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United States General Accounting Office

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Briefing Report to the Chairman,  
Subcommittee on Social Security,  
Committee on Ways and Means,  
House of Representatives

March 1986

# SOCIAL SECURITY

## Issues Relating to Agency Field Offices



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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

HUMAN RESOURCES  
DIVISION

March 31, 1986

B-222336

The Honorable James R. Jones  
Chairman, Subcommittee on Social  
Security  
Committee on Ways and Means  
House of Representatives

Dear Mr. Chairman:

This briefing report responds to your July 29, 1985, request that we examine a number of issues dealing principally with the Social Security Administration's (SSA's) field office structure. In early 1985 there was widespread speculation that many of SSA's more than 1,300 offices might be closed.

As agreed with your office, this briefing report examines (1) the evolution of SSA's field office structure; (2) the existing structure, including its accessibility to SSA clients and the distribution of offices among the states; (3) the effect of prior office closings and downgradings (i.e., changes in size and type of office) on SSA administrative costs and service to the public; and (4) the results of SSA's ongoing review of its field offices. In preparing this report, we discussed these issues with SSA officials, including officials from all 10 SSA regions. We also reviewed SSA files on past office closings and downgradings.

SSA began operations in 1936 by opening the first of 397 planned field offices. With few exceptions, the number of offices increased steadily until 1975, with a significant increase occurring with the advent of the Supplemental Security Income program in 1974. Since 1975, the number of field offices has remained relatively constant at around 1,300.

In brief, our principal findings are that:

--Through February 1986, no offices were closed as a result of the 228 office reviews completed. Furthermore, according to SSA regional officials and the Assistant Secretary for Management and Budget, Department of Health and Human Services, on the basis of past experience, it is unlikely that many offices will be closed when the reviews of all offices are completed by December 1987. Such factors as the effect of the Emergency Deficit Reduction and Balanced Budget Act of 1985 could, however, change the situation.

--Given the number of SSA offices and their locations, SSA clients generally have good access to personal or face-to-face service. There are 1,386 permanent field offices and more than 2,500 contact stations which provide opportunities for personal service in the more remote areas of the country. The number and location of SSA field offices are illustrated on the enclosed map. Also, the number of offices (and SSA employees) in each state generally correlates with state populations.

--SSA data on prior office closings and downgradings did not show significant reductions in SSA's overall administrative costs. Regarding service to the public, past office closings have reduced somewhat the accessibility of SSA to some of its clients. Conversely, office closings, which result in a consolidation of SSA staff, can sometimes increase efficiency and effectiveness and, in general, improve service to the public overall.

SSA officials stated that they will continue to periodically review whether population shifts, demographic changes, and technological improvements warrant changes in SSA offices. We support these efforts because they provide a mechanism for identifying ways of reducing costs, increasing productivity, and improving service.

As requested by your office, we did not obtain written comments from SSA; however, we discussed the contents of our briefing report with SSA officials and incorporated their views where appropriate. Also, as arranged with your office, we plan no further distribution of this document until 30 days after issuance unless its contents are publicly announced earlier. At that time, we will send copies to all Members of Congress, the Department of Health and Human Services, SSA, and other interested parties and make copies available to others on request.

Should you need additional information on the contents of this document, please call me on 275-6193.

Sincerely yours,

  
Joseph F. Delfico  
Associate Director

Enclosure - Map

## C o n t e n t s

|  | <u>Page</u> |
|--|-------------|
| INTRODUCTION                                     | 4           |
| OBJECTIVES, SCOPE, AND METHODOLOGY               | 4           |
| HOW SSA'S FIELD OFFICE STRUCTURE EVOLVED         | 5           |
| SSA'S CURRENT FIELD OFFICE STRUCTURE             | 8           |
| EFFECT OF RECENT CHANGES IN SSA FIELD OFFICES    | 13          |
| REVIEWS OF SSA FIELD OFFICES--THE RESULTS SO FAR | 16          |

### Tables

|   |   |    |
|---|---|----|
| 1 | Number of SSA district and branch offices and resident and contact stations as of January 1, 1986 | 9  |
| 2 | Correlation between SSA field offices, state populations, and SSA employees, by state             | 12 |
| 3 | SSA field office closings and downgradings, fiscal years 1981-85                                  | 13 |
| 4 | Distance from closed facilities to the nearest district or branch office                          | 14 |

### Figures

|   |  |                  |
|---|--|------------------|
| 1 | Number of SSA district and branch offices                          | 7                |
|   | Map--Social Security Administration field offices--January 1, 1986 | REPORT<br>INSERT |

### ABBREVIATIONS

|     |                                |
|-----|--------------------------------|
| BO  | Branch office                  |
| CS  | Contact Station                |
| DO  | District office                |
| RS  | Resident station               |
| SSA | Social Security Administration |
| SSI | Supplemental Security Income   |

SOCIAL SECURITY:  
ISSUES RELATING TO  
AGENCY FIELD OFFICES

INTRODUCTION

In early 1985, there was widespread speculation that many Social Security Administration (SSA) field offices were going to be closed. The speculation stemmed in large part from a draft SSA document entitled Service Delivery Review Methodology, which represented the agency's plans for reviewing its field office structure. A widely quoted interpretation of the document was that it signaled SSA's intent to close many of its more than 1,300 field offices.

About the same time, SSA unveiled its long-range plan to reduce its staff by about 21 percent. Further, the plan specifically mentioned that SSA expected to realize a staff reduction of 2,000 from its planned field office reviews. (SSA later deleted that staff reduction from the plan.)

On May 8, 1985, SSA finalized its field office review plan and forwarded the plan to its 10 regional offices for implementation. The plan, which represents the culmination of several years of effort, gives the regions general guidance for reviewing the appropriateness of the number, location, and types of SSA's field offices. The plan discusses, among other things, how to (1) determine service delivery needs, (2) perform cost benefit analyses, and (3) identify innovative approaches to service delivery.

While the plan allows much discretion in how the guidelines are to be applied, it states that the reviews should consider such factors as current workloads, population changes, and distances to nearby SSA facilities. The reviews are to be completed by December 31, 1987, and subsequent reviews are planned every 5 years.

On April 3, 1985, we presented testimony on SSA's plans to review its field offices to the Subcommittee on Social Security, House Committee on Ways and Means. Later, the Subcommittee's Chairman asked us to further assess various aspects of SSA's field office structure.

OBJECTIVES, SCOPE, AND METHODOLOGY

Based on the Chairman's request, the objectives of our review were to

- determine how SSA's field office structure evolved;
- examine SSA's existing field structure, including its accessibility to SSA clients and the distribution of offices among the states;
- determine the effect of prior changes in the structure on SSA administrative costs and service to the public; and
- determine the results of SSA's ongoing review of its field offices.

To determine the results of the regional reviews of SSA offices, we visited the headquarters of seven SSA regions and talked via telephone with officials of the other three. We obtained a list of the offices the regions initially selected for review, determined why they were selected, and determined what decisions had been made or were anticipated regarding any changes to the current structure.

In examining SSA's existing field office structure, we obtained data from the agency on the location and nature of all its offices. We developed a map showing the locations of SSA's district offices (DOs), branch offices (BOs), and resident stations (RSs). The map also identifies by state the number of contact stations (CSs)--locations visited periodically by an SSA field representative. To examine the distribution of offices and determine whether they (and SSA employees) were generally located where the people are, we compared the number of SSA offices and field employees in each state with the state's population.

To determine how the field offices evolved, we talked with SSA officials and reviewed files and literature on the agency's history. Also, to determine the effect of past office closings and downgradings on SSA's administrative costs and service to the public, we reviewed agency files on all 70 such changes that occurred from fiscal year 1981 through fiscal year 1985. We identified but did not independently verify the (1) cost and savings data that were compiled and (2) anticipated service effects.

#### HOW SSA'S FIELD OFFICE STRUCTURE EVOLVED

When the Congress enacted the Social Security Act in 1935, it established a Social Security Board, which appointed a Field Office Committee to determine the best locations to establish offices to serve the public. The committee decided on a structure that included 606 district offices, but because of budget constraints, the number was reduced to 397.

In selecting sites for the field offices, the committee considered such factors (1) ease in administration, (2) convenience to the public, and (3) uniformity in the distribution of the workloads. It studied population and population densities, it addressed questions of accessibility in different geographical areas (such as intervening mountain ranges and unbridged rivers) and considered trading zones and shopping areas that people frequently traveled to. It also considered the number of wage earners living in the area, transportation facilities available, nature of employment (urban, rural, seasonal), local needs, availability of space, and costs.

Plans called for opening the 397 field offices gradually. First to open was the one at Austin, Texas, on October 14, 1936. SSA proceeded conservatively and opened offices only where workloads were large enough to warrant full-time staffs. Not until 1939 were all 397 field offices in operation. Additional offices were opened in the succeeding years up to 1943. Because of manpower conservation during the war years, SSA closed 37 offices in the period 1943-45. Starting in 1946 and up to the early 1960's, SSA established metropolitan "neighborhood" offices and expanded services to the agricultural population.

From 1937 to 1965 the district field office generally remained the only full-service field facility. Beginning in 1965, when SSA had about 600 district field offices, the branch office was revived (some were used during World War II but were phased out after the war). The BOs reappeared to meet the service needs resulting from the new Medicare program.

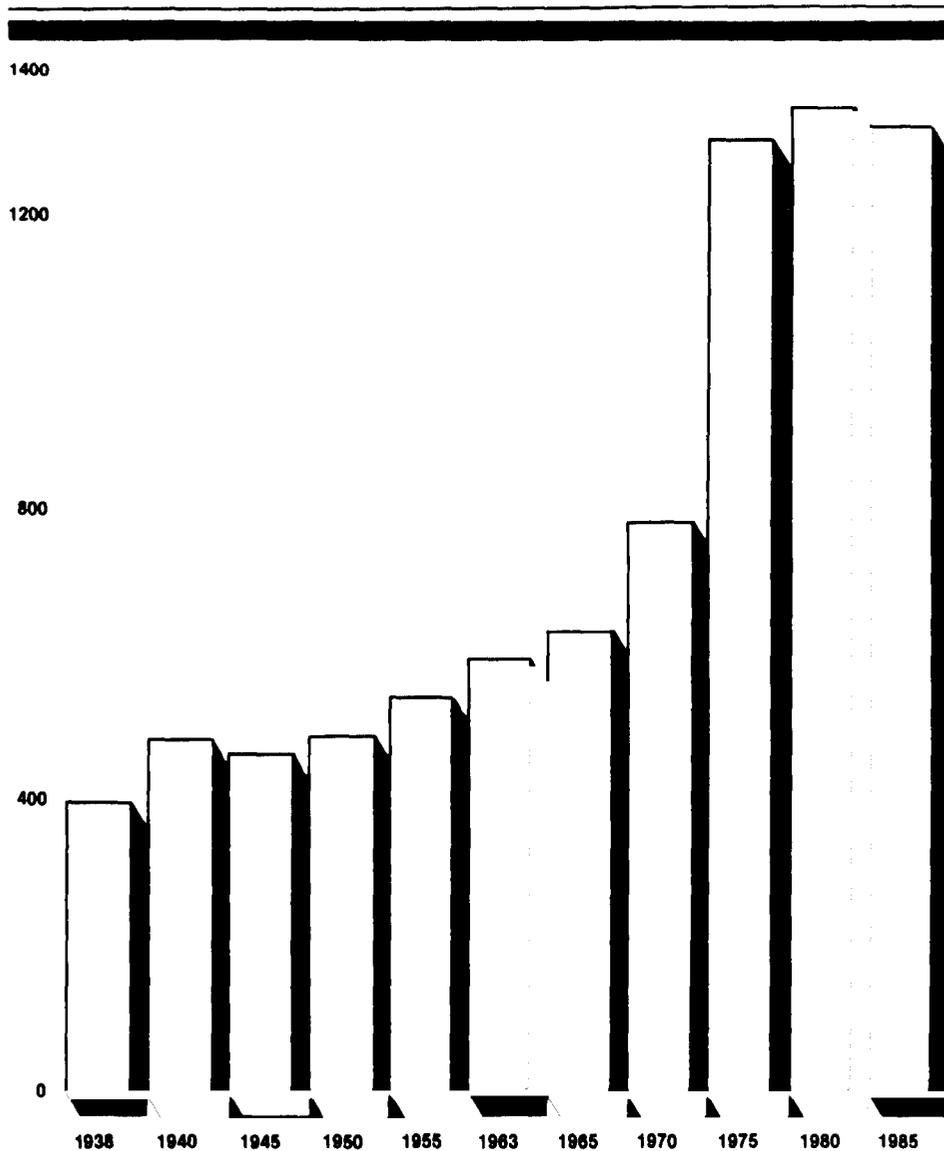
The establishment of BOs as "smaller" full-service facilities, in addition to bringing full service closer to more people, also recognized a gradual change in the nature of the service given. Before the mid-1950's, interaction of an individual and the district field office was more limited--obtaining a social security number or filing a claim for benefits--and very few contacts occurred after benefits were awarded. Later program growth (disability benefits, Medicare coverage, and the Supplemental Security Income (SSI) program) led to an increased need for more face-to-face contacts to relate more complex program provisions to individual personal situations.

In 1968, SSA opened 85 metropolitan BOs to serve (1) disadvantaged people and (2) those who lacked means of transportation or were reluctant to travel outside their own communities.

Until 1971, few facility modifications occurred. In 1971 SSA began to gear up in anticipation of passage of the SSI program (243 BOs were opened in 1973 alone). From 1965 to 1975, the network expanded by 675 offices; 524 were added during the 5-year period ended in 1975. By 1975 there were 1,298 DOs and BOs in operation.

In August 1975, after the effect of the SSI program was more clearly defined, a moratorium was placed on establishing new facilities. At that time SSA believed that its facility network was essentially complete. Although the moratorium was relaxed in 1978, few facility changes were made in the ensuing years. From 1980 through 1985 the number of DOs and BOs decreased by 25--from 1,337 to 1,312. Figure 1 summarizes the changes in the number of DOs and BOs from 1938 through 1985.

Figure 1:  
Number of SSA District and Branch Offices



## SSA'S CURRENT FIELD OFFICE STRUCTURE

As of January 1, 1986, SSA maintained 3,934 field locations staffed by about 40,000 employees nationwide to provide walk-in or face-to-face service to its clients. There were 642 DOs, 670 BOs, 74 RSs, and 2,548 CSs. This network is divided into 10 regions, each managed by a regional commissioner. Table 1 shows the number of each type of SSA field office in each state.

### District Offices

The DO is the basic working unit of the SSA field organization. A DO offers service in all social security programs and is the center of operations, management direction, and information for a designated geographical area (service area). The DO is considered a full-service facility, meaning that it can provide its users with everything needed from establishing a claim to authorizing a social security payment. This would include such services as issuing social security cards and accepting and processing initial claims, appeals, and postentitlement actions (including debt collections, continuing disability investigations, eligibility redeterminations, individual or ongoing requests for information, and account number verifications). Full service also means that the facility has systems capability to communicate directly with SSA's computerized files.

DOs and their managers are divided into three classes depending upon the complexities of the specific office operating requirements. A Class I DO requires a manager with a grade level of GS-14, which is based on the number of elements met under position classification standards. The standards include staffing pattern factors and specific service area characteristics, such as (1) size of staff, (2) service area population, (3) number of large employers, and (4) universities, colleges, and other liaison activities requiring management involvement. A Class II DO requires a GS-13 manager, and a Class III DO requires a GS-12 manager primarily because of lesser responsibilities (e.g., smaller staff size and workloads).

An SSA staffing analysis shows that the usual staffing size of a DO was from 20 to 40 persons and that the staffing ranged from 4 DOs with 10 or fewer persons to 22 DOs with over 100 persons.

Table 1:  
Number of SSA District and Branch Offices and  
Resident and Contact Stations as of January 1, 1986

| <u>State</u>          | <u>District offices</u> | <u>Branch offices</u> | <u>Resident stations</u> | <u>Contact stations</u> |
|-----------------------|-------------------------|-----------------------|--------------------------|-------------------------|
| Alabama               | 11                      | 13                    | 4                        | 69                      |
| Alaska                | 1                       | 1                     | 2                        | 17                      |
| Arizona               | 4                       | 9                     | 7                        | 33                      |
| Arkansas              | 8                       | 7                     | 5                        | 67                      |
| California            | 56                      | 86                    | 8                        | 165                     |
| Colorado              | 7                       | 10                    | 2                        | 34                      |
| Connecticut           | 10                      | 7                     | -                        | 17                      |
| Delaware              | 2                       | 1                     | -                        | 4                       |
| D.C.                  | 1                       | 4                     | -                        | 4                       |
| Florida               | 20                      | 32                    | 3                        | 78                      |
| Georgia               | 16                      | 22                    | 1                        | 109                     |
| Hawaii <sup>a</sup>   | 1                       | 5                     | 2                        | 8                       |
| Idaho                 | 4                       | 3                     | -                        | 23                      |
| Illinois              | 35                      | 18                    | -                        | 83                      |
| Indiana               | 19                      | 7                     | -                        | 58                      |
| Iowa                  | 11                      | 10                    | -                        | 61                      |
| Kansas                | 9                       | 6                     | -                        | 73                      |
| Kentucky              | 13                      | 13                    | 1                        | 63                      |
| Louisiana             | 9                       | 17                    | 2                        | 53                      |
| Maine                 | 5                       | 4                     | -                        | 22                      |
| Maryland              | 8                       | 16                    | -                        | 18                      |
| Massachusetts         | 23                      | 10                    | -                        | 48                      |
| Michigan              | 23                      | 20                    | 8                        | 60                      |
| Minnesota             | 10                      | 6                     | 2                        | 87                      |
| Mississippi           | 9                       | 16                    | -                        | 61                      |
| Missouri              | 15                      | 22                    | -                        | 102                     |
| Montana               | 5                       | 2                     | 3                        | 29                      |
| Nebraska              | 5                       | 3                     | -                        | 45                      |
| Nevada                | 2                       | 1                     | 1                        | 26                      |
| New Hampshire         | 5                       | 1                     | -                        | 13                      |
| New Jersey            | 17                      | 11                    | -                        | 15                      |
| New Mexico            | 4                       | 5                     | 1                        | 41                      |
| New York <sup>b</sup> | 57                      | 51                    | 1                        | 91                      |
| North Carolina        | 15                      | 25                    | -                        | 63                      |
| North Dakota          | 4                       | 4                     | 1                        | 17                      |
| Ohio                  | 30                      | 28                    | -                        | 67                      |
| Oklahoma              | 7                       | 12                    | 5                        | 50                      |
| Oregon                | 6                       | 12                    | 1                        | 19                      |
| Pennsylvania          | 38                      | 29                    | 1                        | 57                      |
| Rhode Island          | 2                       | 3                     | -                        | 4                       |
| South Carolina        | 8                       | 12                    | 1                        | 42                      |
| South Dakota          | 4                       | 2                     | 1                        | 15                      |
| Tennessee             | 9                       | 21                    | -                        | 82                      |
| Texas                 | 33                      | 32                    | 4                        | 237                     |
| Utah                  | 3                       | 2                     | 1                        | 17                      |
| Vermont               | 3                       | -                     | -                        | 13                      |
| Virginia              | 13                      | 18                    | 1                        | 43                      |
| Washington            | 12                      | 13                    | 3                        | 23                      |
| West Virginia         | 10                      | 7                     | -                        | 29                      |
| Wisconsin             | 17                      | 10                    | -                        | 74                      |
| Wyoming               | 3                       | 1                     | 2                        | 19                      |
| <b>Total</b>          | <b>642</b>              | <b>670</b>            | <b>74</b>                | <b>2,548</b>            |

<sup>a</sup>Includes one BO each for Guam and Pago-Pago and one RS for Saipan.

<sup>b</sup>Includes 7 DOs, 13 BOs, and 14 CSs for Puerto Rico and the Virgin Islands.

### Branch Offices

A BO, which is a subsidiary of a DO, is also considered a full-service facility. The BO is generally smaller than its parent DO in terms of staff, workload, and service area responsibilities and has relatively little responsibility for public information and public relations. Work plans, training, and travel are coordinated through the DO.

There are two classes of BOs--those headed by a GS-12 and those headed by a GS-11. SSA's staffing analysis showed that the usual size of a BO was from 10 to 30 persons. The BOs ranged from 74 BOs with 10 or fewer persons to 2 BOs with over 50 persons.

### Resident Stations

An RS is generally a subsidiary of either a DO or a BO. The RS administers the same programs as the DO and BO but is usually not a full-service facility; only 31 have systems capability. Further, RSs can be open full or part time; in November 1985, 50 were open full time. The manager (called a resident representative) will be either a GS-11 or a GS-10. November 1985 staffing levels at the RSs ranged from 1 to 10 employees.

### Contact Stations

A CS is usually located some distance from another SSA facility that is visited regularly by an SSA field representative (usually a GS-10), who accepts claims applications, provides interviewing services, and answers questions. The frequency of visits to CSs depends on the demand for services and ranges from about twice weekly to quarterly or by appointment only. The field representative's length of stay at the CSs also depends on demand and can vary from 1 hour to all day.

CSs are established to handle a workload in an area remote from another SSA facility that cannot be otherwise effectively handled. These locations can be in local schools, post offices, libraries, federal office buildings, or similar facilities.

About 300 contact stations are located in institutions. An institutional contact site is established based on a need to service those confined to an institution who cannot otherwise avail themselves of SSA service or because the service can be provided more efficiently there. Examples of institutional sites are Veterans Administration hospitals, large county hospitals, mental institutions, nursing homes, and the premises of large employers.

CSs do not have a systems capability. To compensate for this, SSA employees can take the information they get from the client back to the parent office and process it. Another alternative is that an employee can phone the parent office and have it query the SSA computer records to obtain beneficiary data and then phone the obtained data back to the CS, where the employee can then complete the transaction. This procedure may take longer than if the client went to a full-service facility, but it can save the client a long trip. Although some CSs are relatively close to an SSA office, others, in the backwoods of Alaska for example, are 400 to 500 miles away.

#### Accessibility of Offices and Their Distribution Among the States

By virtue of SSA's more than 3,900 temporary and permanent field offices and their locations, the agency generally is very accessible to its clients. The enclosed map illustrates the magnitude of SSA's field office structure and the proximity of many offices to the major population centers or trading areas of the country.

Table 2 ranks, by state, the number of field offices (DOs, BOs, and RSS), the population, and the number of SSA employees in each state. It shows that the number of offices generally correlates with the state's population. The difference between population rank and field office rank for each state was never greater than 10. Further, the difference between the two ranks was greater than 6 for only seven states.

Because the field offices can vary so much in size, we also compared the number of SSA field office employees in each state with the state's population. In this respect, the correlation was even greater than that between field offices and population. The difference between population rank and employee rank for each state was never greater than 9. Further, the difference between the two ranks was greater than 4 for only six states.

Table 2:  
Correlation Between SSA Field Offices, State  
Populations, and SSA Employees, by State

| <u>State</u>   | <u>Rank by number of</u>   |               |                  |
|----------------|----------------------------|---------------|------------------|
|                | <u>Offices<sup>a</sup></u> | <u>People</u> | <u>Employees</u> |
| California     | 1                          | 1             | 1                |
| New York       | 2                          | 2             | 2                |
| Texas          | 3                          | 3             | 3                |
| Pennsylvania   | 4                          | 4             | 4                |
| Illinois       | 7                          | 5             | 5                |
| Ohio           | 5                          | 6             | 7                |
| Florida        | 6                          | 7             | 6                |
| Michigan       | 8                          | 8             | 8                |
| New Jersey     | 15                         | 9             | 9                |
| North Carolina | 9                          | 10            | 13               |
| Massachusetts  | 12                         | 11            | 10               |
| Indiana        | 21                         | 12            | 15               |
| Georgia        | 10                         | 13            | 11               |
| Virginia       | 13                         | 14            | 16               |
| Missouri       | 11                         | 15            | 12               |
| Wisconsin      | 19                         | 16            | 18               |
| Tennessee      | 14                         | 17            | 17               |
| Maryland       | 23                         | 18            | 22               |
| Louisiana      | 18                         | 19            | 14               |
| Washington     | 16                         | 20            | 19               |
| Minnesota      | 31                         | 21            | 30               |
| Alabama        | 17                         | 22            | 20               |
| Kentucky       | 20                         | 23            | 21               |
| South Carolina | 26                         | 24            | 23               |
| Connecticut    | 33                         | 25            | 33               |
| Oklahoma       | 24                         | 26            | 25               |
| Iowa           | 25                         | 27            | 31               |
| Colorado       | 29                         | 28            | 29               |
| Arizona        | 28                         | 29            | 26               |
| Oregon         | 30                         | 30            | 28               |
| Mississippi    | 22                         | 31            | 24               |
| Kansas         | 34                         | 32            | 34               |
| Arkansas       | 27                         | 33            | 27               |
| West Virginia  | 32                         | 34            | 32               |
| Nebraska       | 39                         | 35            | 36               |
| Utah           | 43                         | 36            | 42               |
| New Mexico     | 36                         | 37            | 35               |
| Maine          | 37                         | 38            | 37               |
| Hawaii         | 45                         | 39            | 43               |
| Rhode Island   | 46                         | 40            | 38               |
| Idaho          | 40                         | 41            | 39               |
| New Hampshire  | 42                         | 42            | 46               |
| Nevada         | 47                         | 43            | 40               |
| Montana        | 35                         | 44            | 41               |
| South Dakota   | 41                         | 45            | 45               |
| North Dakota   | 38                         | 46            | 44               |
| Delaware       | 50                         | 47            | 47               |
| Vermont        | 49                         | 48            | 48               |
| Wyoming        | 44                         | 49            | 50               |
| Alaska         | 48                         | 50            | 49               |

<sup>a</sup>In some cases, the total number of DOs, BOs, and RSs was the same among certain states. In such cases, the state with the largest number of DOs was given the highest ranking.

EFFECT OF RECENT CHANGES  
IN SSA FIELD OFFICES

Table 3 summarizes SSA field office closings and downgradings from fiscal year 1981 through 1985. A closing involves the cessation of an office as a physical entity and the transfer of its staff and workload to another office(s). A downgrading (e.g., a DO to a BO) involves a downward reclassification of an office manager and the office because the specific operating requirements of that office and its manager (e.g., decreased workloads) have declined to where they cannot support a manager at the existing grade level.

Table 3:  
SSA Field Office Closings and Downgradings  
Fiscal Years 1981-85

| <u>Type of action</u>             | <u>Frequency</u> |
|-----------------------------------|------------------|
| Closings:                         |                  |
| District office                   | 1                |
| Branch office                     | 23               |
| Resident station                  | <u>11</u>        |
| Subtotal                          | <u>35</u>        |
| Downgradings:                     |                  |
| District office to branch office  | 7                |
| Branch office to resident station | <u>28</u>        |
| Subtotal                          | <u>35</u>        |
| Total                             | <u><u>70</u></u> |

Table 3 shows that the total actions were equally divided between closings and downgradings. Further, most closings involved BOs, and most downgradings involved BOs downgraded to RSs. In addition to the closings and downgradings, SSA opened 4 and upgraded 16 offices during the same 5-year period.

The files we reviewed cited numerous reasons for the actions taken to change a field office. In general, however, the foremost reason cited was changing workloads.

Effect on SSA's Administrative Cost

The operating cost of a field office consists mostly of salary costs. Unless an office closing or downgrading is accompanied by a corresponding termination of staff employed, the savings to be realized are relatively small. If people are merely transferred, their salary costs remain.

Of the 70 files we reviewed, 57 contained SSA estimates of savings. Based on SSA's data, total gross savings amounted to about \$2.9 million annually--\$1.8 million for 29 closings and \$1.1 million for 28 downgradings. On average, this amounts to about \$63,000 for each closing and \$39,000 for each downgrading. Compared to SSA's total field operating budget for fiscal year 1986 of about \$1.4 billion, this savings amounts to about 0.2 percent.

Some of the reported \$2.9 million savings appear questionable. For example, while most of the savings involved a reduction of personnel costs, in some cases the files were unclear as to what happened to the staff involved, that is, whether they were terminated or simply transferred. We also noted that the files generally did not contain evidence that offsetting costs were considered. The cost of relocating equipment and personnel and the cost of additional space at facilities that absorbed relocated staff appeared to be some of the more notable omissions in calculating SSA savings. Conversely, some savings may have been omitted because the extent of documentation maintained on individual SSA office changes varied considerably. As noted earlier, there was no discussion of savings for 13 of the files reviewed.

#### Effects on Service

Some of the 35 downgradings may have affected service, but most probably did not. The seven downgradings from a DO to a BO involved only a reduction in the manager's grade. Similarly, 22 of the 28 downgradings from a BO to an RS had no effect on service levels for the same reason. Two of the remaining six RSs, however, are no longer open 8 hours a day, 5 days a week; another has been downgraded again to a CS; and the other three have since been closed.

An obvious adverse effect of a closing is that for a segment of the population, travel time and distance will be increased. Table 4 shows the distance from the closed facilities to the nearest DO or BO.

Table 4:  
Distance from Closed Facilities  
to the Nearest District or Branch Office

| <u>Distance</u>  | <u>Number</u>   |
|------------------|-----------------|
| Less than 1 mile | 3               |
| 1-5 miles        | 16              |
| 6-10 miles       | 4               |
| 11-15 miles      | 1               |
| Over 15 miles    | <u>11</u>       |
| Total            | 35<br><u>==</u> |

For the 11 closings in which the distance to the nearest office exceeded 15 miles, the distances involved for 9 offices were less than 56 miles and the distances for the other 2 were 87 and 110 miles. With one exception, all of these offices were located in the Midwest or Southwest. In these 11 closings, the files showed that CS service was retained at the location of the closed office. The files also showed that such service was retained at the sites of five other closed offices that were less than 15 miles from the nearest office.

According to SSA officials, in many cases benefits are derived from office closings. In this regard, SSA files cited the following examples of benefits derived from office closings.

- The staff of three claims representatives at a BO was too small for them to specialize in either retirement or SSI claims. If the BO closed and the three claims representatives were consolidated in a larger office, they could specialize and thereby provide better service to the public.
- The lack of available personnel during any extended period of employee absences (vacations, sick leave) caused interview backlogs and often necessitated the temporary assignment of employees from the parent DO. Closing the BO and transferring its employees to the DO would increase the available interviewing staff in the consolidated office above the proportion of increased workload.
- Closing one BO would cause virtually no change in service to the public because the DO, though in another state, was only 3 miles away, and highways and public transportation connecting the two areas were very good. Further, combining the two offices would eliminate the need to detail employees between the DO and BO during staffing shortages due to vacations and illnesses and would improve personnel utilization within the district.
- A BO service area was notorious for drug activities, and clients visiting the BO were targets for muggings. The DO into which the BO staff was consolidated was considered to be in a safer neighborhood.
- Access problems arose when a DO was relocated about a mile from its former location into a central business area. Many people, particularly the elderly, would not go into the central business area due to congested traffic, lack of parking, and crime problems. The DO's workloads began dropping significantly, with corresponding workload increases in surrounding areas. Closing the DO

and converting one of the BOs in the surrounding area to a DO would result in a more even distribution of district workloads to serve the public and a more efficient use of resources.

While we did not independently verify the validity of these claimed benefits, we believe they illustrate the types of benefits that are possible from office closings.

REVIEWS OF SSA FIELD OFFICES--  
THE RESULTS SO FAR

Through February 1986, the SSA regions had reviewed 228 of the 1,386 DOs, BOs, and RSs. The selection criteria SSA used for identifying the offices to be reviewed varied among regions. For example, some regions picked an entire state for review, while others singled out certain large metropolitan areas. Still others allowed area directors--who supervise a number of district offices--to make the selection.

These reviews resulted in one RS in Port Charlotte, Florida, being converted to a BO and one BO in Marianna, Florida, being converted to an RS. No offices were opened or closed as a result of the service delivery methodology. Between May 8, 1985--the date of the service delivery methodology document--and February 28, 1986, SSA closed 8 offices;<sup>1</sup> those actions, however, were initiated prior to the start of the service delivery reviews and were part of the 70 office changes discussed on page 13.

How many offices will be closed when the reviews are completed by December 1987 is not known. Many key officials, however, have indicated that not many closings are likely. For example, in a letter dated November 7, 1985, to the Chairman, Subcommittee on Labor, Health and Human Services, Education, and Related Agencies, Senate Committee on Appropriations, the Assistant Secretary for Management and Budget, Department of Health and Human Services, stated:

"I can assure you, as Secretary Heckler and Acting Commissioner McSteen have already done, that there is no plan for massive closing of Social Security offices. As we have done traditionally, we will continue to review whether population shifts, demographic changes or technological improvements warrant any change, but we do not foresee office closings or openings beyond levels experienced in the past. If that

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<sup>1</sup>The facilities closed are located in Minneapolis, MN, Broadway Office (BO); East Chicago, IL (BO); Denver SW, CO (BO); Columbus, NE (RS); Hadley Park, TN (BO); Pittsburgh Hill, PA (RS); Portland North, OR (BO); and Colby, KS (RS).

were to occur, we would certainly inform the Congress well in advance."

Also, each of SSA's 10 regional commissioners or their representative told us that--based on their experience and knowledge of the region--they did not expect many offices to be closed.

How many offices might be closed could be influenced by SSA's plans to reduce its total staff by 21 percent from fiscal year 1985 through 1990. The Emergency Deficit Reduction and Balanced Budget Act of 1985 could also influence SSA's field office structure. These and other issues are discussed in a March 1986 report<sup>2</sup> we issued to the Subcommittee on Labor, Health and Human Services, and Education, and Related Agencies, Senate Committee on Appropriations.

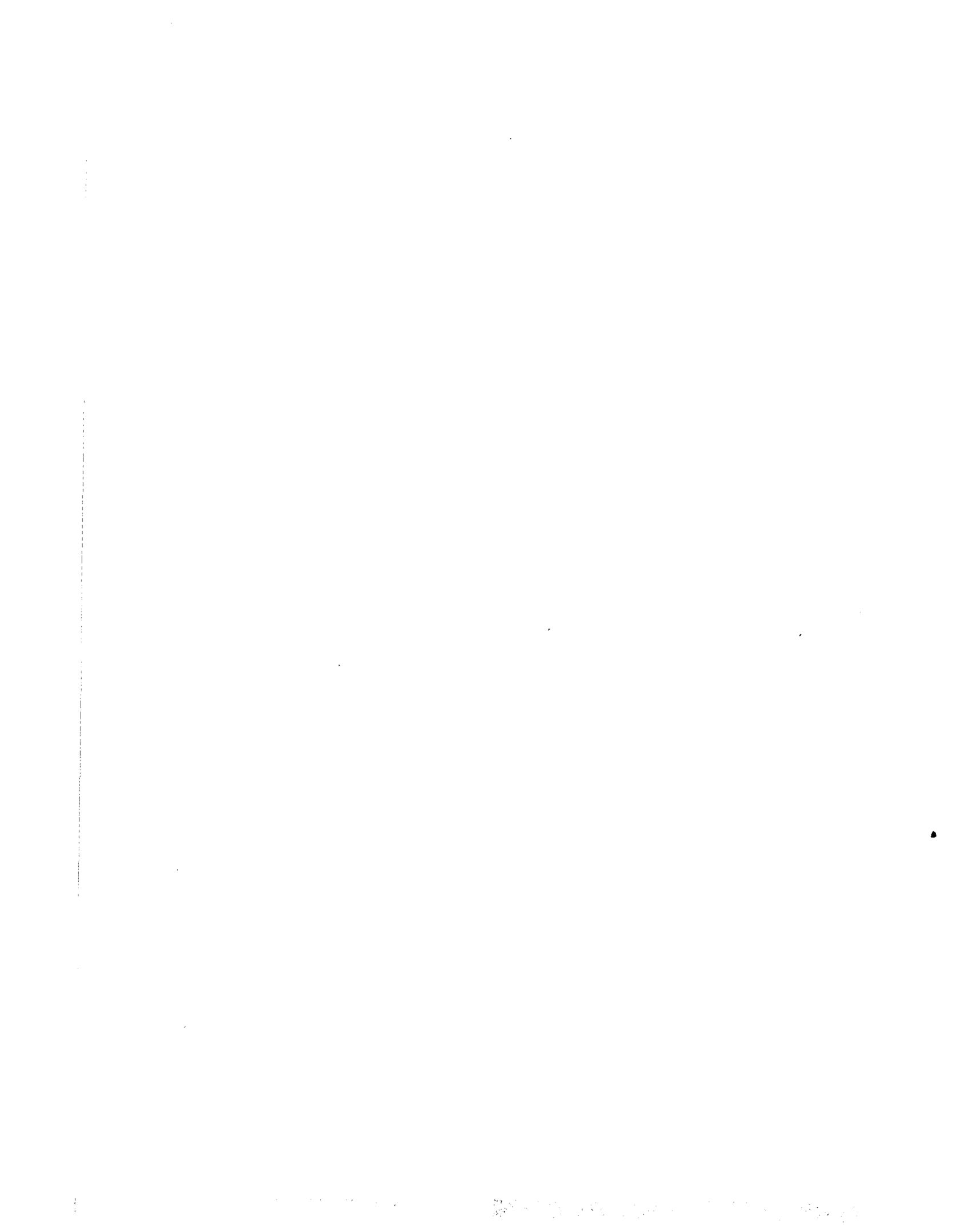
SSA's policy is to keep affected congressional delegations informed of matters affecting their constituents and to obtain their and the public's input before making any field office changes. Further, to keep the Congress informed of planned changes in field offices, SSA's Acting Commissioner in August 1985 specifically designated the Deputy Commissioner for Operations to be the coordinator of such contacts.

Our experience indicates that field office changes have to be examined on a case-by-case basis because each in a sense is unique. The type and size of both present and future workloads, distances from other facilities, the availability of public transportation, quality of roads, geography, etc., all play an important part in decisions affecting individual field offices, but the degree of importance can vary depending on the office involved. In addition, demographic changes, population shifts, changing economic conditions, and the introduction of new labor-saving and communications technology may affect the need for and location of field offices.

We support SSA's efforts to periodically review its field offices because they provide a mechanism for identifying ways of reducing costs, increasing productivity, and improving services.

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<sup>2</sup>Social Security: Actions and Plans to Reduce Agency Staff  
(GAO/HRD-86-76BR, Mar. 17, 1986).



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