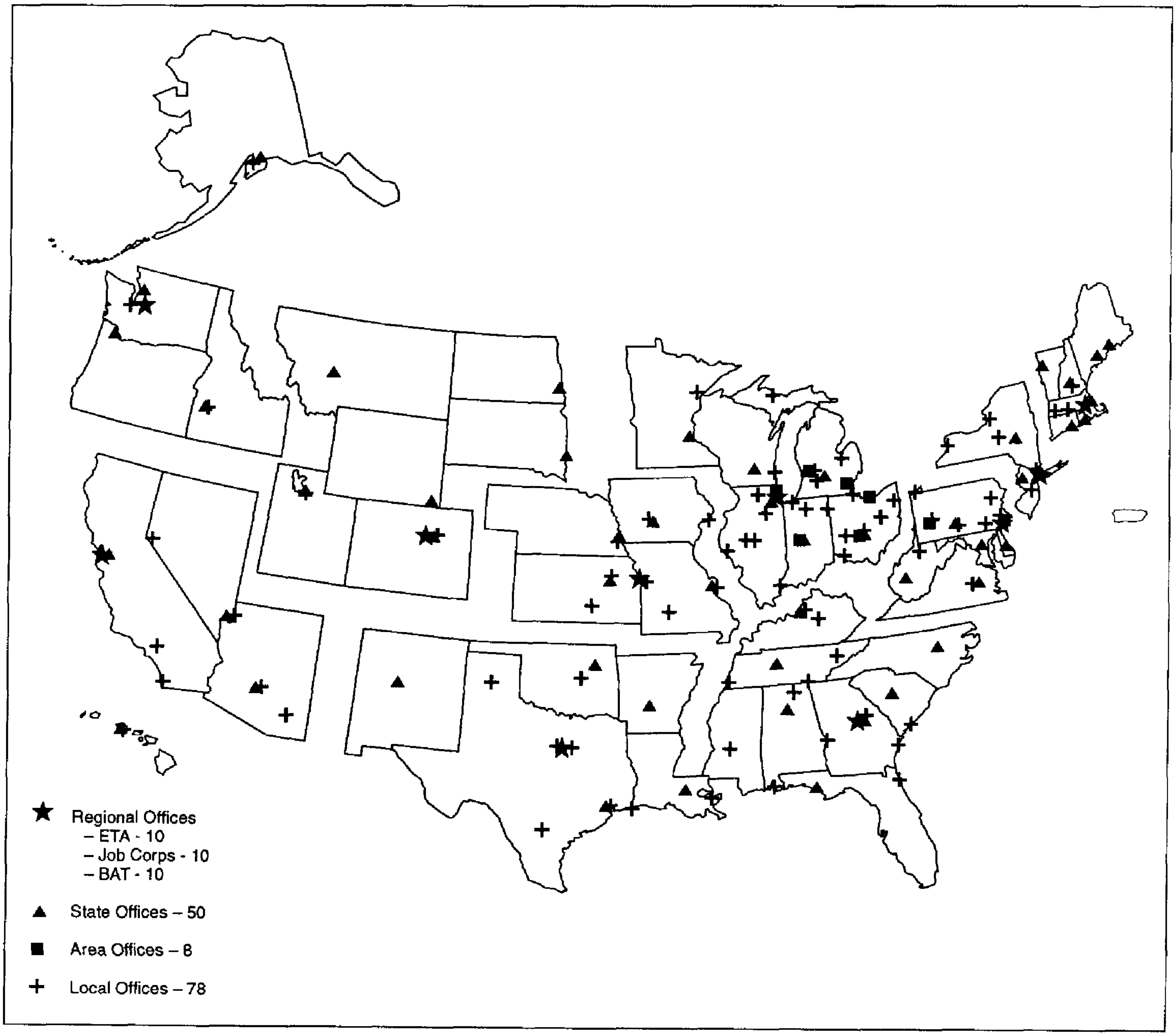


Figure I.14: Locations of Field Offices Currently Supporting the Office of Veterans' Employment and Training, Department of Labor

Figure I.15: Locations of Field Offices Currently Supporting the Rehabilitative Services Administration, Department of Education

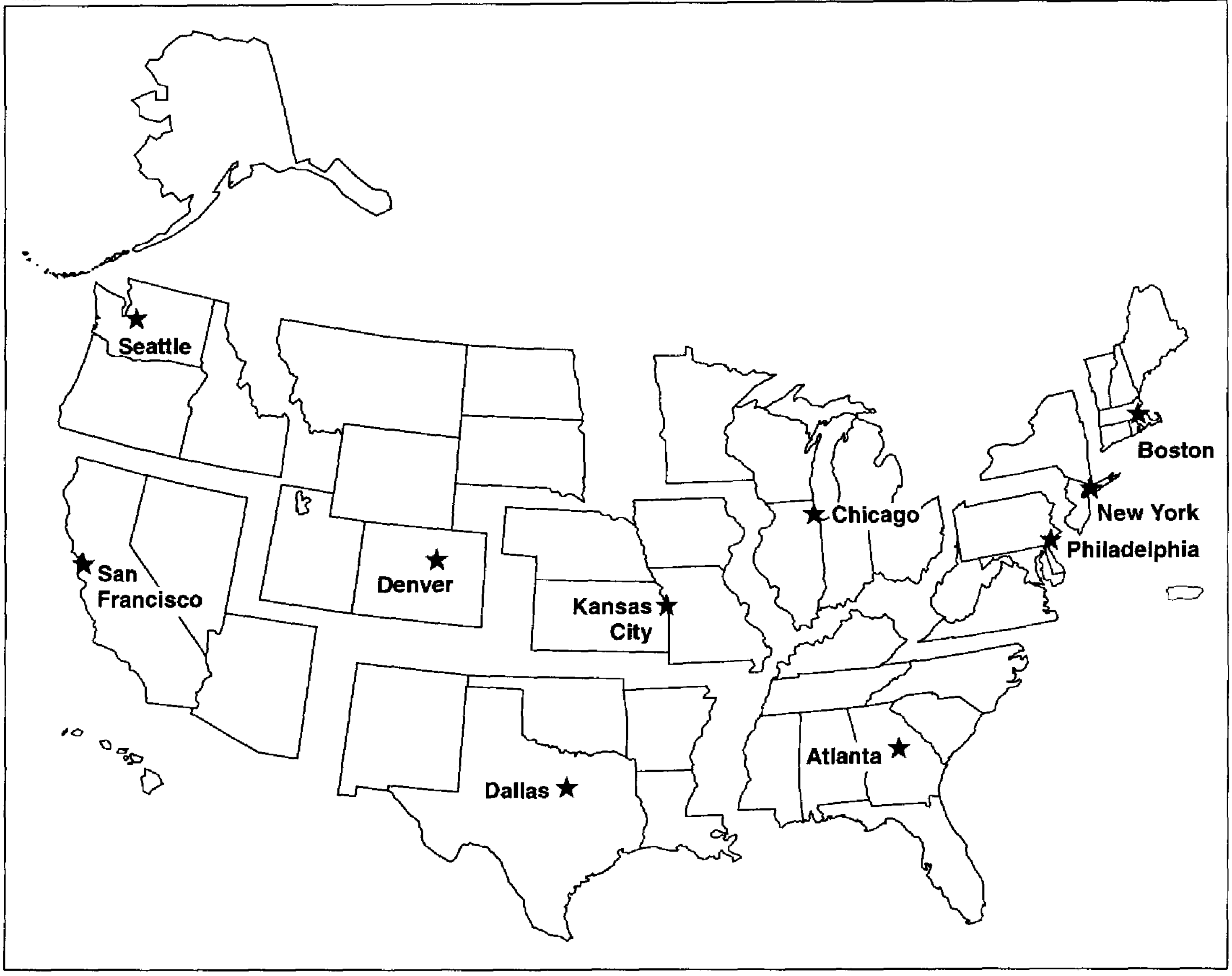


Figure I.16: Locations of Field Offices Currently Supporting the Job Opportunities and Basic Skills Training Program, Department of Health and Human Services

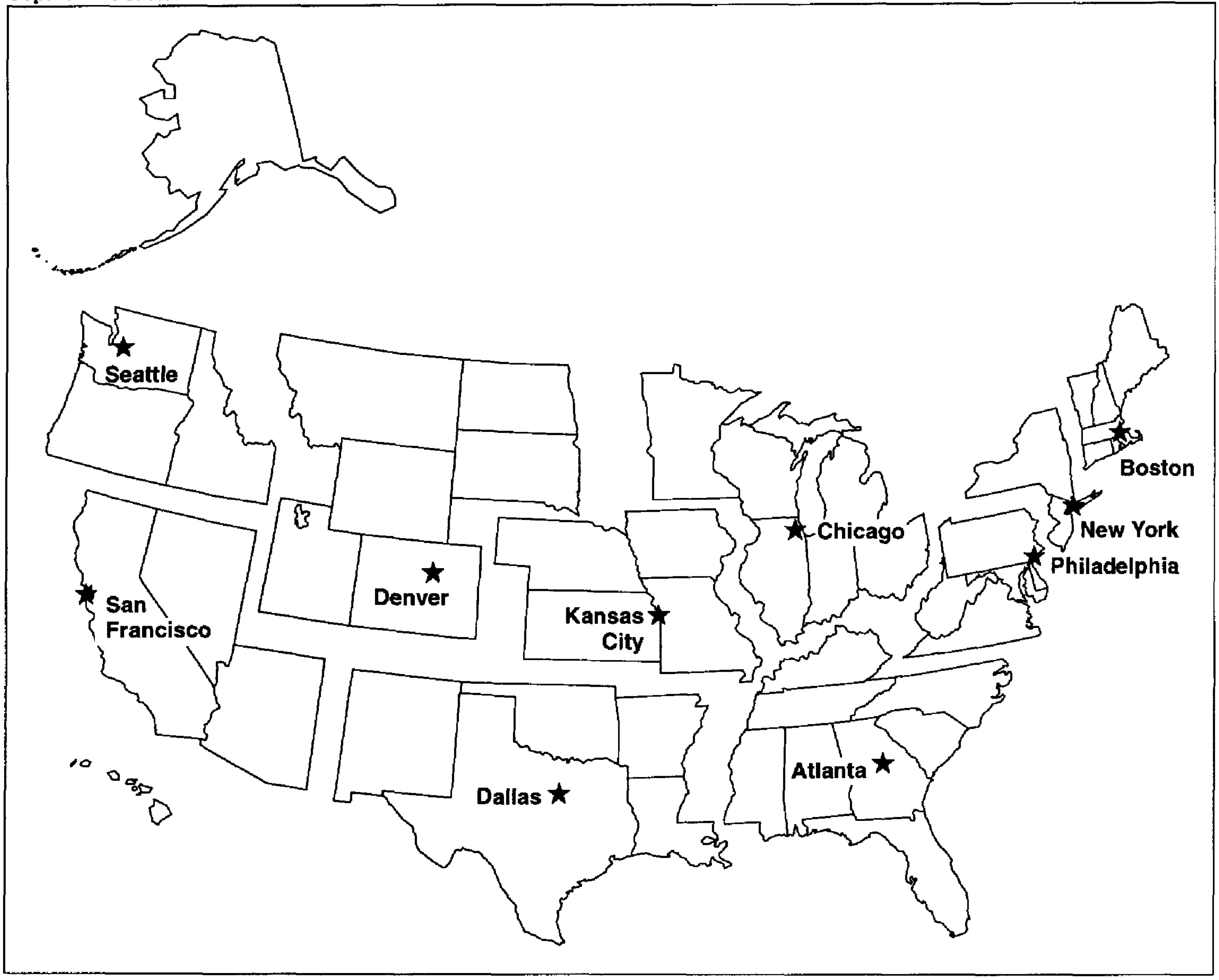


Figure I.17: Locations of All Field Offices for the Proposed Office of Workforce Training and Life-Long Learning

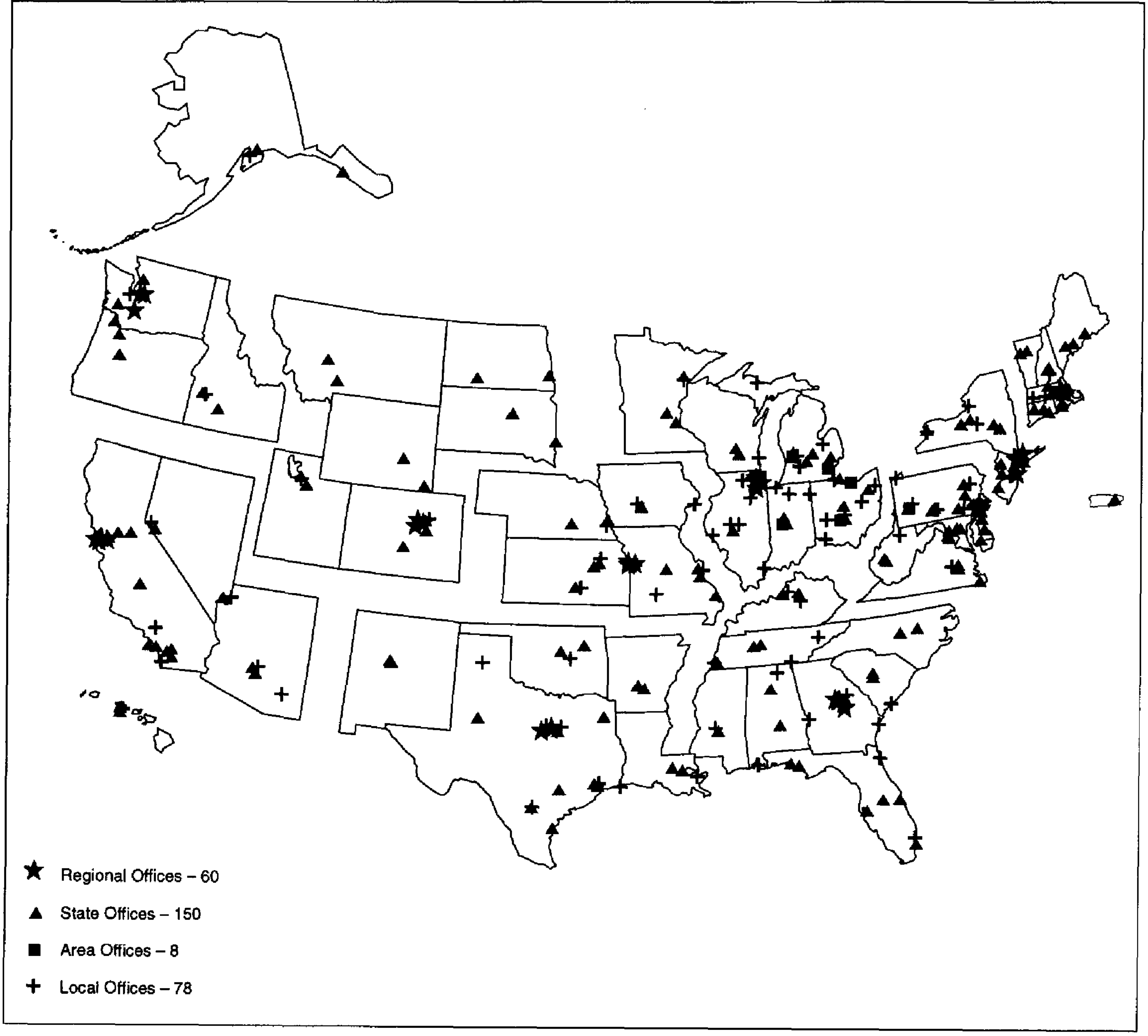
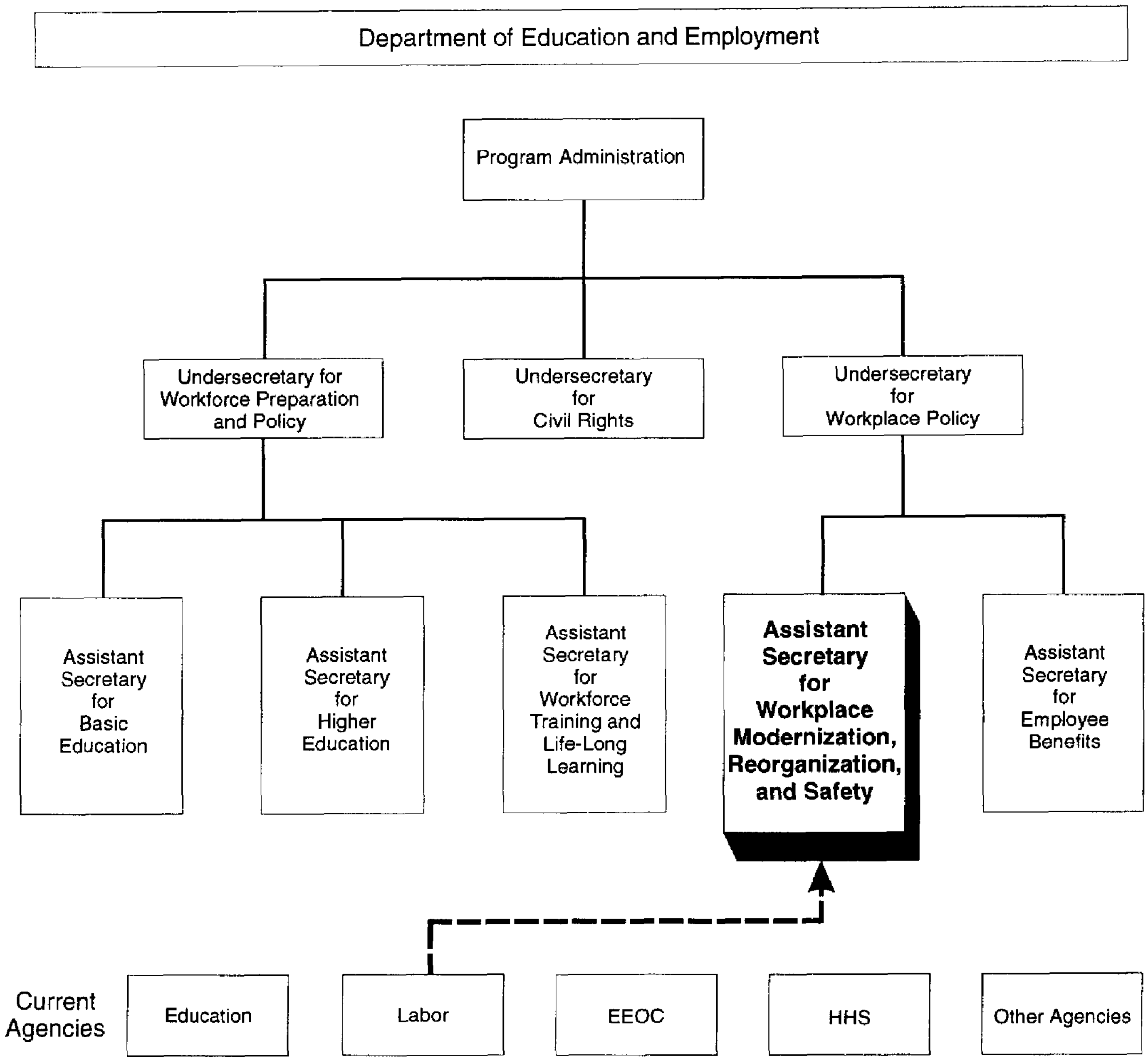


Figure I.18: Proposed Office of Workplace Modernization, Reorganization, and Safety



Office of Workplace Modernization, Reorganization, and Safety

Reorganization Proposal

As one of two units within the proposed Office of Workplace Policy, the Office of Workplace Modernization, Reorganization, and Safety would be under the direction of an Assistant Secretary. (See fig. I.18.) This office would include four programs from the Department of Labor that would work with employers and workers to enforce various workplace standards.

The Office of Workplace Modernization, Reorganization, and Safety would include (1) the Occupational Safety and Health Administration (OSHA), which enforces standards for workplace safety and health; (2) the Mine Safety and Health Administration (MSHA), which enforces standards for mine safety and health; (3) the Wage and Hour Division (WHD) from the Employment Standards Administration, which enforces standards for wages and other working conditions; and (4) the Office of Labor-Management Standards (OLMS), from the Office of the American Workplace, which works with unions.[24]

The office would be charged with working with the business community to create world-class enterprises that use innovative production technologies and organizational work practices to achieve greater productivity and competitiveness. At the same time, the office would be responsible for encouraging greater labor-management cooperation to ensure workers safe and healthful working conditions. The proposal also calls for eliminating the Office of Workplace Standards, which is currently located in the Office of the American Workplace.

GAO Analysis

To better understand the resources available to this proposed office, we determined the fiscal year 1995 funding and staffing for the activities that would be included in this office. (See table I.7.) The locations of field offices in the activities that would be included in this office, as well as all

[24]This office would also include the Review Commissions for OSHA and MSHA. These commissions were not proposed for inclusion until after April 26, 1995, and we did not have the opportunity to gather relevant budget data.

that would support the proposed office, are shown in figures I.19 through I.23.

Table I.7: Funding, Staffing, and Field Office Information for the Proposed Office of Workplace Modernization, Reorganization, and Safety

Dollars in millions

Agency	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
OSHA	$315.4	2,323	413	1,910	107
MSHA	200.6	2,521	244	2,277	129
WHD[b]	105.6	1,380	172	1,208	280
OLMS	24.0	320	65	255	33
Total	**$645.6**	**6,544**	**894**	**5,650**	**549**

[a]Total authorized FTE levels.

[b]Totals include an allocated amount from management functions in the Employment Standards Administration.

Source: Department of Labor.

Issues

We reported in April 1995 that a consensus is emerging that the federal government must change the way it ensures worker protections.[25] The creation of a single office to ensure worker protections could result in a system that places greater responsibility on employers and employees to create and maintain a safe and healthful workplace. Additionally, a consolidated office could enhance employer outreach and training to achieve greater knowledge of and respect for workplace safety from both employers and workers. We reported in 1992 that employer involvement in on-site programs that promote worker safety and health were effective in reducing work-related injuries and illnesses.[26]

While fostering an environment of greater voluntary compliance, an effective enforcement presence with employers and workers at workplaces and mines across the country would still be needed. As a result, the continued use of field offices may prove essential. Serious consideration should be given to the mission and function of the new office to determine the proper amount of field presence required to carry out that mission effectively.

[25]Department of Labor: Rethinking the Federal Role in Worker Protection and Workforce Development (GAO/T-HEHS-95-125, Apr. 4, 1995).

[26]Occupational Safety and Health: Worksite Safety and Health Programs Show Promise (GAO/HRD-92-68, May 19, 1992).

Figure I.19: Locations of Field Offices Currently Supporting the Occupational Safety and Health Administration, Department of Labor

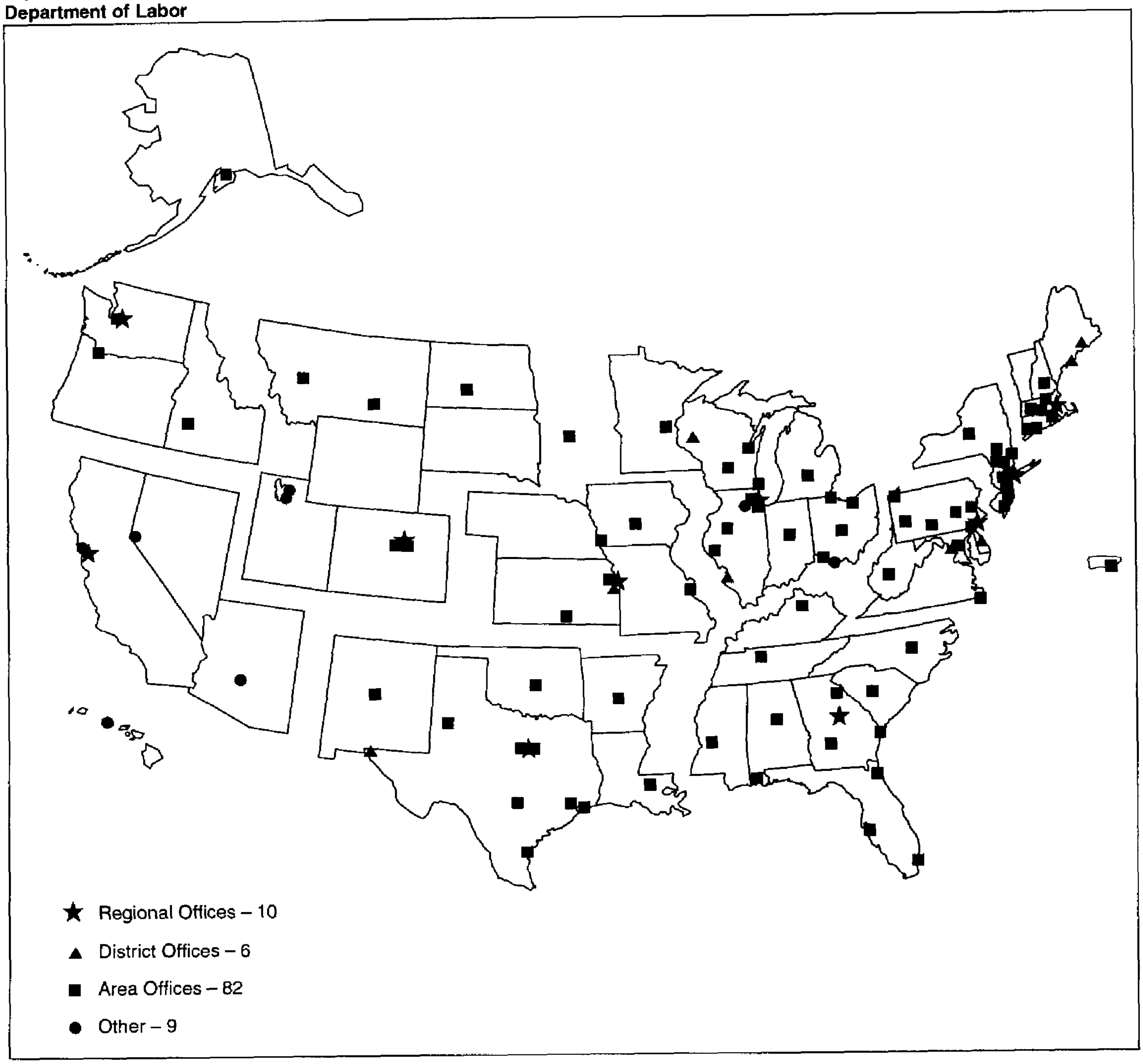


Figure I.20: Locations of Field Offices Currently Supporting the Mine Safety and Health Administration, Department of Labor

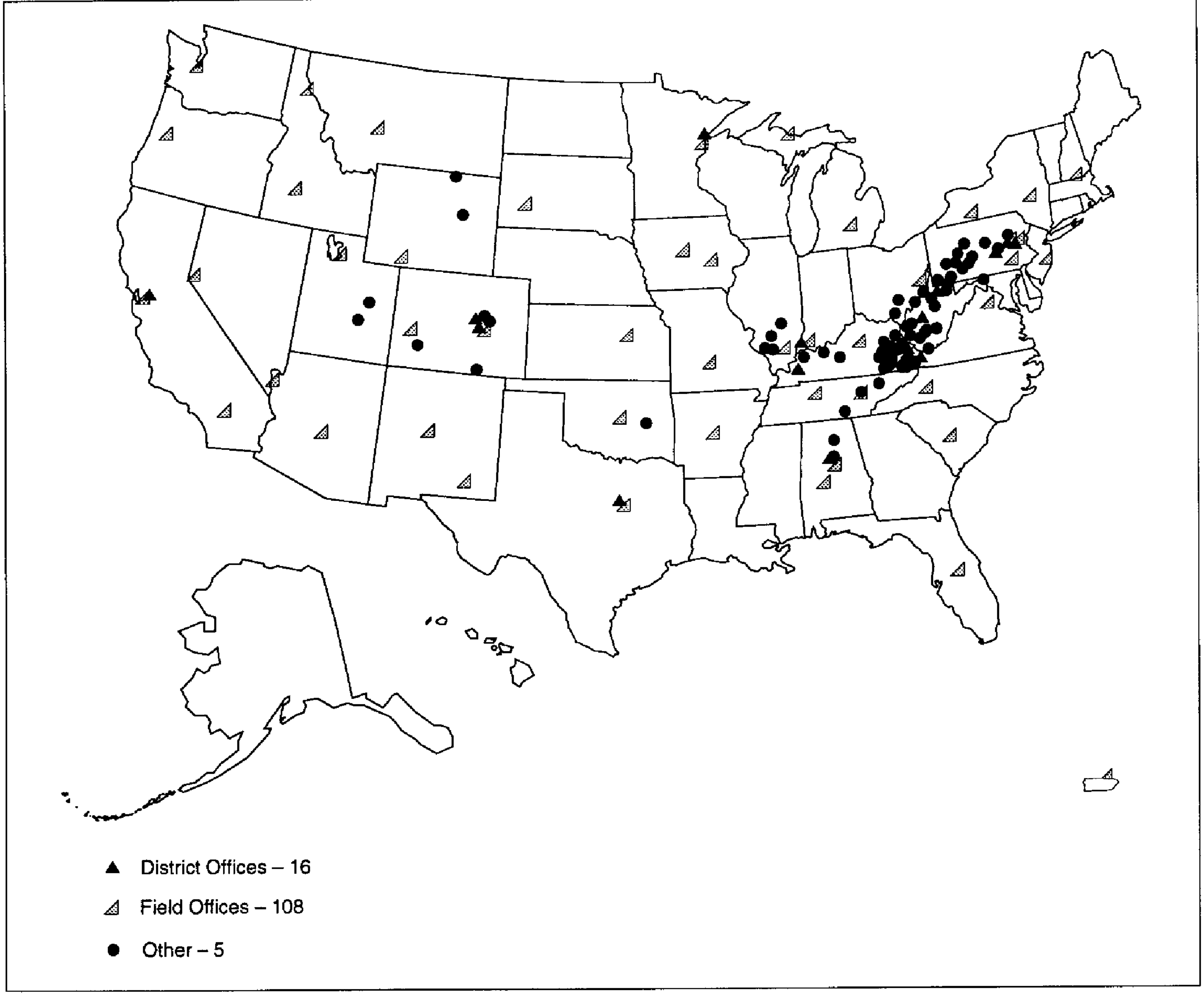


Figure I.21: Locations of Field Offices Currently Supporting the Wage and Hour Division, Department of Labor

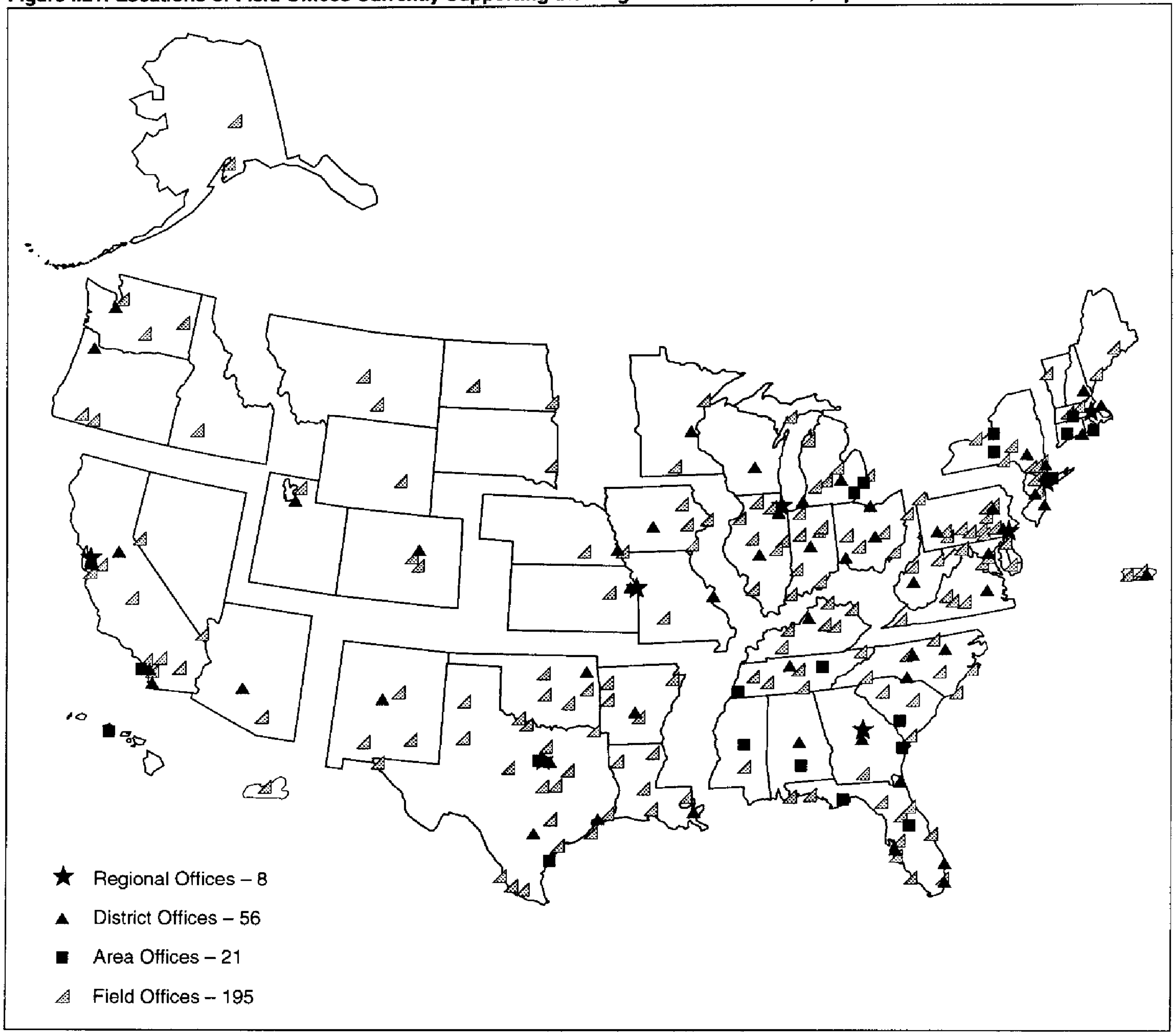


Figure I.22: Locations of Field Offices Currently Supporting the Office of Labor-Management Standards, Department of Labor

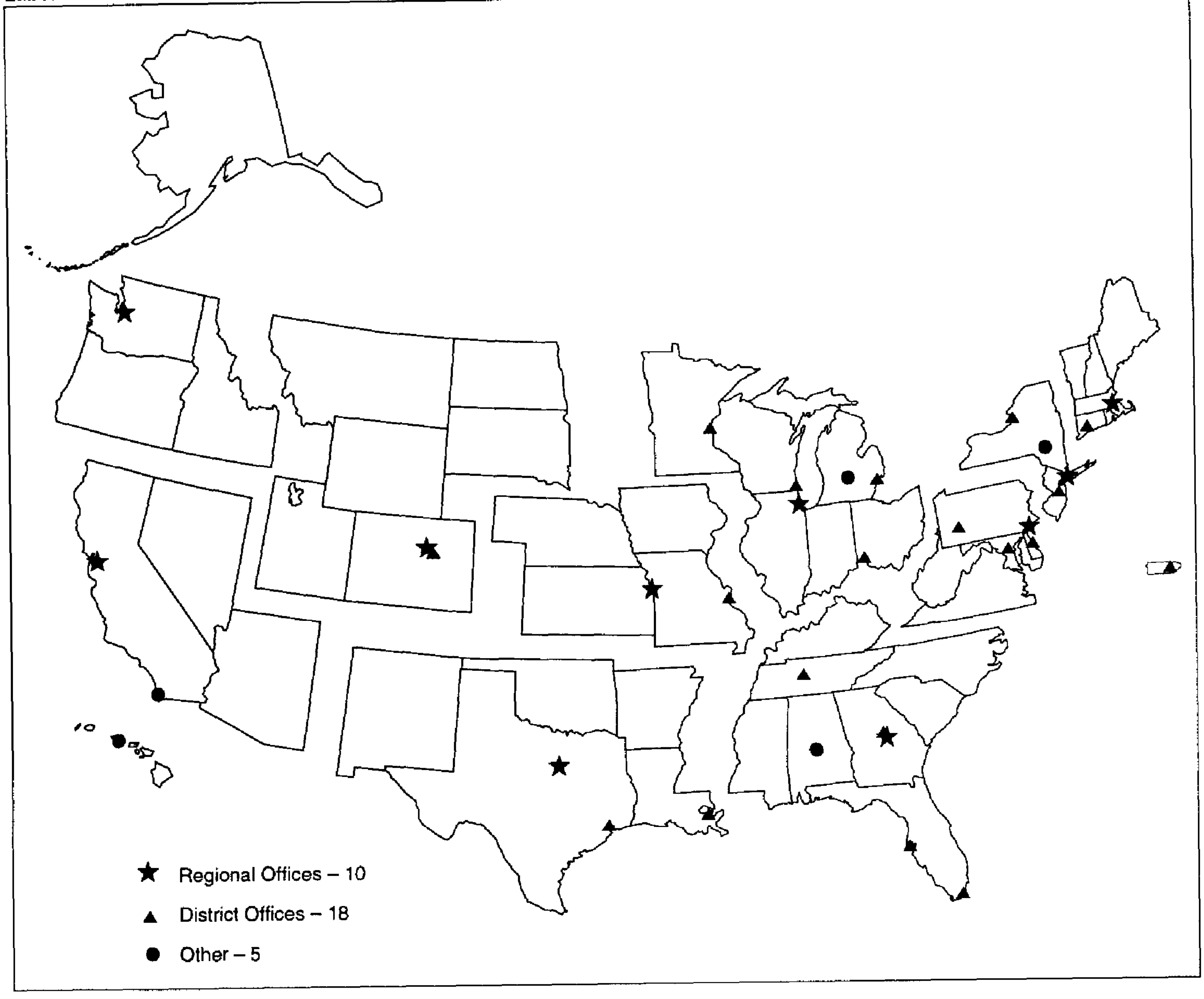


Figure I.23: Locations of All Field Offices in the Proposed Office of Workplace Modernization, Reorganization, and Safety

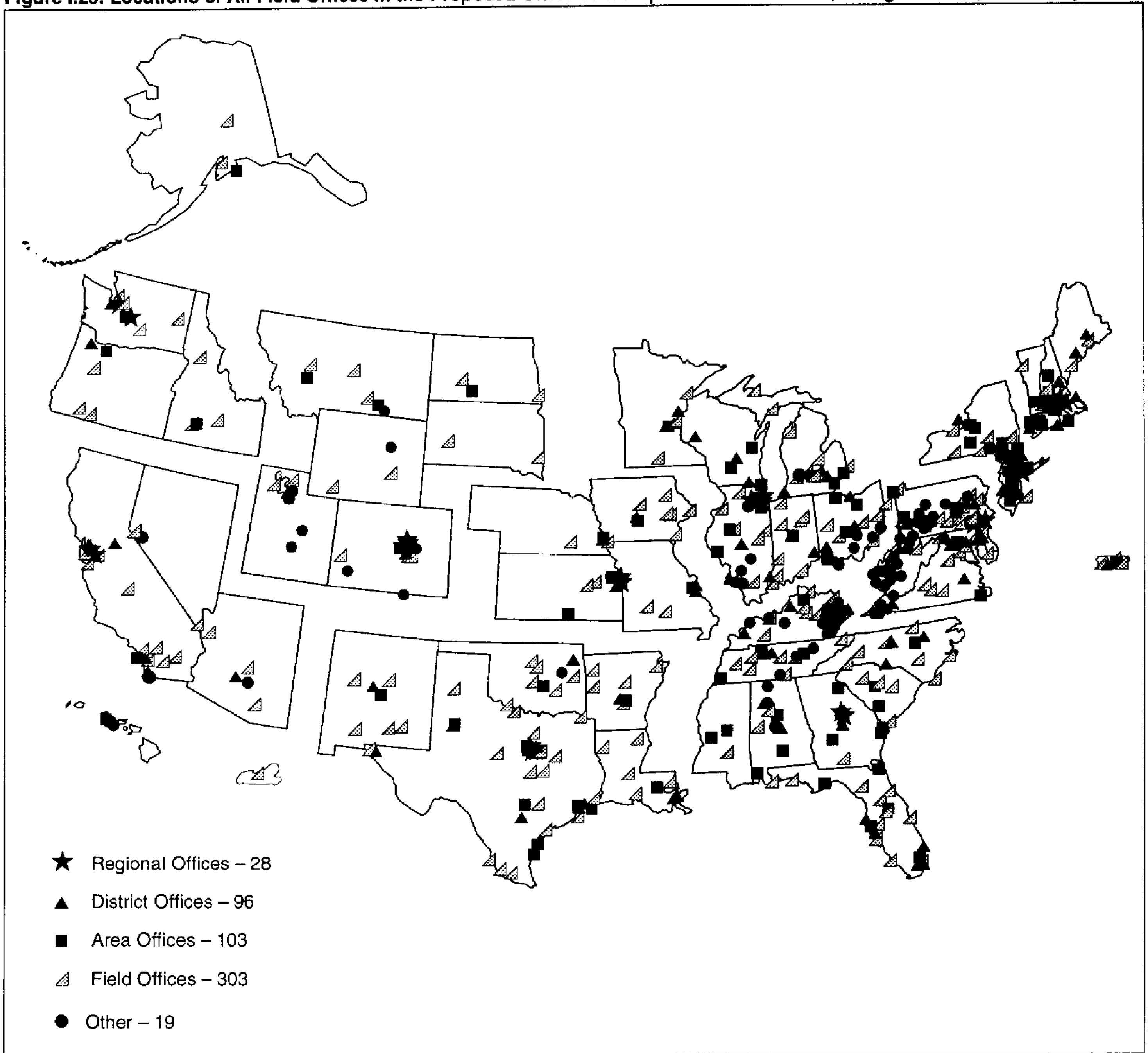
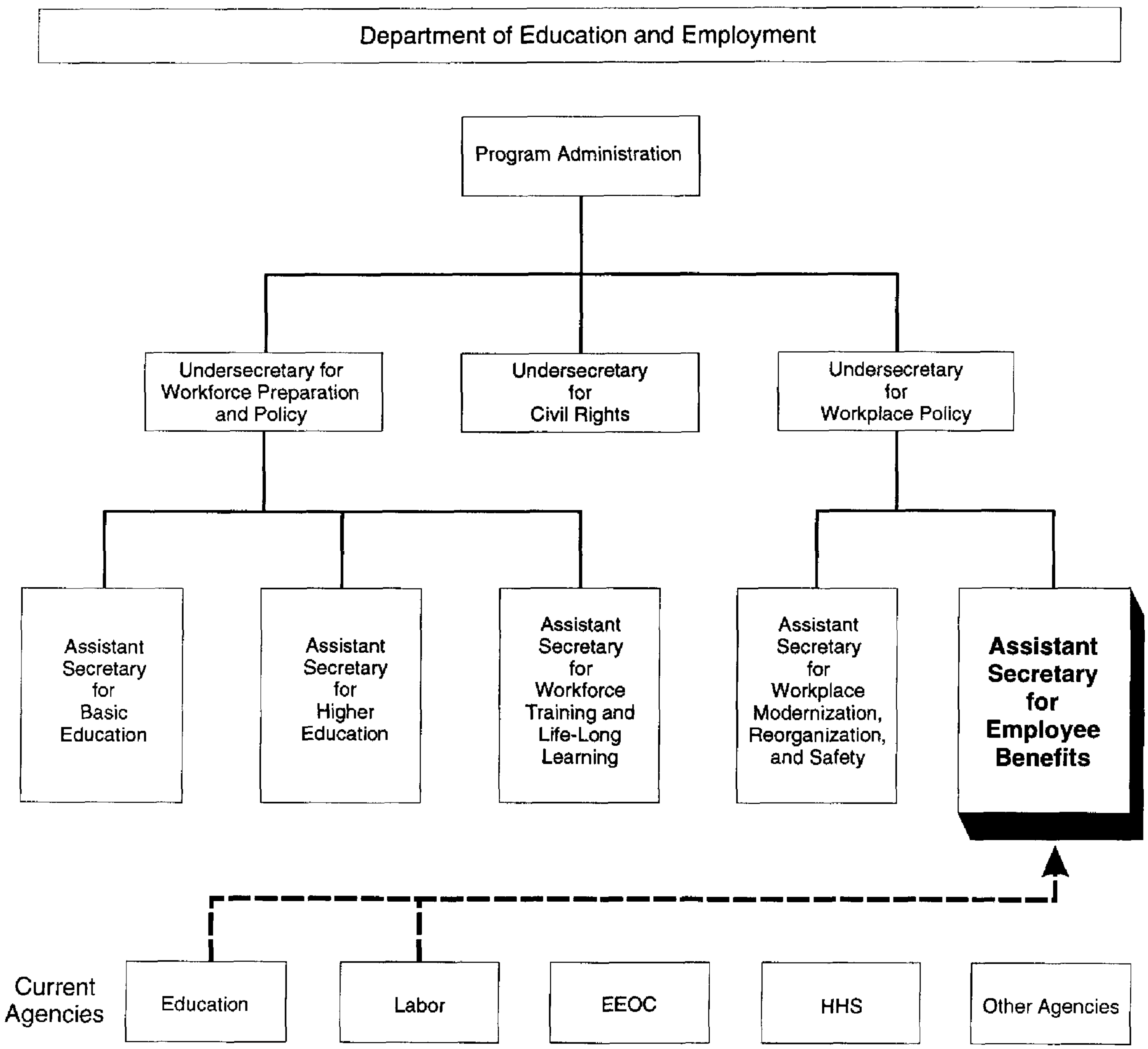


Figure I.24: Proposed Office of Employee Benefits



Office of Employee Benefits

Reorganization Proposal

As one of two units within the proposed Office of Workplace Policy, the Office of Employee Benefits would be under the direction of an Assistant Secretary. (See fig. I.24.) The office would be responsible for administering several existing programs from the Department of Labor that focus on providing benefits and overseeing the proper functioning of private-sector pensions.[27]

These programs are (1) the Unemployment Insurance (UI) program, which is administered by the Employment and Training Administration (ETA) as relief to temporarily unemployed individuals; (2) the Office of Workers' Compensation Programs (OWCP) from the Employment Standards Administration (ESA), which oversees various benefit programs;[28] (3) the Pension and Welfare Benefits Administration (PWBA), which evaluates and monitors the operations of private-sector pensions; and (4) the Pension Benefit Guaranty Corporation (PBGC), which insures most private-sector defined benefit pension plans. The PBGC currently is a wholly owned government corporation housed in Labor, but which operates quasi-independently. Although PBGC would be administratively housed in this office, it would retain its current quasi-independent status.

The Office of Employee Benefits would be charged with administering a comprehensive array of laws and programs to ensure benefit and pension protection. The office would administer the UI program, as well as disability compensation programs that compensate for work-related injury, disease, or death. Finally, the office would monitor, oversee, and insure private-sector pensions under Titles I and IV of the Employee Retirement Income Security Act of 1974 (ERISA), which together account for over 700,000 private-sector pension plans and 4.5 million private-sector welfare benefit plans.

[27]The proposal would also include a Contributions fund from the Department of Education and a Gifts and Bequests fund from the Department of Labor. The budget data for these funds are not included here because they are relatively small ($.4 million in fiscal year 1995) and have no FTEs associated with them.

[28]The benefit programs that would be monitored by this office are Federal Employees Compensation Act benefits; Special Workers' Compensation Benefits; Longshore and Harbor Workers Compensation Benefits; and the Black Lung Disability Trust Fund.

GAO Analysis

To better understand the resources available to this proposed office, we determined the fiscal year 1995 funding and staffing levels for the programs that would be included in this office. (See table I.8.) The locations of the field offices in the existing activities that would be included in the office, as well as all the field offices that would support the new office, are illustrated in figures I.25 through I.28.

Table I.8: Funding, Staffing, and Field Office Information for the Proposed Office of Employee Benefits

Dollars in millions

Program	Fiscal year 1995 funding	Fiscal year 1995 staffing level[a] Total	Headquarters	Field	Number of field offices
ETA	$23,575.5	280	168	112	10[b]
OWCP[c]	1,421.8[d]	1,442	114	1,328	51
PWBA	69.3	621	219	402	15
PBGC	137.7[e]	687	687	0	0
Total	**$25,066.6**	**3,030**	**1,188**	**1,842**	**76**

[a]Total authorized FTE levels.

[b]These are the same field offices that administer job training programs and are included in the proposed Office of Workforce Training and Life-Long Learning.

[c]Totals include an allocated amount from management functions in the Employment Standards Administration.

[d]All but $110 million of this total are benefit amounts paid to recipients. These benefit programs are the Federal Employees Compensation Act Benefits, Special Workers' Compensation Benefits, Longshore and Harbor Workers Compensation Benefits, and the Black Lung Disability Trust Fund.

[e]While staffing for PBGC is included with Labor's staffing totals, PBGC's budget is included for illustrative purposes and is not included in Labor's budget totals.

Source: Department of Labor.

Issues

In the past, we have expressed concern over the ability of the federal pension agencies to adequately enforce and oversee private pensions.[29] PBGC has been of particular concern to us because of its inadequate pension reserves.[30] However, legislation was passed in December 1994 that PBGC anticipates will significantly reduce underfunding in the plans it insures and thereby improve its financial condition. Creating a single

[29]Pension Plans: Stronger Labor ERISA Enforcement Should Better Protect Plan Participants (GAO/HEHS-94-157, Aug. 8, 1994); Private Pensions: Protections for Retirees' Insurance Annuities Can Be Strengthened (GAO/HRD-93-29, Mar. 31, 1993); and Pension Plans: IRS Needs to Strengthen Its Enforcement Program (GAO/HRD-91-10, July 2, 1991).

[30]Financial Audit: Pension Benefit Guaranty Corporation's 1993 and 1992 Financial Statements (GAO/AIMD-94-109, May 4, 1994).

office to oversee pension activities could allow for a more cohesive federal pension policy.

However, it will be important to maintain PBGC's quasi-independent status. Under present law, the federal government is not liable for liabilities incurred by PBGC because PBGC is primarily responsible for guaranteeing benefits of the plans it insures. Most of PBGC's funding is raised through premiums on private pension plans, assets of terminated plans, and investments of those premiums and assets. It uses these funds to guarantee employee pensions in cases of insolvency. Additionally, care would have to be taken to ensure that these funds are not diverted to other uses and therefore not available for their intended purpose. Furthermore, it would be important to ensure that the improvements PBGC has made are not jeopardized. The improvements, together with the December 1994 legislation referred to above, led us to remove PBGC from our list of high-risk programs.[31]

Regarding the UI program, currently it and virtually all job training programs are administered by Labor's Employment and Training Administration (ETA). In so doing, ETA has the opportunity to use UI benefits to facilitate job training for those who need it. As a matter of fact, some states use UI as the entry point for individuals entering the employment system.

We have already reported on a number of problems with the UI program's operations and its inadequate reserves.[32] We believe it is important that UI remain with ETA's job training programs for suggested improvements to take place. In that respect, we believe the UI program, and the current ETA offices that administer it,[33] should be included in the Office of Workforce Training and Life-Long Learning.

Finally, because this office has several disparate missions, the task of consolidating field offices may be problematic and savings may be limited. OWCP administers the benefit programs and has 51 field offices, but it has little in common with ETA's 10 field offices that administer the UI program.

[31]Financial Audit: Pension Benefit Guaranty Corporation's 1994 and 1993 Financial Statements (GAO/AIMD-95-83, Mar. 8, 1995).

[32]Unemployment Insurance: Program's Ability to Meet Objectives Jeopardized (GAO/HRD-93-107, Sept. 28, 1993) and Unemployment Insurance: Trust Fund Reserves Inadequate to Meet Recession Needs (GAO/HRD-90-124, May 21, 1990).

[33]As noted earlier, the 10 ETA regional offices that administer the UI program are the same 10 offices that administer job training programs.

Moreover, these offices have little in common with PWBA, which has 15 field offices to carry out pension oversight.

Figure I.25: Locations of Field Offices for ETA's Administration of Unemployment Insurance, Department of Labor

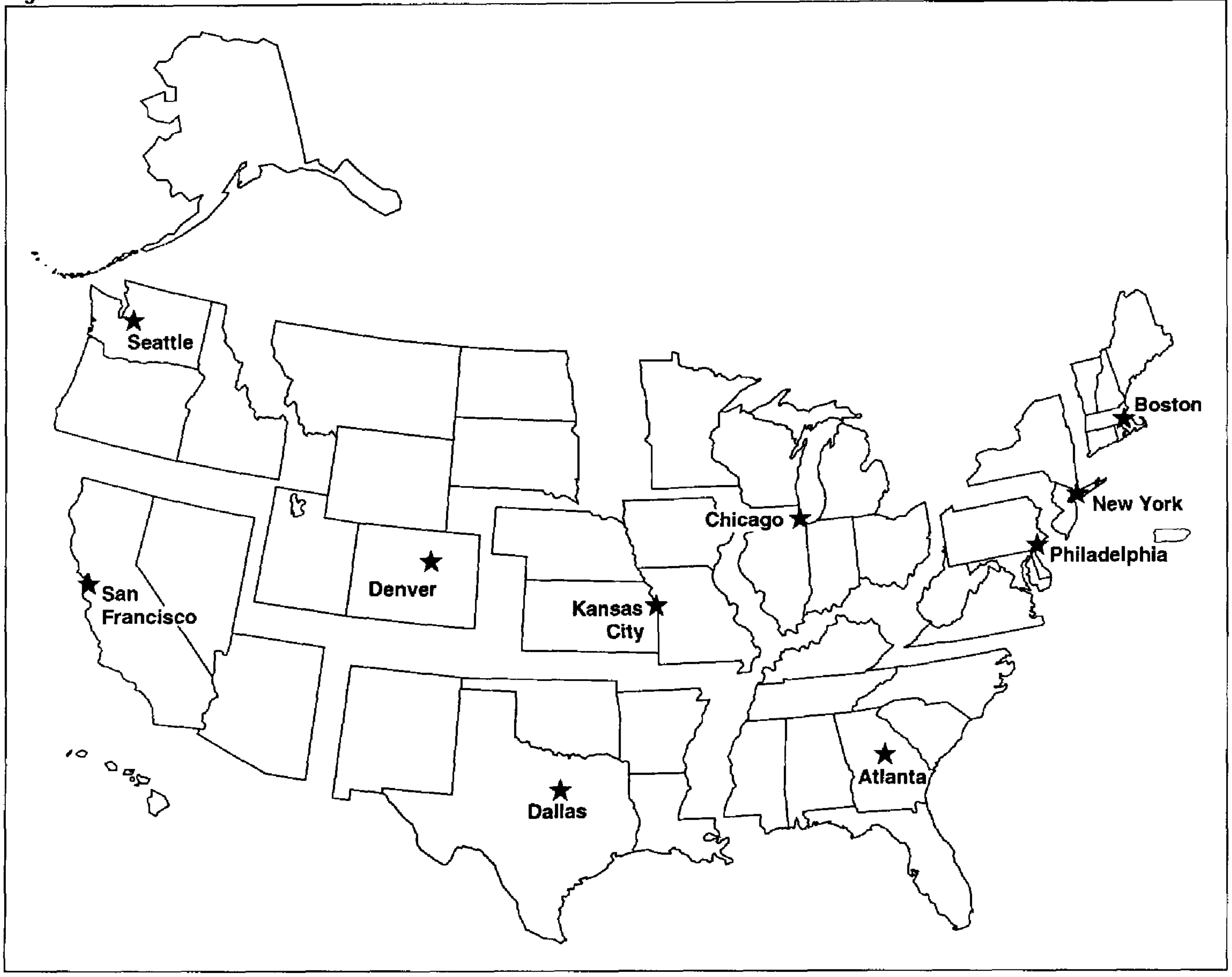


Figure I.26: Locations of Field Offices Currently Supporting the Office of Workers' Compensation Programs, Department of Labor

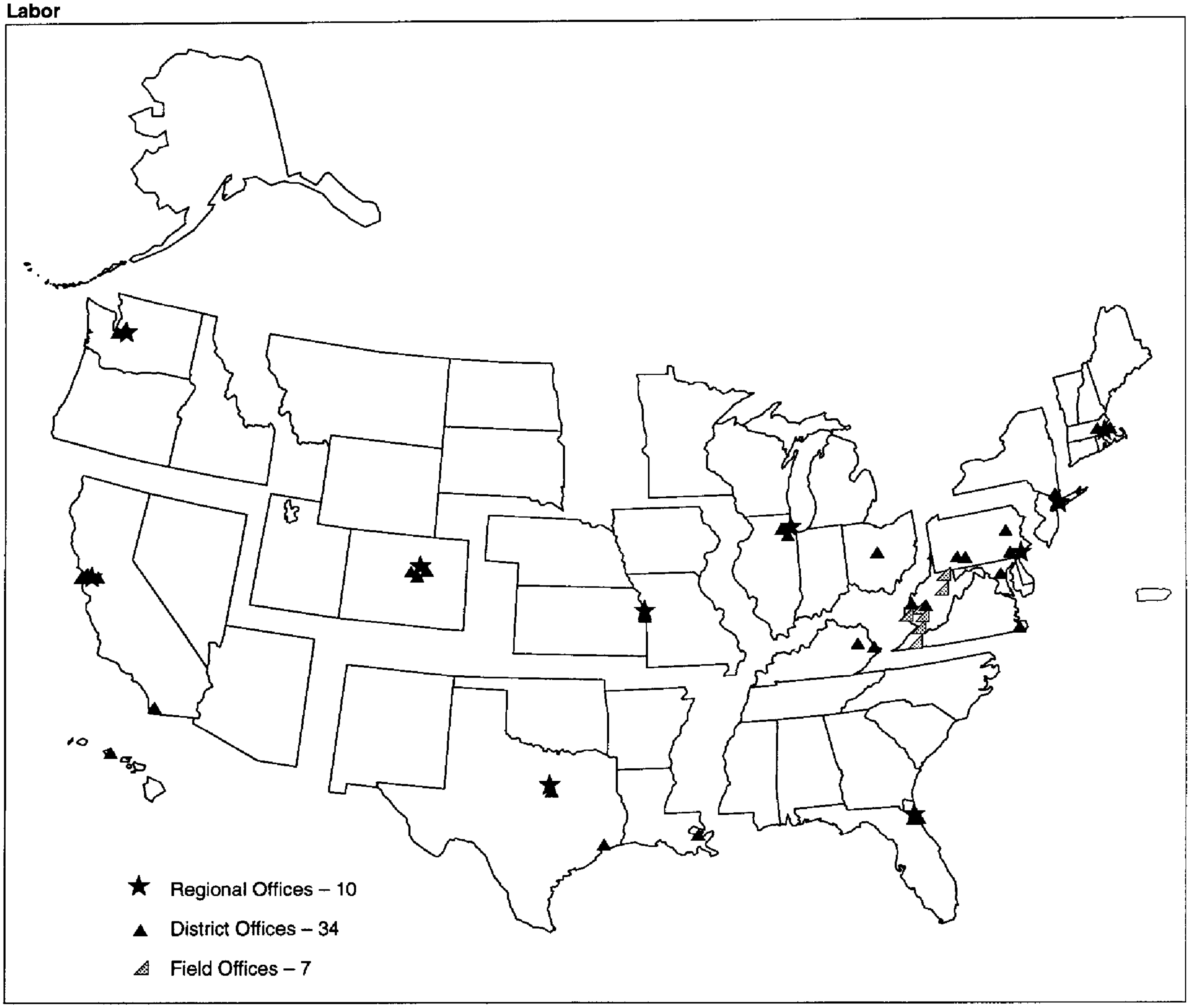


Figure I.27: Locations of Field Offices Currently Supporting the Pension and Welfare Benefits Administration, Department of Labor

Figure I.28: Locations of All Field Offices for the Proposed Office of Employee Benefits

Impacts of Proposed Administrative Cost Reductions

The proposal to merge the Departments of Education and Labor and the Equal Employment Opportunity Commission (EEOC) could result in savings of about $1.65 billion in selected administrative costs through the year 2000. Its sponsors plan to achieve these savings from four major activities: (1) eliminating or reducing duplicative departmentwide management functions; (2) eliminating programs currently administered within and outside of Education and Labor; (3) reducing operating budgets for selected programs; and (4) consolidating education and job training programs. As previously mentioned, the proposal does not call for any reductions in the functions that will be carrying out civil rights activities[34] in the proposed Department's Office of Civil Rights.

As requested, we have developed two scenarios illustrating how proposed administrative cost savings could be achieved and the staffing implications of those cost savings.[35] We found that achieving cost savings under either of these scenarios would require significant reductions in current staffing levels in the existing Departments. The first scenario could require immediate staffing reductions of almost 3,500 positions, which may necessitate a reduction in force (RIF) and an additional 1,100 positions to cover the costs of a RIF. The second scenario would phase in the reductions and provide additional time for planning for these reductions and implementing alternative methods for achieving staffing reductions over a 3-year period. This scenario, however, could require staffing reductions of almost 4,200 positions.

The effect of these reductions on the new Department's ability to fulfill its mission and carry out its responsibilities depends upon the extent of reengineering that accompanies the merger. If processes and procedures are executed in the same way they were before any reductions were taken, the level of services provided to the proposed Department's internal and external customers are likely to suffer. If, on the other hand, the reductions are accompanied by a reexamination of how the new Department's responsibilities are to be carried out, then it may be possible to lessen the negative effect on services and attain the proposal's goal of providing more effective services with fewer resources.

[34]These functions are EEOC; the Directorate of Civil Rights, the President's Committee for the Employment of People With Disabilities, and the Office of Federal Contract Compliance Programs (from the Department of Labor); and the Offices for Civil Rights and Training and Advisory Services (from the Department of Education). The budgets for these activities are not included in our analysis in this appendix.

[35]We did not determine savings associated with consolidating education and job training programs.

We recently studied the experiences of private-sector organizations and state and foreign governments that faced similar downsizing challenges. We found that those who successfully downsized first analyzed the structural changes and other revisions to traditional methods of operating that were needed before making decisions about workforce reductions.[36]

Estimated Administrative Cost Savings in Proposal

As currently drafted, the proposal would result in a 5-year administrative cost savings of $1.65 billion between fiscal years 1996 and 2000.[37] The total savings average about a 20-percent reduction from current administrative costs. Administrative costs here include compensation, benefits, and other expenses, those associated with managing the proposed department, administering grant programs, providing safety and health inspections, and overseeing employee pensions. According to the proposal, the actual percentage reductions within each of these functional areas vary. For example, the departmentwide management functions within Program Administration[38] would be subject to a 40-percent reduction from current levels. The Bureau of Education and Employment Statistics, however, also in Program Administration, would only be subject to a 5-percent reduction from current levels.

As you requested, we developed two scenarios for how the administrative savings could be achieved over the next 5 years. Our scenarios, which are provided for illustrative purposes only, are based on the following data and assumptions:

- For administrative costs, we used fiscal year 1995 appropriations data for (1) compensation and benefits costs and (2) other costs, such as travel, equipment, rents, and communications.[39] These data do not include grants or activities funded through trust funds, as the proposal stated that the administrative reductions would not affect these funding sources.[40]

[36]Workforce Reductions: Downsizing Strategies Used in Selected Organizations (GAO/GGD-95-54, Mar. 13, 1995).

[37]As stated elsewhere in this report, the proposal also calls for savings in programs. These savings are not discussed in this appendix.

[38]See appendix I for a discussion of the Program Administration function.

[39]We have raised questions in the past about the consistency of what agencies include as administrative costs. See, Budget Issues: Assessing Executive Order 12837 on Reducing Administrative Expenses (GAO/AIMD-94-15, Nov. 17, 1993) and Budget Object Classification: Origins and Recent Trends (GAO/AIMD-94-147, Sept. 13, 1994).

[40]For that reason, the data that appear here will correspond to, but not necessarily equal, those used in the office profiles in appendix I. Also, our budget estimates do not account for inflation.

- We assumed that an equal percentage reduction would be taken from both compensation and benefits and other costs, because it is unlikely that the new Department would have the flexibility to take all reductions from only one of these categories.
- We assumed that all reductions would be made at the beginning of the fiscal year, which would translate into a full year of savings.

Table II.1 shows the fiscal year 1995 administrative costs (compensation and benefits and other costs) for the programs to be included in the proposed offices in the new Department, as well as the administrative costs of the programs that are proposed for elimination. The table also illustrates the percentage reductions, by office, called for in the proposal and the savings resulting from that reduction through 2000. Also shown are the administrative savings derived from programs proposed for elimination. As shown in the table, these administrative savings would amount to about $990 million from reductions in compensation and benefits, $530 million from other cost reductions, and $140 million from the elimination of programs, for a total of about $1.65 billion.

Table II.1: Estimated Administrative Cost Savings, Fiscal Years 1996-2000, in the Proposed Department of Education and Employment

Dollars in millions

Function/office in the proposed department	Estimated fiscal year 1995 administrative costs for included programs	Proposed percent reduction	Estimated fiscal year 1995 administrative costs for eliminated programs[a]	5-year administrative savings: Total	5-year administrative savings: From eliminated programs	5-year administrative savings: From remaining programs: Compensation and benefits	5-year administrative savings: From remaining programs: Other
Program Administration	$615.6	22	$10.1	738.9	50.5	467.2	221.2
Departmentwide management functions	305.4	40	10.1	661.3	50.5	430.0	180.8
Bureau of Education and Employment Statistics	310.2	5	0	77.6	0	37.2	40.4
Basic Education, Higher Education, and Workforce Training and Life-Long Learning[b]	375.7	28	9.7	578.1	48.7	321.5	208.0
Workplace Modernization, Reorganization, and Safety	567.0	10	7.4	320.5	37.0	190.8	92.8
Employee Benefits	69.3	4	0	13.9	0	7.3	6.6
Total	**$1,627.6**	**20[c]**	**$27.2**	**1,651.4**	**136.2**	**986.8**	**528.6**

Totals may not add due to rounding.

[a]The proposal did not specifically address the disposition of several Education programs. Their estimated administrative costs are included here.

[b]Costs to administer education and labor programs. The proposal does not break out estimated savings for specific types of education programs.

[c]Includes reductions associated with eliminated programs.

Source: Congressional proposal, Departments of Education, Labor, and Health and Human Services.

Potential Impact of Cost Savings Estimates on Proposed Department's Staffing

We developed two scenarios to demonstrate the impact of these cost savings estimates on the current staffing levels of the existing Departments. These two scenarios are provided for illustrative purposes only. Because we were unable to fully determine the impact of these cost reductions, we used fiscal year 1995 authorized full-time equivalents (FTE) for staffing levels; on-board staff levels would have to be used for actual staffing decisions. Additionally, Education was not able to provide compensation, benefit, and other expense data by program; as a result, we derived these costs on the basis of program staffing levels and current officewide administrative costs.[41] If a staffing reduction were to take place, the agencies would need to identify specific administrative costs. The offsetting costs that may occur as a result of downsizing, such as buy-outs, severance pay, or other financial incentives, were not incorporated into our analysis because at this point no decisions have been made about what types of staff would be affected. As a result, these scenarios serve only as demonstrations of possible impacts from achieving the estimated cost savings. Management of the proposed Department could opt to achieve these cost reductions in other ways.

The two scenarios we developed would achieve the same 5-year savings for compensation and benefits and other costs. Scenario 1 calls for taking the proposed reductions in the selected administrative and program management functions in 1 year (fiscal year 1996). The savings achieved through this reduction would then be rolled over each year until 2000. The cumulative savings would be $1.65 billion by 2000 ($990 million from compensation and benefits, $530 million from other costs, and about $140 million from the eliminated programs). We used the fiscal year 1995 average cost per FTE for each office to determine the number of positions that would have to be eliminated to achieve the compensation and benefits reduction.

Scenario 2 calls for phasing in the compensation and benefits savings ($990 million) over a 3-year period (fiscal years 1996-1998). This would mean generally that, compared to scenario 1, a relatively smaller staffing reduction may be taken in the first year, but larger reductions would have to be taken in the subsequent years to achieve the total reduction by the third year. Again, we used the fiscal year 1995 average FTE cost for each office to determine the number of positions that would have to be eliminated each year to achieve the savings in the 3-year period. Generally, the number of FTEs taken in the first two years varied according to the

[41] In commenting on a draft of this report, Education officials said that this procedure generally underestimates the full cost of operating these programs.

proposed percent reduction for the office—the greater the overall proposed percentage reduction, the greater the FTE reduction. The number of FTES cut in the third year was the residual, that is, the remaining number of FTES that were needed to achieve the total compensation and benefits savings. However, because the proposed percentage reductions for each office varied dramatically (with a high of 40 percent and a low of 4 percent), the FTE reduction for all the offices averaged 9 percent for the first 2 years and 7 percent in the third year. Table II.2 illustrates the results of our analysis.

Table II.2: Comparison of Staffing Reductions Resulting From Cost Savings Scenarios

Function/office in the proposed department	FTE reduction-scenario 1 (1-year)	FTE reduction-scenario 2 (3-year)
Program Administration	1,711	2,155
Departmentwide management functions	1,578	2,009
Bureau of Education and Employment Statistics	133	146
Basic Education, Higher Education, and Workforce Training and Life-Long Learning	1,069	1,241
Workplace Modernization, Reorganization, and Safety	655	768
Employee Benefits	25	25
Total	**3,460**	**4,189**

These FTEs (300) do not include those associated with eliminated programs. We did not make yearly estimates for how the other costs would be reduced because they would not directly affect staffing. We kept other reductions constant during the 5-year period.

The Staffing Impact of Scenario 1

As shown in table II.2, if the total proposed cuts are taken in the first year—fiscal year 1996—without a phase-in period, we estimate that a reduction in staffing of almost 3,500 positions, measured in FTEs, could be required to achieve the compensation and benefit reductions. The savings would amount to almost $200 million in compensation and benefits a year, which would equal the $990 million in the 5-year period. To the extent that the staffing reductions would require formal RIF procedures, additional costs for severance pay and other expenses would be incurred. These additional costs would likely require additional reductions in staff, perhaps by as much as a third, or 1,100 FTEs. This could increase the total reduction to about 4,600 FTEs.[42]

Given the downsizing experiences of other organizations, such a major reduction in 1 year would likely be extremely disruptive. RIFs have been found to affect many more staff than the released employees. For example, the experiences of eight federal agencies who carried out major RIFs in the early 1980s—including the Department of Labor's Employment and Training Administration and the Occupational Safety and Health Administration—showed that over 2,000 people were affected; yet only 557 people were actually released.[43]

The Staffing Impact of Scenario 2

The second scenario for achieving the proposed cost savings would phase in the staffing reductions over 3 years, starting at the beginning of fiscal year 1996. Under the reduction assumptions we used in this scenario, we determined that almost 4,200 positions would be eliminated—1,600 the first year, 1,500 the second year, and 1,100 the third year. Because this scenario provides a longer period of time to achieve the savings, it allows for more time to plan for how the merger and budget reductions would occur. In addition, it would increase the likelihood of using attrition and retirement incentives, rather than only RIFs, to reduce staff. This could allow for a more orderly transition. However, if these other options do not provide enough reductions, RIFs may still be needed, increasing the number of positions to be reduced to cover RIF costs.

Estimated Savings Up to the Year 2002

If carried out until 2002, the potential administrative savings could increase to over $2.3 billion, as is shown in table II.3. Some additional savings may be achieved under scenario 2 because of the greater reduction in staffing levels. Even though the savings for the two scenarios converge in 2000, under scenario 2, the new Department would be operating at a lower staffing level, achieving additional savings in compensation and benefits. As the table illustrates, the savings in other costs and from eliminated programs is the same in either scenario, while differences in compensation and benefits savings mean that scenario 2 could save about $2.4 billion, while scenario 1 could save about $2.3 billion.

[42] Reductions in Force Can Sometimes Be More Costly to Agencies Than Attrition and Furloughs (GAO/PEMD-85-6, July 24, 1985) and Congressional Oversight: The General Accounting Office (GAO/T-OCG-95-4, Mar. 30, 1995).

[43] Reductions in Force Can Sometimes Be More Costly to Agencies Than Attrition and Furloughs.

Table II.3: Estimated Administrative Savings, Fiscal Years 1996-2002, Under Alternative Scenarios

Dollars in millions

Function/office in the proposed department	Savings under scenario 1: Total	Savings under scenario 1: Eliminated programs	Savings under scenario 1: From remaining programs: Compensation and benefits	Savings under scenario 1: From remaining programs: Other expenses	Savings under scenario 2: Total	Savings under scenario 2: Eliminated programs	Savings under scenario 2: From remaining programs: Compensation and benefits	Savings under scenario 2: From remaining programs: Other expenses
Program Administration	$1,034.6	$70.7	$653.8	$310.1	$1,083.2	$70.7	$702.4	$310.1
Departmentwide management functions	926.1	70.7	602.0	253.4	972.8	70.7	648.7	253.4
Bureau of Education and Employment Statistics	108.5	0	51.8	56.7	110.4	0	53.7	56.7
Basic Education, Higher Education, and Workforce Training and Life-Long Learning	809.1	67.9	450.2	291.0	829.3	67.9	470.4	291.0
Workplace Modernization, Reorganization, and Safety	449.4	51.8	267.4	130.2	462.3	51.8	280.3	130.2
Employee Benefits	19.6	0	10.5	9.1	19.6	0	10.5	9.1
Total	**$2,312.7**	**$190.4**	**$1,381.9**	**$740.4**	**$2,394.4**	**$190.4**	**$1,463.6**	**$740.4**

Source: Congressional proposal, Departments of Education, Labor, and Health and Human Services.

Lessons From Recent Downsizing Experiences

We recently studied the downsizing experiences of private-sector organizations and state and foreign governments.[44] In general, we found that decisions to downsize in the private sector were the result of corporate restructuring designed to make work processes more efficient or eliminate unnecessary functions. Reducing employment was seldom the initial objective. Rather, it was the consequence of eliminating unnecessary work. Officials stressed the importance of identifying needed structural changes and other revisions to traditional methods of operating before deciding whether and where workforce cuts may be appropriate.

Once the decision to downsize had been made, 15 of the 25 organizations we studied said that they found it important to plan how the reductions

[44] Workforce Reductions: Downsizing Strategies Used in Selected Organizations.

would be carried out to retain a viable workforce when the reductions were completed. Those organizations that said that they did not properly plan their downsizing acknowledged that they cut needed employees, suffered skills imbalances, and were often forced to rehire or replace employees who had been separated. Further, the organizations said that they generally found that attrition and hiring freezes were not always effective in significantly reducing the workforce in the short term. Most used monetary incentives to encourage employees to resign or retire.

For those organizations that planned extensively for downsizing, officials said that strategic planning—a disciplined effort to produce fundamental decisions and actions that shape and guide what an organization is, what it does, and why it does it—is an essential first step to be taken before any decisions on the appropriate size and composition of the workforce are made. Most of the organizations found that workforce planning, with care taken to retain employees with skills and training needed to accomplish the organization's work, was an important component of successful downsizing. Officials from one company noted that reducing head-counts without changing the work can produce speedy, visible, measurable, and demonstrable results. However, they cautioned that such reductions are also costly, indiscriminate, and inconsistent with a continuing productive work flow involving fewer staff. Eventually, they said, organizations have to address their work processes.

Of the 25 organizations that we studied, at least 18 provided incentives to encourage employees to leave voluntarily. Incentives included early retirement, lump-sum payments, continuation of health and/or life insurance, tuition payments, and business start-up assistance. Often these incentives were offered in some combination. Eighteen organizations downsized several times (32 times in the case of one company), and the features of their incentive programs varied with each downsizing.

Seventeen of the organizations offered early retirement programs that allowed employees to retire before their normal retirement age. At least 10 of these organizations offered a variety of incentives to encourage employees to retire early. Generally, the incentive programs gave employees credit for a specified number of years of service and/or years added to their age toward retirement eligibility and calculation of benefit amounts.

Fourteen incentive programs provided for employees to separate voluntarily and receive lump-sum payments. The amount of the payment was usually based on the organization's severance pay formula—generally 1 or 2 weeks' pay for each year of service, with a maximum of a year's salary. These lump-sum payments were available to employees electing early retirement, regular retirement, or resignation.

At least four incentive programs continued the health and/or life insurance benefits for specified periods for employees who voluntarily separated. In four downsizing programs, companies paid separating employees' tuition for up to 2 years for college or training programs to enhance their skills and help make them marketable for employment elsewhere. Finally, one company sponsored workshops to teach separating employees how to start their own business.

Programs Not Included in the Merger Proposal That May Be Consolidation Candidates

In addition to the administrative and management functions already earmarked for consolidation by the congressional sponsors of the proposed Department of Education and Employment, we have identified a number of education- and job training-related programs that also could be considered for consolidation. We found, on the basis of our past work, that many of these programs have purposes similar to those programs included in the proposal and serve similar types of people. The lists that follow illustrate the wide range of programs in several categories that the federal government currently manages. Sponsors of the merger proposal have selected for elimination or transfer some of the programs included in our previous work.

Before consolidation decisions are made, these programs, along with those included in the proposal, would need to be systematically reviewed to determine whether they are consistent with the mission of the proposed Department and the offices that will administer them. Officials may also want to examine characteristics of these types of programs such as their (1) congressional intent/mission, (2) target populations, (3) eligibility criteria, (4) services provided, (5) funding levels and methods, (6) administrative and budgetary impact on state and local governments, and (7) effectiveness.

Key Early Childhood Programs Not Included in the Proposal

As part of our ongoing review of early childhood education, we identified 34 key programs of this type in fiscal years 1992 and 1993.[45] For these programs, education or child care was key to their missions. Sixteen of the 34 programs are not included in the proposal. We found that some of these key programs provided similar services, served only a portion of their target populations, and varied in the comprehensiveness of the services they provided.

Family Resource and Support[46]
Child Abuse and Neglect State Prevention Grants
Emergency Protection Grants—Substance Abuse (see footnote 46)
Child Abuse and Neglect State Grants
At-Risk Child Care
Aid to Families With Dependent Children (AFDC) Transitional Child Care
AFDC/JOBS Child Care
Title XX

[45] Early Childhood Programs: Multiple Programs and Overlapping Target Groups.

[46] In fiscal year 1995, funding for some or all of this program was redirected to the Community-based Family Resource program by authority of the Human Services Amendments of 1994, P.L. 103-252.

Appalachian Child Development
Native Hawaiian Family Based Education Centers
Abandoned Infants
Family and Child Education
Comprehensive Residential Drug Treatment Projects
Follow Through[47]
Temporary Child Care and Crisis Nurseries
Child Care and Development Block Grant

Teacher Training Programs Not Included in the Proposal

For our report on multiple federal teacher training programs, we compiled information on 86 programs whose primary focus was teacher training.[48] These programs generally funded conferences, trainer salaries, travel, and materials. The proposal does not include 35 of these programs.

Department of Agriculture Programs

Nutrition Education and Training Program

Department of Education Programs

Educational Partnerships
Follow Through (see footnote 46)
Higher Education—Cooperative Education (Cooperative Education Program) (proposed for elimination)
Law-Related Education (proposed for elimination)
Leadership in Educational Administration Development
National Diffusion Network (proposed for elimination)
National Writing Project (proposed for elimination)
Star Schools Program (proposed for elimination)
Supplementary State Grants for Facilities, Equipment, and Other Program Improvement Activities
Territories—Freely Associated States Education Grant
Training Programs for Educators—Alcohol Abuse
Training in Early Childhood Education and Violence Counseling (proposed for elimination)

Department of Energy Programs

Minority Undergraduate Training for Energy Related Careers
Summer Teacher Institute Program
Teacher Research Associates Program

[47]Not funded in fiscal year 1995.

[48]Multiple Teacher Training Programs: Information on Budgets, Services, and Target Groups.

Environmental Protection Agency Programs	Environmental Education and Training Program Environmental Education Grants
Department of Health and Human Services Programs	Child Development Associate Scholarships[49] Cooperative Agreements to Support School Health Education to Prevent the Spread of Acquired Immunodeficiency Syndrome Minority High School Student Research Apprentice Program National Institute of Health Science Education Partnership Award Science Enhancement Award Program
National Aeronautics and Space Administration Programs	Aerospace Education Services Program National Aeronautics and Space Administration's Educational Workshop for Elementary Teachers Teacher Training Pre-Service Program
National Endowment for the Arts	Challenge Grants Promotion of the Humanities—Elementary and Secondary Education in the Humanities Promotion of the Humanities—Higher Education in the Humanities Promotion of the Humanities—Summer Seminar for School Teachers Promotion for the Humanities—National Endowment for the Humanities/ Reader's Digest Teacher-Scholar Program Promotion of the Humanities—Foreign Lingual Education Science and Humanities State Programs
National Science Foundation Programs	Education and Human Resources
Department of Transportation Programs	Aviation Education

[49]In the President's proposed fiscal year 1996 budget, this program is proposed for consolidation into the Child Care and Development Block Grant.

Other Education-Related Programs Not Included in the Proposal

The following programs are just a few of those that we identified as overlapping federal education-related programs at a recent hearing on opportunities for cost savings at the Department of Education.[50]

Department of Commerce Programs

Cooperative Science and Education Program
Meteorologic and Hydrologic Modernization Development
Office of Administration Special Programs

Department of Defense Programs

Basic and Applied Scientific Research
Basic, Applied, and Advanced Research in Science
Mathematical Sciences Grants Program

Department of Energy Programs

Basic Energy Sciences
Regional Biomass Energy Programs
Minority Energy Information Clearinghouse
Minority Educational Institution Research Travel Fund
Academic Partnerships
Used Energy-Related Laboratory Equipment

Environmental Protection Agency Programs

Environmental Education and Training Program
Environmental Education Grants

Department of Health and Human Services Programs

Family Resource Centers (See footnote 46)
Family Support Center and Gateway Demonstration Program

Department of Housing and Urban Development Programs

Public and Indian Housing Family Investment Centers
Community Development Work-Study Program

Department of Interior Programs

Grants for Mining and Mineral Resources and Research

[50] Department of Education: Information on Consolidation Opportunities and Student Aid.

National Science Foundation Programs

Academic Research Facilities and Instrumentation
Engineering Grants
Computer and Information Science and Engineering
Biological Sciences
Social, Behavioral, and Economic Sciences
Education and Human Resources

Department of Transportation Programs

Aviation Education
Aviation Research Grants
Federal Transit Grants for University Research and Training
University Transportation Centers Program

Selected Postsecondary Education Programs Not Included in the Proposal

In preparation for the hearing concerning opportunities for cost savings at the Department of Education, we compiled a list of programs from the Catalog for Federal Domestic Assistance that included ones supporting students at the postsecondary level.

Department of Veterans Affairs Programs

Survivors and Dependents Educational Assistance
Post-Vietnam Era Veterans' Educational Assistance
All-Volunteer Force Educational Assistance

Department of Energy Programs

Science and Engineering Research Semester
Minority Undergraduate Training for Energy-Related Careers
Epidemiology and Other Health Studies Financial Assistance
Financial Assistance Program—Science Education

Department of Health and Human Services Programs

Minority International Research Training Grant
Health Education Assistance Loans
Grants for Preventive Medicine and Dental Health
Health Professionals Pregraduate Scholarship Program
Nurse Anesthetist Traineeships
Financial Assistance for Disadvantaged Health
Programs of Excellence in Health Professions Education
Indian Health Service Educational Loan Repayment Program
Grants for State Loan Repayment

Nursing Education Opportunities for Individuals From Disadvantaged Backgrounds
Special Project Grants to Schools of Public Health
Allied Health Project Grants
Matching Grants for Health Professions Scholarships
Loan Repayment Program for Individuals From Disadvantaged Backgrounds
Health Professions Student Loans—Including Primary Care/Loans for Disadvantaged Students
Nursing Student Loans
Minority Biomedical Research Support
Scholarships for Students of Exceptional Financial Need
Health Careers Opportunity Program
Rural Health Medical Education Demonstration Projects
Nursing Education Loan Repayment Program for Registered Nurses
Scholarships for Health Professions Students
Demonstration Grants to States for Community Scholarships
Health Professions Preparatory Scholarship Program
Health Professions Scholarship Program

Employment Training Programs Not Included in the Proposal

We reported early this year that the federal government administered 163 employment training programs in fiscal year 1995.[51] These programs provided employment training assisitance to (1) help the unemployed find jobs, (2) create job opportunities, and (3) enhance the skill levels of adults and out-of-school youths not enrolled in advanced-degree programs. The following 77 employment training programs described in our previous report are not included in the proposal.

Department of Education Programs

Women's Equity (proposed for elimination)
Vocational Education—Comprehensive Career Guidance and Counseling
Tribal Economic Development
Workplace Transition Training for Incarcerated Youth Offenders
Native Hawaiian Education Community-Based Education Learning Centers
Community School Partnerships
Vocational Education—Demonstration Centers for the Training of Dislocated Workers
Comprehensive Services for Independent Living

[51] Multiple Employment Training Programs: Information Crosswalk on 163 Employment Training Programs.

	National Center for Deaf-Blind Youth and Adults
Department of Labor Programs	Federal Bonding Program Senior Community Service Employment Program (proposed for transfer Targeted Jobs Tax Credit (proposed for elimination) Youth Fair Chance (proposed for elimination)
Department of Agriculture Programs	Food Stamp Employment and Training (proposed for elimination)
Appalachian Regional Commission Programs	Appalachian Vocational and Other Education Facilities and Operations (proposed for elimination)
Department of Commerce Programs	Minority Business Development Centers American Indian Program Economic Development—Grants for Public Works and Development Facilities Economic Development—Public Works Impact Program Economic Development—Support for Planning Organizations Economic Development—Technical Assistance Economic Development—State and Local Economic Development Planning Special Economic Development and Adjustment Assistance Program —Sudden and Severe Economic Dislocation and Long-Term Economic Deterioration Community Economic Adjustment
Corporation for National Service Programs	Literacy Corps Foster Grandparent Program Senior Companion Program
Department of Defense Programs	Military Base Reuse Studies and Community Planning Assistance Transition Assistance Program
Department of Health and Human Services Programs	Community Services Block Grant Community Services Block Grant—Discretionary Award

Community Services Block Grant Discretionary Awards—Demonstration Partnership
Refugee and Entrant Assistance—Discretionary Grants
Refugee and Entrant Assistance—State Administered Programs
Refugee and Entrant Assistance—Voluntary Agency Programs
Family Support Centers and Gateway Demonstration Program
State Legalization Impact Assistance Grants
Transitional Living for Runaway and Homeless Youth
Independent Living
Scholarships for Health Professions—Students from Disadvantaged Backgrounds
Health Careers Opportunity Program

Department of Housing and Urban Development Programs

Emergency Shelter Grants Program
Supportive Housing Program
Youthbuild
Family Self-Sufficiency Program
Service Coordinators
Empowerment Zone and Enterprise Community Program

Department of the Interior Programs

Indian Employment Assistance
Indian Grants—Economic Development

Department of Justice Programs

Ounce of Prevention Grant Program
Local Crime Prevention Block Grant Program
Assistance for Delinquent and At-Risk Youth
Police Recruitment
Local Partnership Act
National Community Economic Partnership
Substance Abuse Treatment in Federal Prisons

Office of Personnel Management Programs

Federal Employment for Disadvantaged Youth—Summer

Small Business Administration Programs

Management and Technical Assistance for Socially and Economically Disadvantaged Businesses
Small Business Development Center
Women's Business Ownership Assistance

Veteran Entrepreneurial Training and Counseling
Service Corps of Retired Executives Association
Business Development Assistance to Small Business
Procurement Assistance to Small Business
Minority Business Development

Department of Transportation Programs

Transit Planning and Research Program

Department of Veterans Affairs Programs

All-Volunteer Force Educational Assistance
Selected Reserve Educational Assistance Program
Survivors' and Dependents' Educational Assistance
Vocational Rehabilitation for Disabled Veterans
Post-Vietnam Era Veterans Educational Assistance
Vocational Training for Certain Veterans Receiving VA Pensions
Vocational and Educational Counseling for Servicemembers and Veterans
Service Members Occupational Conversion and Training
Health Care for Homeless Veterans
Domiciliary Care for Homeless Veterans
Housing and Urban Development/Veterans Affairs—Supported Housing

Comments From the Department of Education

UNITED STATES DEPARTMENT OF EDUCATION

THE SECRETARY

May 10, 1995

Mr. Clarence C. Crawford
Associate Director
Education and Employment Issues
Health, Education, and Human Services Division
United States General Accounting Office
Washington, DC 20548

Dear Mr. Crawford:

Thank you for the opportunity to provide comments on your draft report on the Goodling/Gunderson proposal to merge the Department of Education, the Department of Labor, and the Equal Employment Opportunity Commission (EEOC). My staff has carefully examined the draft report, and will be providing detailed comments and corrections to your office on an informal basis prior to final publication of the report. The purpose of this letter is to highlight our major concerns with both the report and the proposal.

I have stated from the beginning that such a merger proposal is both unwise and unworkable. Creating a mega-bureaucracy would not in any way make government more streamlined or effective or efficient. And it would de-emphasize the importance of education at a time when education is more important than ever to America's future. Particularly as described in the draft report, which envisions severe reductions in administrative staffing and support without any discussion of the program changes that might make such deep cuts possible, the Goodling/Gunderson proposal is little more than an exercise in moving boxes around on an organization chart.

THE DEPARTMENT'S CRITICAL ROLE

The merger proposal is unwise because it overlooks the unique and essential role of the U.S. Department of Education. It makes no sense to silence the voice of education in the President's Cabinet at a time when education is more than ever the key to a strong and prosperous America.

President Clinton has described education as the "fault line" in American society, separating those who are able to compete successfully in the modern economy and achieve the middle class American Dream from those who are falling behind. He also has accurately observed that we face an "education deficit" every bit as real — and in my view even a larger long-term threat — as the Federal budget deficit.

600 INDEPENDENCE AVE., S.W. WASHINGTON, D.C. 20202-0100

Our mission is to ensure equal access to education and to promote educational excellence throughout the Nation.

Page 2 - Mr. Clarence C. Crawford

The Department of Education responds to this education deficit in four ways: (1) providing national leadership in building partnerships with States and communities to raise academic standards through GOALS 2000 to address other critical needs in American education, such as making schools safe and drug-free and providing school-to-work opportunities; (2) serving as a national clearinghouse for good ideas that can help parents and communities improve the quality of teaching and learning; (3) ensuring equal educational opportunity for all Americans by helping States and communities serve disadvantaged students and students with disabilities; and (4) helping middle- and low-income students and their families pay for postsecondary education.

While economic competitiveness is a major thrust behind our push for raising academic standards and encouraging students to work hard to meet them, the Federal role in education is not focused on narrow training programs, as the Goodling/Gunderson proposal strongly suggests. The U.S. Department of Education's far broader purposes include supporting access to postsecondary education for middle- and low-income students, providing resources and research to help State and local efforts to improve teaching and learning at all levels, and helping to prepare our children with a solid foundation of skills to be good citizens as well as good workers.

There is, of course, some overlap between the activities of the Department of Education and the Department of Labor in the area of workforce training. I have worked closely with Secretary Reich to ensure continued coordination of these activities; for example, our joint implementation of the School-to-Work Opportunities Act has been a model of successful interagency cooperation. The U.S. Department of Education also collaborates with other agencies engaged in education-related activities, such as the Department of Health and Human Services and the National Science Foundation. But our focus continues to be on students in schools and colleges, as well as improving the literacy of adults, as it has been for over a century. The Department of Labor, on the other hand, promotes the welfare of the worker in the workplace. Both roles are critical, and both should retain their separate identities within the Federal Government.

IGNORING HISTORY

The proposed merger also is unwise because it ignores both the history of the Department's emergence as a Cabinet-level agency and current efforts to create a more efficient, responsive organization through downsizing, decentralization of control, and reduction of administrative layers.

Page 3 - Mr. Clarence C. Crawford

Prior to 1980, the predecessor Office of Education and most of its programs were buried within the giant Department of Health, Education, and Welfare (HEW). The creation of a separate Department of Education met a growing demand for a more visible, responsive Federal role in supporting State and local efforts to improve educational quality and opportunity.

Moreover, the new Cabinet-level Department of Education achieved significant efficiencies in program management. Fifteen years later — after substantial growth in the number, complexity, and funding of the programs it administers — the Department employs one-third fewer staff, down from the 7,700 people employed in 1979 by comparable offices within HEW and six other agencies to just over 5,000. Partly as a result of this reduction, only 2 cents of every Federal education dollar goes to administrative costs.

The present Administration has expanded these early efforts to streamline and downsize the Department of Education. Borrowing reinvention principles from the business world, we have worked to clearly identify our customers — students of all ages, parents, teachers, schools, States, and postsecondary institutions — and to reengineer our work processes to better meet their needs while at the same time reducing administrative costs even further. Our 1996 budget request reflects these efforts: we have proposed to eliminate or consolidate nearly one-third of our programs and to continue staff cuts that will reduce Department employment to 4,700 by 1999.

We have developed a detailed Strategic Plan based on four priorities: (1) providing extra help to States and communities that are working to improve their schools and raise academic standards, (2) helping States establish comprehensive school-to-work opportunities systems, (3) ensuring access to high-quality postsecondary education and lifelong learning, and (4) transforming the Department into a high-performance organization. Plan objectives related to transforming the Department include providing maximum flexibility to States and localities in the administration of Federal education programs, empowering our employees by reducing organizational hierarchy and supervisory control, and increasing accountability through performance measures focused on results rather than regulatory compliance.

The Goodling/Gunderson merger proposal would literally turn the clock back on 15 years of progress in building an effective Federal role in education. Instead of direct access to the President's ear, education would once again compete — this time with such issues as workplace modernization and unemployment insurance — merely for the attention of the agency head. Instead of smaller governmental units closer to the people they serve, education would once again be buried deep within a massive bureaucracy five times the size of the current agency. And instead of reducing organizational layers, the Goodling/Gunderson proposal would erect a new hierarchy daunting to employees and citizens alike.

UNWISE PROPOSAL, FLAWED REPORT

The changing shape of the Goodling/Gunderson proposal illustrates the extent to which it is not only unwise, but unworkable. When the proposal was first announced in February 1995, its sponsors claimed that more than $20 billion in savings over five years would result from the merger of the three agencies. While the announcement emphasized savings from administrative efficiencies that would result from the merger, closer examination of the initial proposal showed that most of the claimed savings were derived from cuts in program funding, many of them unspecified.

Modifications to the proposal over subsequent months virtually eliminated any specified program cuts, leaving only a 20-percent reduction in administrative costs — saving $1.6 billion over five years — as the chief feature and benefit of the merger plan.

Even this $1.6 billion estimate is nothing more than an assertion, and an arbitrary one at that. The Goodling/Gunderson proposal contains nothing to suggest that agency workload will decline by 20 percent as a result of the merger. The proposal does not include substantial program eliminations that would justify reduced administrative costs. Nor does it identify inefficiencies in current agency operations that might be reengineered to produce administrative savings. In short, the $1.6 billion figure reflects an arbitrary budget reduction rather than any responsible program policy based on careful analyses and rationales.

Unfortunately, the draft GAO report largely accepts at face value the claims of the Goodling/Gunderson proposal. Nearly 120 pages really boil down to one simple math exercise: how many staff positions must be eliminated to reach $1.6 billion over five years? The draft report answers this question, but little else.

The report does not examine, for example, whether similar administrative savings might be achieved within the current agency structure. The Department of Education's share of the $1.6 billion is only a little over $300 million, or just $60 million a year over five years. There may be management improvements and other changes that could produce comparable savings without creating the disadvantages of a merger, including dislocation, the de-emphasis of education, and disruption of progress in providing flexible support for State and local efforts to improve education.

Page 5 - Mr. Clarence C. Crawford

GAO also fails to address the different roles of each agency and the likely impact of a merger on those roles. The Department of Labor and the EEOC are primarily regulatory agencies, while the Department of Education mainly provides financial assistance and support to States, schools, and students. Subsuming a small assistance agency within a large regulatory bureaucracy may lead to reduced sensitivity to the State and local role in education, and could hurt current ED efforts to reduce regulatory burden and increase flexibility in the use of Federal education funds. Nor does the report deal with the problems of trying to merge the fundamentally dissimilar civil rights functions of the three agencies, each involving different regulated entities, jurisdictional bases, procedures, and remedies.

The report does hint at these issues. It points out, for example, that: "An in-depth examination of all agency activities before creating the new Department is needed to position the new organization to achieve program efficiencies and reduce costs while meeting the challenges of the 21st century." The report also observes: "While possibilities exist for short-term budgetary savings, positioning the new Department to absorb the proposed reductions without hurting service quality and to meet future challenges requires extensive planning and follow through."

These statements go to the heart of the matter: in an agency like the Department of Education, where administrative costs already are just 2 percent of overall funding, it is irresponsible and wrong to talk about deep budget cuts as a pain-free measure that could be achieved merely "by consolidating duplicative program administrative functions." We are disappointed to hear such an unsupported assertion from GAO.

Moreover, the draft report fails to point out that the Department itself has carried out "an in-depth examination of all agency activities" and has conducted "extensive planning" for the very purpose of determining how best to reduce costs while providing improved services and meeting future challenges. The Clinton Administration from the beginning has been actively and continuously engaged in the hard work that GAO identified as essential but that neither it nor the authors of the merger proposal found time to pursue.

In summary, by failing to ask the hard questions or undertake the critical analysis required for a responsible assessment of the Goodling/Gunderson merger plan, the draft GAO report is a lot like the proposal itself: an exercise in moving boxes around on an organization chart. The report adds nothing to the debate,

Page 6 - Mr. Clarence C. Crawford

and by glossing over the acknowledged complexities of such a massive reorganization, presents a potentially misleading picture of its real impact on both the agencies and the people they serve.

Yours sincerely,

Dick Riley

Richard W. Riley

Comments From the Department of Labor

U.S. Department of Labor

Assistant Secretary for Policy
Washington, D.C. 20210

May 10, 1995

Clarence C. Crawford
Associate Director, Education and Employment Issues
Health, Education and Human Services Division
General Accounting Office
Washington, DC 20548

Dear Mr. Crawford:

Thank you for the opportunity to comment on your draft report: Federal Reorganization: Congressional Proposal to Merge Education, Labor, and EEOC (May 1995). As your report indicates, the merger proposal announced by Representatives Goodling and Gunderson has profound and far-reaching implications that have not been adequately analyzed and that require further study.

With less than a week to read and respond to your report, we can provide only preliminary comments at this time. However, we have grave concerns about the merger proposal. We are actively engaged in efforts to create a government that works better and costs less. But given our nation's looming deficit in skills and education, it seems both unwise and counterproductive to send the signal that either Labor or Education is expendable.

In particular, we question the underlying assumption that there is significant duplication or overlap among the agencies' missions and functions that would yield economies of scale in the event of the proposed merger. As your report repeatedly emphasizes, lessons from the private sector strongly suggest that wholesale or hasty mergers and downsizing can carry enormous unforeseen costs.

> [D]ramatic staffing reductions taken in a single year, without adequate planning for the structure and functions of the new downsized organization, frequently are not successful, as they result in skill imbalances and subsequent rehiring of separated employees or hiring and training of new employees. Projected savings are often not realized.

Clarence C. Crawford
Page 2
May 10, 1995

Second, we question many of the budgetary assumptions embedded in the proposal and are concerned that your report does not address them. For example, Representatives Goodling and Gunderson claim that $21 billion could be saved by merging the departments, but your report addresses only the more limited -- also unsupported -- figure of $1.6 billion in direct administrative savings. As you note, however, this number does not account for the huge costs associated with downsizing and reorganization.

Third, because the administrative savings are at best relatively minor and at worst actually negative, the "merger" proposal -- if it is actually to reduce spending significantly -- must be accompanied by the major reduction of services and benefits. It appears that more than $19 billion in savings would have to come from specific programmatic cuts -- which the Goodling/Gunderson proposal does not address and which were outside the scope of your analysis.

Finally, because of the circumscribed nature of the request to you, numerous major legal, substantive, and programmatic issues remain to be identified and analyzed. The "shotgun marriages" of agencies with little historical or functional connection could only compromise service, increase confusion, and decrease productivity.

To cite just two examples, if the Bureau of Labor Statistics (BLS) were combined as proposed with other statistical and nonstatistical functions, it could lose its independence and objectivity -- which are fundamental to the government-wide function it performs. The consolidation of the Pension and Welfare Benefits Administration (PWBA) with the Pension Benefit Guarantee Corporation (PBGC) would raise internal conflicts of interest.

We strongly concur with the note of caution sounded repeatedly throughout your report:

Clarence C. Crawford
Page 3
May 10, 1995

> While possibilities exist for short-term budgetary savings, positioning the new Department to absorb the proposed reductions without hurting service quality and to meet further challenges requires extensive planning and follow through. According to private sector experts, this type of top management-led review requires officials to . . . [conduct a careful, extensive] examination of current agency activities [that] is currently not included in your proposal.

We would be happy to pursue these issues in greater detail at the staff level.

Sincerely,

Timothy M. Barnicle

Comments From the Equal Employment Opportunity Commission

U.S. EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
Washington, D.C. 20507

May 10, 1995

Clarence C. Crawford
Associate Director,
Education and Employment Issues
General Accounting Office
Health, Education and Human
Services Division
Washington, D.C. 20548

Dear Mr. Crawford:

Thank you for the copy of the draft analysis of the Congressional Proposal to Merge Education, Labor, and EEOC and for the opportunity to comment.

The EEOC has substantial concerns with both the proposal and the GAO draft report. These fall into four principal categories. First, while it is not clear how the EEOC would fit into the merged "mega" agency, the EEOC's structure as a bi-partisan and independent agency would necessarily be lost. Politicizing the EEOC, while at the same time including it in a vast bureaucracy, would gravely jeopardize our ability to carry out our mission of enforcing the nation's laws prohibiting employment discrimination.

Second, the draft contains no discussion at all of the impact of the new "mega" agency on the vigorous enforcement of the federal anti-discrimination laws that would fall within its jurisdiction. The stated premise for the merger, that "the nation cannot adequately prepare its youth for the challenges of the 21st century until fundamental changes are made in federal policy on education and employment issues," does not address this critical question and we could find nothing in the draft analysis to shed any further light.

Third, there is no discussion of the implications of a merger for the most pressing problem facing the EEOC: inadequate resources to adequately accomplish our statutory mission.

Fourth, the draft's description of the EEOC's current initiatives regarding charge processing and alternate dispute resolution does not include significant recent developments. There are also some factual errors which should be corrected.

Let me describe our concerns in more detail:

I. EEOC Independence and Governance Structure: The EEOC was created with the enactment of Title VII of the historic Civil Rights Act of 1964 as a five member, bi-partisan, independent executive branch agency charged with enforcing the new employment anti-discrimination law. The Chairman holds the administrative authority for the Commission but policy is set by the Commission as a whole through the deliberative process. The EEOC's function could have been included in a Cabinet agency or an executive branch agency with a single, partisan administrator. However, Congress chose the Commission structure in recognition that the enforcement of the civil rights laws would be greatly enhanced by making such enforcement a bi-partisan endeavor and insulating it, through the mechanism of fixed terms for the Commissioners, from direct political pressures. This decision has enjoyed consistent support by Presidents, Congresses, and a broad public consensus for the past thirty years.

Serious questions are raised by the proposal to revisit this long-standing consensus and merge the EEOC into a Cabinet agency. As a practical matter, neither the policy nor the draft explain how such a merger would work. Apparently, it is contemplated that, at least initially, the EEOC would maintain its current structure while also reporting to the Assistant Secretary for Civil Rights in the merged department.[1] However, the EEOC's Commission structure is fundamentally incompatible with the proposed merger into an organizational framework headed by an Assistant Secretary. It is simply not possible to maintain an independent Commission within a Cabinet Department.

The proposed merger, therefore, will necessarily result in the EEOC's loss of its independent and bi-partisan nature. The politicization and bureaucratization of the EEOC would be a grave loss for the effective enforcement of the civil rights laws.

II. Effect on the Enforcement of the Civil Rights Laws:

Neither the proposal nor the draft analysis address or explain in any fashion how a merger would enhance civil rights enforcement in employment and education. Yet, of course, this is the standard by which the proposal must ultimately be judged. The problem is only compounded by the fact that a persuasive explanation is not otherwise apparent. For example, because the laws currently enforced by the Departments of Labor and Education and the EEOC have different jurisdictional bases, substantive requirements, enforcement mechanisms and remedial schemes, economies will not result from a merger. Similarly,

[1] See GAO draft at p. 35 ("If the proposed merger takes place and EEOC's responsibilities are consolidated into an executive department, there may be a need to reevaluate whether or not EEOC's current 5-Member Commission structure is still required because EEOC was originally established as an independent bipartisan Commission. However, the new office would be headed by the Undersecretary for Civil Rights.")

2

enhanced coordination is not an adequate explanation for consolidation since the agencies already work closely -- and successfully -- with each other to avoid any overlap or duplication of burden. In any event, enforcement of these laws would still be across agencies since the Department of Justice would maintain its separate enforcement role.

Rather than improving civil rights enforcement, it is far more likely that increased inefficiencies will result from the merger of the various civil rights offices into one enormous bureaucracy. Further, because it will be more difficult for this large and cumbersome bureaucracy to adapt to the needs of its widely varying customer and stakeholder communities, the almost certain result of a merger of civil rights agencies will be more -- not less -- government burden and a diminution of service to the public.

III. Adequacy of Resources: The proposal appears to assume no decrease in resources for EEOC functions. It also appears to assume neither increased resources nor savings resulting from the merger.[2] This presumption of resource neutrality not only compounds our questions regarding what is to be gained by including the EEOC in a new "mega" agency, it also ignores the most pressing problem facing the EEOC: inadequate resources to accomplish its statutory mission of enforcing the federal laws prohibiting discrimination in employment.

Under the federal workplace discrimination laws, the vast majority of aggrieved persons must first file their charges with the EEOC before they may proceed to court. We project that approximately 100,000 charges will be filed with us this fiscal year which will be on top of an additional 100,000 charges already in our inventory. While we have taken major steps to use our resources more efficiently by improving our charge processing system, introducing alternative dispute resolution mechanisms, and reducing unnecessary burdens caused by micromanagement and excessive layers of review, we will not be able to adequately address the large and rapidly growing demand without additional resources. In addition to the demands of charge processing, there is also a growing -- and largely unmet -- need for technical assistance, training and public education to enhance compliance without the need for enforcement.

In recognition of these basic facts, the Administration has proposed a 15% increase for the EEOC for FY 1996, including the funding for 359 FTE's which have long been authorized but have not been funded. By not even addressing these critical resources questions, the proposal and GAO draft leave unanswered the most pressing problem we are facing in assuring the effective enforcement of the civil rights laws.

---

[2] See GAO draft at p. 24 ("comparable program administration activities from EEOC are not merged with those from Education and Labor.")

3

IV. Current EEOC Initiatives and Technical Concerns: Finally, the GAO draft does not include any discussion of the Commission's most recent initiatives regarding charge processing and alternate dispute resolution as well as broader "reinvention" efforts although this information is critical to any informed analysis of the merger proposal. For your information, I have attached a copy of a memorandum recently submitted to Larry Horinko, Assistant Director, Health, Education and Human Services Division, GAO, which provides up to date information which should be included in any final document.

In addition, the following corrections should be made:

1) P. 6, 3rd para. - When EEOC was created in 1964, it had responsibility only for Title VII. President Carter's Reorganization Plan No. 1 of 1978 transferred enforcement authority for the Age Discrimination in Employment Act of 1967 and the Equal Pay Act of 1963 from the Department of Labor to EEOC and Section 501 of the Rehabilitation Act of 1973 from the former Civil Service Commission. The Americans with Disabilities Act was not passed until 1990.

2) P. 7, 1st para. - In FY 1995, EEOC was authorized 3,020 FTE positions.

3) P. 33, Table I.3 - The entries for staffing levels in headquarters and field offices are reversed. In addition, for EEOC, the data represents actual, not authorized, FY 1995 FTE utilization as of March 18, 1995.

4) P. 34, 1st para. - While certainly important, ADR is only one of several options that the Commission and other civil rights experts have endorsed to improve the enforcement of the anti-discrimination laws. The Commission, after extensive consultation with the employee, employer and civil rights communities, has also dramatically reformed charge processing and is actively working to reinvent its relationship with the state and local agencies that also enforce anti-discrimination laws. See attached memorandum, for a fuller discussion of the Commission's recent actions.

5) P. 34, 2nd para. - While the ADR pilot resulted in a much shorter average processing time than for fully investigated cases, it should be noted that the charges selected for the pilot were new charges and were referred to the ADR process immediately. The agency's overall average charge processing time is measured against all charges which, with the exception of priority cases, are taken in docket order. We have no one-for-one comparison of what the average processing time would be had charges been investigated immediately upon receipt.

In addition, while the Commission's ADR program will begin in FY 1996, due to limited resources we do not expect it to be operational Commission-wide in that year. Therefore, it is highly unlikely that 10% of new eligible complaints will be included in an ADR program in FY 1996.

4

6) P. 35, 1st para. - The information in this paragraph has been superseded by actions the Commission has taken to dramatically reinvent charge processing. In particular, on April 19, 1995, the Commission voted to rescind all three of the existing policies governing charge investigations: the "full investigation" policy of December 6, 1983; the "Policy Statement on Remedies and Relief for Individual Cases of Unlawful Discrimination," of February 5, 1985; and the "Statement of Enforcement Policy of September 11, 1984. See attached memorandum for a full discussion of recent Commission actions in connection with charge processing.

Conclusion

In sum, the merger proposal and GAO draft as they are currently formulated, leave unanswered numerous critical questions. Most fundamentally, there is no coherent description of how the EEOC would fit into a consolidated civil rights office, how such office would function, or how it would improve civil rights enforcement. Until basic issues of structure, function and resource allocation are addressed, it is impossible for us to comment in any meaningful fashion regarding the impact of a consolidated office on the enforcement of the civil rights laws currently within our jurisdiction. Accordingly, we believe that it is premature to move forward with this proposal at this time and urge careful consideration and analysis before further action.

We remain available to answer any questions you may have or otherwise be of assistance.

Sincerely,

Gilbert F. Casellas
Chairman

5

Selected GAO Products on Education, Labor, and EEOC-Related Issues

Bilingual Education and Minority Languages Affairs

Immigrant Education: Federal Funding Has Not Kept Pace With Student Increases (GAO/T-HEHS-94-146, Apr. 14, 1994).

Hispanic Dropouts and Federal Programs (GAO/PEMD-94-18R, Apr. 6, 1994).

Limited English Proficiency: A Growing and Costly Educational Challenge Facing Many School Districts (GAO/HEHS-94-38, Jan. 28, 1994).

Immigrant Education: Information on the Emergency Immigrant Education Act Program (GAO/HRD-91-50, Mar. 15, 1991).

Bureau of Labor Statistics

Trade and Economic Data: Many Federal Agencies Collect and Disseminate Information (GAO/NSIAD-91-173, May 1, 1991).

Civil Rights

Within-School Discrimination: Inadequate Title VI Enforcement by the Office for Civil Rights (GAO/HRD-91-85, July 22, 1991).

Departmental Administration-Department of Education

Department of Education: Information on Consolidation Opportunities and Student Aid (GAO/T-HEHS-95-130, Apr. 6, 1995).

Department of Education: Opportunities to Realize Savings (GAO/T-HEHS-95-56, Jan. 18, 1995).

Buyouts at the Department of Education (GAO/GGD-94-197R, Aug. 17, 1994).

Department of Education: Long-Standing Management Problems Hamper Reforms (GAO/HRD-93-47, May 28, 1993).

Transition Series: Education Issues (GAO/OCG-93-18TR, Dec. 1992).

Department of Education: Management Commitment Needed to Improve Information Resources Management (GAO/IMTEC-92-17, Apr. 20, 1992).

Education Grants Management: Actions Initiated to Correct Material Weaknesses (GAO/HRD-91-72, June 26, 1991).

Education Regulations: Reasons for Delays in Issuance (GAO/HRD-91-4BR, Nov. 15, 1990).

Departmental Administration-Department of Labor

Department of Labor: Opportunities to Realize Savings (GAO/T-HEHS-95-55, Jan. 18, 1995).

Security Protection: Costs of Services Provided for Selected Cabinet Officials (GAO/GGD-95-50, Dec. 30, 1994).

Political Appointees: Turnover Rates in Executive Schedule Positions Requiring Senate Confirmation (GAO/GGD-94-115FS, Apr. 21, 1994).

Department of Labor: Noncompetitive. Discretionary Grants (GAO/HEHS-94-9, Feb. 22, 1994).

Women-Owned Businesses (GAO/RCED-93-159R, June 7, 1993).

TQM Implementation at Labor (GAO/GGD-93-27R, Apr. 2, 1993).

Labor Issues (GAO/OCG-93-19TR, Dec. 1992).

Commuter Security: Agencies Reported Having Implemented Most System Security Controls (GAO/IMTEC-92-45, Apr. 30, 1992).

Program Fraud: Implementation of the Program Fraud Civil Remedies Act of 1986 (GAO/AFMD-91-73, Sept. 13, 1991).

Dislocated Workers

Dislocated Workers: An Early Look at the NAFTA Transitional Adjustment Assistance Program (GAO/HEHS-95-31, Nov. 28, 1994).

Military Downsizing: Persons Returning to Civilian Life Need More Help From DOD (GAO/HEHS-94-39, Jan. 21, 1994).

Dislocated Workers: Proposed Re-employment Assistance Program (GAO/HRD-94-61, Nov. 12, 1993).

Dislocated Workers: Worker Adjustment and Retraining Notification Act Not Meeting Its Goals (GAO/HRD-93-18, Feb. 23, 1993).

Dislocated Workers: Improvements Needed in Trade Adjustment Assistance Certification Process (GAO/HRD-93-36, Oct. 19, 1992).

Dislocated Workers: Comparison of Assistance Programs (GAO/HRD-92-153BR, Sept. 10, 1992).

Dislocated Workers: Labor-Management Committees Enhance Reemployment Assistance (GAO/HRD-90-3, Nov. 21, 1989).

Education Reform

Multiple Teacher Training Programs: Information on Budgets, Services, and Target Groups (GAO/HEHS-95-71FS, Feb. 22, 1995).

Schools Facilities: Condition of American Schools (GAO/HEHS-95-61, Feb. 1, 1995).

Charter Schools: New Model for Public Schools Provides Opportunities and Challenges (GAO/HEHS-95-42, Jan. 18, 1995).

Education Reform: School-Based Management Results in Changes in Instruction and Budgeting (GAO/HEHS-94-135, Aug. 23, 1994).

Regulatory Flexibility in Schools: What Happens When Schools Are Allowed to Change the Rules? (GAO/HEHS-94-102, Apr. 29, 1994).

Regulatory Flexibility Programs (GAO/HRD-94-51R, Nov. 3, 1993).

Transition From School to Work: States Are Developing New Strategies to Prepare Students for Jobs (GAO/HRD-93-139, Sept. 7, 1993).

Educational Achievement Standards: NAGB's Approach Yields Misleading Interpretations (GAO/PEMD-93-12, June 23, 1993).

Systemwide Education Reform: Federal Leadership Could Facilitate District-Level Efforts (GAO/HRD-93-97, Apr. 30, 1993).

Educational Testing: The Canadian Experience With Standards, Examinations, and Assessments (GAO/PEMD-93-11, Apr. 28, 1993).

Planning for Education Standards (GAO/PEMD-93-21R, Apr. 12, 1993).

Student Testing: Current Extent and Expenditures, With Cost Estimates for a National Examination (GAO/PEMD-93-8, Jan. 13, 1993).

Transition From School to Work: Linking Education and Worksite Training (GAO/HRD-91-105, Aug. 2, 1991).

Training Strategies: Preparing Noncollege Youth for Employment in the U.S. and Foreign Countries (GAO/HRD-90-88, May 11, 1990).

Educational Research and Improvement

National Assessment Technical Quality (GAO/PEMD-92-22R, Mar. 11, 1992).

Education's Library: Actions Needed to Improve Its Usefulness (GAO/HRD-91-61, Apr. 11, 1991).

Elementary and Secondary Education

School Facilities: Condition of America's Schools (GAO/HEHS-95-61, Feb. 1, 1995).

Hispanics' Schooling: Risk Factors for Dropping Out and Barriers to Resuming Education (GAO/PEMD-94-24, July 27, 1994).

Women's Educational Equity Act: A Review of Program Goals and Strategies Needed (GAO/PEMD-95-6, Dec. 27, 1994).

Early Childhood Programs: Multiple Programs and Overlapping Target Groups (GAO/HEHS-95-4FS, Oct. 31, 1994).

Homelessness: McKinney Act Programs and Funding Through Fiscal Year 1993 (GAO/RCED-94-107, June 29, 1994).

Homelessness: McKinney Act Programs Provide Assistance but Are Not Designed to Be the Solution (GAO/RCED-94-37, May 31, 1994).

School-Age Children: Poverty and Diversity Challenge Schools Nationwide (GAO/HEHS-94-132, Apr. 29, 1994).

GAO Work Related to ESEA of 1965 (GAO/HEHS-94-156R, Apr. 26, 1994).

Immigrant Education: Federal Funding Has Not Kept Pace With Student Increases (GAO/T-HEHS-94-146, Apr. 14, 1994).

Elementary School Children: Many Change Schools Frequently, Harming Their Education (GAO/HEHS-94-45, Feb. 4, 1994).

School-Linked Human Services: A Comprehensive Strategy for Aiding Students (GAO/HRD-94-21, Dec. 30, 1993).

School Age Demographics: Recent Trends Pose New Educational Challenges (GAO/HRD-93-105BR, Aug. 5, 1993).

Exiting Program Improvement (GAO/HRD-93-2R, Mar. 30, 1993).

Chapter 1 Accountability: Greater Focus on Program Goals Needed (GAO/HRD-93-69, Mar. 29, 1993).

Compensatory Education: Difficulties in Measuring Comparability of Resources Within School Districts (GAO/HRD-93-37, Mar. 11, 1993).

Compensatory Education: Additional Funds Help More Private School Students Receive Chapter 1 Services (GAO/HRD-93-65, Feb. 26, 1993).

Department of Education: The Eisenhower Math and Science State Grant Program (GAO/HRD-93-25, Nov. 10, 1992).

Remedial Education: Modifying Chapter 1 Formula Would Target More Funds to Those Most in Need (GAO/HRD-92-16, July 28, 1992).

Drug Education: Rural Programs Have Many Components and Most Rely Heavily on Federal Funds (GAO/HRD-92-34, Jan. 31, 1992).

Homelessness: Access to McKinney Act Programs Improved but Better Oversight Needed (GAO/RCED-91-29, Dec. 28, 1990).

Drug Education: School-Based Programs Seen as Useful but Impact Unknown (GAO/HRD-91-27, Nov. 28, 1990).

Impact Aid: Most School Construction Requests Are Unfunded and Outdated (GAO/HRD-90-90, July 12, 1990).

Homelessness: McKinney Act Reports Could Improve Federal Assistance Efforts (GAO/RCED-90-121, June 4, 1990).

Employment Service

Employment Service: Improved Leadership Needed for Better Performance (GAO/HRD-91-88, Aug. 6, 1991).

Employment Service: Variations in Local Office Performance (GAO/HRD-89-116BR, Aug. 3, 1989).

Employment Standards Administration

Garment Industry: Efforts to Address the Prevalence and Conditions of Sweatshops (GAO/HEHS-95-29, Nov. 2, 1994).

Equal Employment Opportunity: Displacement Rates, Unemployment Spells, and Reinvolvement Wages by Race (GAO/HEHS-94-229FS, Sept. 16, 1994).

Federal Employees' Compensation Act: No Evidence That Labor's Physician Selection Processes Biased Claims Decisions (GAO/GGD-94-67, Feb. 11, 1994).

Davis-Bacon Act (GAO/HEHS-94-95R, Feb. 7, 1994).

Family and Medical Leave Act Cost Estimate (GAO/HRD-93-14R, Feb. 1, 1993).

Minimum Wages and Overtime Pay: Change in Statute of Limitations Would Better Protect Employees (GAO/HRD-92-144, Sept. 22, 1992).

Foreign Farm Workers in U.S.: Department of Labor Action Needed to Protect Florida Sugar Cane Workers (GAO/HRD-92-95, June 30, 1992).

Child Labor: Information on Federal Enforcement Efforts (GAO/HRD-92-127FS, June 15, 1992).

Summary Information on Farmworkers (GAO/HRD-92-30R, Apr. 10, 1992).

Federal Employees' Compensation Act: Need to Increase Rehabilitation and Reemployment of Injured Workers (GAO/GGD-92-30, Feb. 28, 1992).

Hired Farmworkers: Health and Well-Being at Risk (GAO/HRD-92-46, Feb. 14, 1990).

Child Labor: Characteristics of Working Children (GAO/HRD-91-83BR, June 14, 1991).

U.S.-Mexico Trade: Information on Wages, Fringe Benefits, and Workers' Rights (GAO/NSIAD-91-220, May 10, 1991).

Workers at Risk: Increased Numbers in Contingent Employment Lack Insurance, Other Benefits (GAO/HRD-91-56, Mar. 8, 1991).

Employee Benefits: Improvements Needed in Enforcing Health Insurance Continuation Requirements (GAO/HRD-91-37, Dec. 18, 1990).

Child Labor: Increases in Detected Child Labor Violations Throughout the United States (GAO/HRD-90-116, Apr. 30, 1990).

Immigration Reform: Employer Sanctions and the Question of Discrimination (GAO/GGD-90-62, Mar. 29, 1990).

Black Lung Program: Further Improvements Can Be Made in Claims Adjudication (GAO/HRD-90-75, Mar. 21, 1990).

Workers' Compensation: The Impact of 1984 Amendments on the Longshore Program (GAO/HRD-90-76BR, Mar. 8, 1990).

Immigration Reform: Major Changes Likely Under S. 358 (GAO/PEMD-90-5, Nov. 9, 1989).

EEOC

Equal Employment Opportunity: Displacement Rates, Unemployment Spells, and Reemployment Wages by Race (GAO/HEHS-94-229FS, Sept. 16, 1994).

Federal Affirmative Employment: Better Guidance Needed for Small Agencies (GAO/GGD-94-71, July 7, 1994).

Sex Discrimination: Agencies' Handling of Sexual Harassment and Related Complaints (GAO/T-OSI-94-22, Mar. 8, 1994).

EEOC's Expanding Workload: Increases in Age Discrimination and Other Changes Call for New Approach (GAO/HEHS-94-32, Feb. 9, 1994).

Federal Personnel: The EEO Implications of Reductions-in-Force (GAO/T-GGD-94-87, Feb. 1, 1994).

EEOC: An Overview (GAO/T-HRD-93-30, July 27, 1993).

Age Employment Discrimination: EEOC's Investigation of Charges Under 1967 Law (GAO/HRD-92-82, Sept. 4, 1992).

Federal Workforce: Agencies' Estimated Costs for Counseling and Processing Discrimination Complaints (GAO/GGD-92-64FS, Mar. 26, 1992).

Federal Workforce: Continuing Need for Federal Affirmative Employment (GAO/GGD-92-27BR, Nov. 27, 1991). Testimony on same topic (10/23/91, GAO/T-GGD-92-2).

Equal Employment Opportunity: EEOC and State Agencies Did Not Fully Investigate Discrimination Charges (GAO/HRD-89-11, Oct. 11, 1988).

Mine Safety and Health Administration

Mine Safety and Health: Tampering Scandal Led to Improved Sampling Devices (GAO/HRD-93-63, Feb. 25, 1993).

Multiple Employment Training Program Consolidation

Multiple Employment Training Programs: Information Crosswalk on 163 Employment Training Programs (GAO/HEHS-95-85FS, Feb. 14, 1995).

Multiple Employment Training Programs: Overlap Among Programs Raises Questions About Efficiency (GAO/HEHS-94-193, July 11, 1994).

Multiple Employment Training Programs: Most Federal Agencies Do Not Know If Their Programs Are Working Effectively (GAO/HEHS-94-88, Mar. 2, 1994).

Multiple Employment Training Programs: Overlapping Programs Can Add Unnecessary Administrative Costs (GAO/HEHS-94-80, Jan. 28, 1994).

Multiple Employment Training Programs: Conflicting Requirements Hamper Delivery of Services (GAO/HEHS-94-78, Jan. 28, 1994).

Multiple Employment Programs (GAO/HRD-93-26R, June 15, 1993).

Multiple Employment Programs (GAO/HRD-92-39R, July 24, 1992).

Occupational Safety and Health Administration

Department of Labor: Rethinking the Federal Role in Worker Protection and Workforce Development (GAO/T-HEHS-95-125, Apr. 4, 1995).

Occupational Safety and Health: Changes Needed in the Combined Federal-State Approach (GAO/HEHS-94-10, Feb. 28, 1994).

Health and Safety: DOE's Implementation of a Comprehensive Health Surveillance Program Is Slow (GAO/RCED-94-47, Dec. 16, 1993).

Occupational Safety and Health: Differences Between Programs in the United States and Canada (GAO/HRD-94-15FS, Dec. 6, 1993).

U.S.-Mexico Trade: The Work Environment at Eight U.S.-Owned Maquiladora Auto Parts Plants (GAO/GGD-94-22, Nov. 1, 1993).

Air Force Depot Maintenance: Status of Safety Initiatives (GAO/NSIAD-94-37, Oct. 28, 1993).

Paperwork Reduction: Agency Responses to Recent Court Decisions (GAO/PEMD-93-5, Feb. 3, 1993).

Asbestos in Federal Buildings: Federal Efforts to Protect Employees From Potential Exposure (GAO/RCED-93-9, Oct. 6, 1992).

Occupational Safety and Health: Uneven Protections Provided to Congressional Employees (GAO/HRD-93-1, Oct. 2, 1992).

Occupational Safety and Health: Improvements Needed in OSHA's Monitoring of Federal Agencies' Programs (GAO/HRD-92-97, Aug. 28, 1992).

Risk-Risk Analysis: OMB's Review of a Proposed OSHA Rule (GAO/PEMD-92-33, July 2, 1992).

Hazardous Waste: A North Carolina Incinerator's Noncompliance With EPA and OSHA Requirements (GAO/RCED-92-78, June 30, 1992).

Response to Incinerator Report (GAO/RCED-92-216R, June 29, 1992).

Occupational Safety and Health: Worksite Safety and Health Programs Show Promise (GAO/HRD-92-68, May 19, 1992).

Occupational Safety and Health: Options to Improve Hazard-Abatement Procedures in the Workplace (GAO/HRD-92-105, May 12, 1992).

Occupational Safety and Health: Employers' Experiences in Complying With the Hazard Communication Standard (GAO/HRD-92-63BR, May 8, 1992).

Occupational Safety and Health: Penalties for Violations Are Well Below Maximum Allowable Penalties (GAO/HRD-92-48, Apr. 6, 1992).

Toxic Substances: Information on Costs and Financial Aid to Schools to Control Asbestos (GAO/RCED-92-57FS, Jan. 15, 1992).

Occupational Safety and Health: OSHA Action Needed to Improve Compliance With Hazard Communication Standard (GAO/HRD-92-8, Nov. 26, 1991).

Indoor Air Pollution: Federal Efforts Are Not Effectively Addressing a Growing Problem (GAO/RCED-92-8, Oct. 15, 1991).

Reproductive and Developmental Toxicants: Regulatory Actions Provide Uncertain Protection (GAO/PEMD-92-3, Oct. 2, 1991).

Air Force Depot Maintenance: More Efforts Are Needed to Improve Safety and Training (GAO/NSIAD-91-89, May 23, 1991).

Occupational Safety and Health: OSHA Policy Changes Needed to Confirm That Employers Abate Serious Hazards (GAO/HRD-91-35, May 8, 1991).

Nuclear Health and Safety: More Attention to Health and Safety Needed at Pantex (GAO/RCED-91-103, Apr. 15, 1991).

Occupational Safety and Health: Inspectors' Opinions on Improving OSHA Effectiveness (GAO/HRD-91-9FS, Nov. 14, 1990).

Occupational Safety and Health: Options for Improving Safety and Health in the Workplace (GAO/HRD-90-66BR, Aug. 24, 1990).

Office of the American Workplace

Workplace Regulation: Information on Selected Employer and Union Experiences (GAO/HEHS-94-138, June 30, 1994).

Pension Insurance and Enforcement Programs

Private Pensions: Funding Rule Change Needed to Reduce PBGC's Multibillion Dollar Exposure (GAO/HEHS-95-5, Oct. 5, 1994).

Pension Plans: Stronger Labor ERISA Enforcement Should Better Protect Plan Participants (GAO/HEHS-94-157, Aug. 8, 1994).

Financial Audit: Pension Benefit Guaranty Corporation's 1993 and 1992 Financial Statements (GAO/AIMD-94-109, May 4, 1994).

ERISA Targeting (GAO/HRD-93-34R, Sept. 30, 1993).

Private Pensions: Protections for Retirees' Insurance Annuities Can Be Strengthened (GAO/HRD-93-29, Mar. 31, 1993).

Pension Plans: Labor Should Not Ignore Some Small Plans That Report Violations (GAO/HRD-93-45, Mar. 26, 1993).

Pension Restoration Act (GAO/HRD-93-7R, Dec. 18, 1992).

Pension Benefit Guaranty Corporation (GAO/HRD-93-5, Dec. 1992).

Pension Plans: Pension Benefit Guaranty Corporation Needs to Improve Premium Collections (GAO/HRD-92-103, Aug. 11, 1992).

Employee Benefits: Improved Plan Reporting and CPA Audits Can Increase Protection Under ERISA (GAO/AFMD-92-14, Apr. 9, 1992).

Employee Benefits: States Need Labor's Help Regulating Multiple Employer Welfare Arrangements (GAO/HRD-92-40, Mar. 10, 1992).

Pension Plans: Fiduciary Violations in Terminated Underfunded Plans (GAO/HRD-91-87, May 13, 1991).

Private Pensions: Millions of Workers Lose Federal Benefit Protection at Retirement (GAO/HRD-91-79, Apr. 25, 1991).

Government Financial Vulnerability: 14 Areas Needing Special Review (GAO/OCG-90-1, Jan. 23, 1990).

Postsecondary Education

Department of Education: Information on Consolidation Opportunities and Student Aid (GAO/T-HEHS-95-130, Apr. 6, 1995).

Pell Grant Costs (GAO/HEHS-94-215R, Sept. 28, 1994).

Pell Grants for Prison Inmates (GAO/HEHS-94-224R, Aug. 5, 1994).

Financial Audit: Federal Family Education Loan Program's Financial Statements for Fiscal Years 1993 and 1992 (GAO/AIMD-94-131, June 30, 1994).

Default Rates at HBCUs (GAO/HEHS-94-97R, Mar. 9, 1994).

GAO High-Risk Program (GAO/AIMD-94-72R, Jan. 27, 1994).

Student Loans: Millions Loaned Inappropriately to U.S. Nationals at Foreign Medical Schools (GAO/HEHS-94-28, Jan. 21, 1994).

Higher Education: Information on Minority-Targeted Scholarships (GAO/HEHS-94-77, Jan. 14, 1994).

Student Financial Aid Programs: Pell Grant Program Abuse (GAO/T-OSI-94-8, Oct. 27, 1993).

Financial Management: Education's Student Loan Program Controls Over Lenders Need Improvement (GAO/AIMD-93-33; Sept. 9, 1993).

Student Loans: Default Rates at Historically Black Colleges and Universities (GAO/HRD-93-117FS, Aug. 19, 1993).

Direct Student Loan Savings (GAO/HRD-93-25R, July 15, 1993).

Financial Audit: Federal Family Education Loan Program's Financial Statements for Fiscal Year 1992 (GAO/AIMD-93-4, June 30, 1993).

HEAF 1992 Financial Condition (GAO/HRD-93-21R, June 18, 1993).

Direct Student Loans: The Department of Education's Implementation of Direct Lending (GAO/T-HRD-93-26, June 10, 1993).

Financial Audit: Guaranteed Student Loan Program's Internal Controls and Structure Need Improvement (GAO/AFMD-93-20, Mar. 16, 1993).

Direct Loan Debate (GAO/HRD-93-15R, Feb. 8, 1993).

Federal Data Collection: Agencies' Use of Consistent Race and Ethnic Definitions (GAO/GGD-93-25, Dec. 15, 1992).

High-Risk Series: Guaranteed Student Loans (GAO/HRD-93-2, Dec. 1992).

Student Loans: Direct Loans Could Save Billions in First 5 Years With Proper Implementation (GAO/HRD-93-27, Nov. 25, 1992).

Guaranty Agency Solvency: Can the Government Recover HEAF's First-Year Liquidation Cost of $212 Million? (GAO/HRD-93-12BR, Nov. 13, 1992).

Parent and Supplemental Student Loans: Volume and Default Trends for Fiscal Years 1989 to 1991 (GAO/HRD-92-138FS, Sept. 22, 1992).

Stafford Student Loans: Prompt Payment of Origination Fees Could Reduce Costs (GAO/HRD-92-61, July 24, 1992).

Guaranteed Student Loans: Eliminating Interest Rate Floors Could Generate Substantial Savings (GAO/HRD-92-113, July 21, 1992).

Stafford Student Loan Program: Correspondence Schools' Loan Volume Declines Sharply (GAO/HRD-92-62FS, Mar. 13, 1992).

Student Financial Aid: Characteristics of Jobs Provided Through the College Work-Study Program (GAO/HRD-92-72BR, Feb. 21, 1992).

Student Financial Aid: Most Supplemental Educational Opportunity Grants Are Awarded to Needy Students (GAO/HRD-92-47, Jan. 31, 1992).

Stafford Student Loans: Lower Subsidy Payments Could Achieve Savings Without Affecting Access (GAO/HRD-92-7, Jan. 6, 1992).

Perkins Student Loans: Options That Could Make the Program More Financially Independent (GAO/HRD-92-6, Dec. 9, 1991).

Medical Residents: Options Exist to Make Student Loan Payments Manageable (GAO/HRD-92-21, Nov. 11, 1991).

Student Loans: Direct Loans Could Save Money and Simplify Program Administration (GAO/HRD-91-144BR, Sept. 27, 1991).

Student Financial Aid: Education Can Do More to Screen Schools Before Students Receive Aid (GAO/HRD-91-145, Sept. 27, 1991).

Student Loans: Characteristics of Defaulted Borrowers in the Stafford Student Loan Program (GAO/HRD-91-82BR, Apr. 26, 1991).

Perkins Student Loans: Need for Better Controls Over Loans Recovered From Closed Schools (GAO/HRD-91-70, Mar. 27, 1991).

Stafford Student Loans: Millions of Dollars in Loans Awarded to Ineligible Borrowers (GAO/IMTEC-91-7, Dec. 12, 1990).

Guaranteed Student Loans: Profits of Secondary Market Lenders Vary Widely (GAO/HRD-90-130B, Sept. 28, 1990).

Student Loan Lenders: Information on the Activities of the First Independent Trust Company (GAO/HRD-90-183FS, Sept. 25, 1990).

Defaulted Student Loans: Analysis of Defaulted Borrowers at Schools Accredited by Seven Agencies (GAO/HRD-90-178FS, Sept. 12, 1990).

School Accreditation: Activities of Seven Agencies That Accredit Proprietary Schools (GAO/HRD-90-179BR, Sept. 12, 1990).

Supplemental Student Loans: Legislative Changes Have Sharply Reduced Loan Volume (GAO/HRD-90-149FS, Aug. 3, 1990).

Consolidated Student Loans: Borrowers Benefit but Costs to Them and the Government Grow (GAO/HRD-90-8, June 15, 1990).

Supplemental Student Loans: Who Are the Largest Lenders? (GAO/HRD-90-72FS, Feb. 21, 1990).

Pell Grants: How the Department of Education Estimates Program Costs (GAO/HRD-90-73BR, Feb. 21, 1990).

School-to-Work Transition

Transition from School to Work: States Are Developing New Strategies to Prepare Students for Jobs (GAO/HRD-93-139, Sept. 7, 1993).

Vocational Education: Status in 2-Year Colleges in 1990-91 and Early Signs of Change (GAO/HRD-93-89, Aug. 16, 1993).

Vocational Education: Status in School Year 1990-91 and Early Signs of Change at Secondary Level (GAO/HRD-93-71, July 13, 1993).

Skill Standards: Experience in Certification Systems Shows Industry Involvement to Be Key (GAO/HRD-93-90, May 18, 1993).

Apprenticeship Training: Administration, Use, and Equal Opportunity (GAO/HRD-92-43, Mar. 4, 1992).

Transition From School to Work: Linking Education and Worksite Training (GAO/HRD-91-105, Aug. 2, 1991).

Training Strategies: Preparing Noncollege Youth for Employment in the U.S. and Foreign Countries (GAO/HRD-90-88, May 11, 1990).

Special Education and Rehabilitative Services

Special Education Reform: Districts Grapple With Inclusion Programs (GAO/T-HEHS-94-160, Apr. 28, 1994).

Deaf Education: Improved Oversight Needed for National Technical Institute for the Deaf (GAO/HRD-94-23, Dec. 16, 1993).

Vocational Rehabilitation: Evidence for Federal Program's Effectiveness Is Mixed (GAO/PEMD-93-19, Aug. 27, 1993).

Vocational Rehabilitation: Clearer Guidance Could Help Focus Services on Those With Severe Disabilities (GAO/HRD-92-12, Nov. 26, 1991).

Department of Education: Monitoring of State-Formula Grants by Office of Special Education Programs (GAO/HRD-91-91FS, Apr. 15, 1991).

Special Education: Estimates of Handicapped Indian Preschoolers and Sufficiency of Services (GAO/HRD-90-61BR, Mar. 5, 1990).

Training and Employment Services

JOBS and JTPA: Tracking Spending, Outcomes, and Program Performance (GAO/HEHS-94-177, July 15, 1994).

Job Training Partnership Act: Labor Title IV Initiatives Could Improve Relations With Native Americans (GAO/HEHS-94-67, Mar. 4, 1994).

Job Corps Costs and Outcomes (GAO/HRD-93-16R, Feb. 19, 1993).

Job Training Partnership Act: Actions Needed to Improve Participant Support Services (GAO/HRD-92-124, June 12, 1992).

Comments on JTPA Bills (GAO/HRD-92-35R, May 20, 1992).

Job Training Partnership Act: Racial and Gender Disparities in Services (GAO/HRD-91-148, Sept. 20, 1991).

Job Training Partnership Act: Inadequate Oversight Leaves Program Vulnerable to Waste, Abuse, and Mismanagement (GAO/HRD-91-97, July 30, 1991).

Targeted Jobs Tax Credit: Employer Actions to Recruit, Hire, and Retain Eligible Workers Vary (GAO/HRD-91-33, Feb. 20, 1991).

Job Training Partnership Act: Youth Participant Characteristics, Services, and Outcomes (GAO/HRD-90-46BR, Jan. 24, 1990).

Job Training Partnership Act: Services and Outcomes for Participants With Differing Needs (GAO/HRD-89-52, June 9, 1989)

Unemployment Insurance

Unemployment Insurance: Program's Ability to Meet Objectives Jeopardized (GAO/HRD-93-107, Sept. 28, 1993).

Unemployment Insurance: Trust Fund Reserves Inadequate to Meet Recession Needs (GAO/HRD-90-124, May 31, 1990).

Unemployment Insurance Trust Fund Reserves Inadequate (GAO/HRD-88-5, Sept. 26, 1988).

Veterans Employment and Training

Federal Contractor Hiring: Effect of Veteran Hiring Legislation Is Unknown (GAO/GGD-94-6, Oct. 18, 1993).

Vocational Rehabilitation: VA Needs to Emphasize Serving Veterans (GAO/HRD-92-133, Sept. 28, 1992).

Vocational Rehabilitation: Better VA Management Needed to Help Disabled Veterans Find Jobs (GAO/HRD-92-100, Sept. 4, 1992).

Vocational and Adult Education

Vocational Education: Status in 2-Year Colleges in 1990-91 and Early Signs of Change (GAO/HRD-93-89, Aug. 16, 1993).

Vocational Education: Status in School Year 1990-91 and Early Signs of Change at Secondary Level (GAO/HRD-93-71, July 13, 1993).

Transition From School to Work: Linking Education and Worksite Training (GAO/HRD-91-105, Aug. 2, 1991).

Other

Labor's Regional Structure and Trust Funds (GAO/HEHS-95-82R, Feb. 10, 1995).

Block Grants: Characteristics, Experiences, and Lessons Learned (GAO/HEHS-95-74, Feb. 9, 1995).

Implementation: The Missing Link in Planning Reorganizations (GAO/GGD-81-57, Mar. 20, 1981).

Workforce Reductions: Downsizing Strategies Used in Selected Organizations (GAO/GGD-95-54, Mar. 13, 1995).

GAO Contacts and Staff Acknowledgments

GAO Contacts

Fred E. Yohey, Jr., Assistant Director, (202) 512-7218
Karen A. Whiten, Evaluator-in-Charge, (202) 512-7291
Lori Rectanus, Senior Evaluator, (202) 512-9847

Staff Acknowledgments

Lawrence J. Horinko, Assistant Director
Nancy K. Kawahara, Senior Evaluator
Tamara A. Lumpkin, Senior Evaluator
Ann P. McDermott, Graphics Advisor
Sigurd R. Nilsen, Assistant Director

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are $2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000
or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (301) 258-4097 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

United States
General Accounting Office
Washington, D.C. 20548-0001

Bulk Mail
Postage & Fees Paid
GAO
Permit No. G100

Official Business
Penalty for Private Use $300

Address Correction Requested

[redacted]