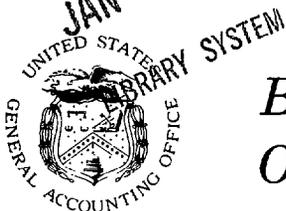


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UNITED STATES
GENERAL ACCOUNTING OFFICE

JAN 6 1976



REPORT TO THE CONGRESS

BY THE COMPTROLLER GENERAL
OF THE UNITED STATES



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Part-Time Employment In Federal Agencies

Civil Service Commission
Office of Management and Budget

This report examines ways part-time employees are used in Federal agencies, advantages and disadvantages of using them, and constraints on increased use of such employees.

The Office of Management and Budget should relax or eliminate personnel ceilings for part-time employees to allow agencies greater flexibility in using whatever types of employees are needed to most efficiently and productively accomplish agency functions.

JAN. 2, 1976

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

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To the President of the Senate and the
Speaker of the House of Representatives

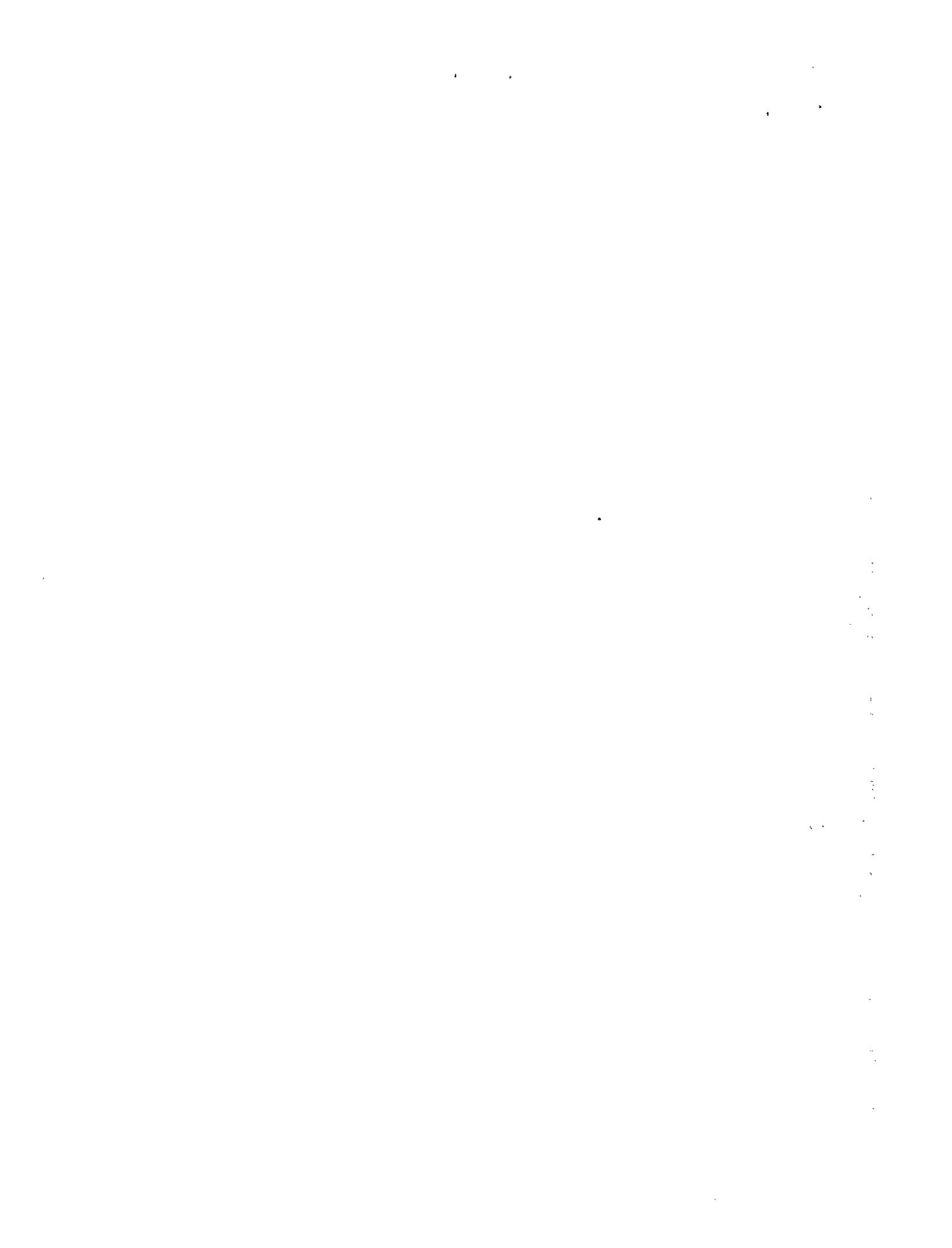
This report discusses ways part-time employees are used in Federal agencies, advantages and disadvantages of using them, and constraints on increased use of such employees.

We made our review pursuant to the Budget and Accounting Act, 1921 (31 U.S.C. 53), and the Accounting and Auditing Act of 1950 (31 U.S.C. 67).

Copies of this report are being sent to the Director, Office of Management and Budget; the Chairman, Civil Service Commission; and the heads of departments and agencies included in our review.

A handwritten signature in black ink, reading "James B. Steals".

Comptroller General
of the United States



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ABBREVIATIONS

CSC Civil Service Commission
FPM Federal Personnel Manual
GAO General Accounting Office
HEW Department of Health, Education, and Welfare
HUD Department of Housing and Urban Development
INS Immigration and Naturalization Service
IRS Internal Revenue Service
OMB Office of Management and Budget
SSA Social Security Administration



D I G E S T

ADVANTAGES AND DISADVANTAGES
OF USING PART-TIME EMPLOYEES

The Congress is considering legislation which would provide for increased opportunities for part-time employment in executive agencies. (See p. 1.)

The Government's programs and functions are carried on primarily by its full-time permanent work force. However, when workloads fluctuate or less than 40 hours a week of staff time is needed, using part-time employees may be the best and most economical way of accomplishing necessary work.

During fiscal year 1974, Federal executive agencies employed an average of 222,880 part-time employees per month, about 8 percent of the total Federal civilian employment. (See p. 1.)

In providing part-time employment, the Government can use a great pool of talent that would not be needed or available on a full-time basis. Part-time employment also benefits many persons who cannot or choose not to work full time. (See p. 4.)

According to agency officials, benefits from using part-time employees include greater flexibility in meeting temporary increases in personnel requirements during seasonal workload peaks and for emergency work and special projects. Disadvantages include increased training and administrative costs because of the high turnover rate. (See pp. 4 to 8.)

CONSTRAINTS ON USING
MORE PART-TIME EMPLOYEES

Agency officials cited instances in which additional part-time employees could have

been effectively used but were not hired primarily because of funding limitations and personnel ceilings. (See pp. 11 to 13.)

CONCLUSIONS

Controls imposed by rigid personnel ceilings tend to deprive agency management of flexibility in accomplishing essential work by most effectively and economically using the most appropriate type of manpower in specific circumstances. Excessive emphasis on limiting the number of persons on the Federal payroll may obscure the reality that the Government incurs the cost of getting essential work accomplished regardless of the type of manpower used. In the current period of high unemployment, many capable people would probably welcome the opportunity to work for the agencies part time. (See p. 15.)

RECOMMENDATION

The Director, Office of Management and Budget, should eliminate or relax personnel ceilings for part-time employees on a test basis to allow agencies the flexibility of using--within limits of their available funds--enough part-time employees with appropriate skills and experience needed to accomplish their functions efficiently and productively. (See p. 20.)

AGENCY ACTIONS

The Office of Management and Budget agreed on the desirability of part-time employment and the need to find appropriate ways to make hiring part-time employees easier, but it did not believe that further relaxing personnel ceilings was necessary. (See app. III.) The agency has not informed GAO of any action planned on the recommendation.

CHAPTER 1

INTRODUCTION

The President and the Congress have long been concerned about limiting the total number of employees on the Federal payroll, and their concern has intensified as payroll costs have increased. Yet, enough skilled, experienced personnel must be acquired if the programs approved by the President and the Congress are to be effectively, efficiently, and economically executed.

In June 1975 the Senate approved a bill which would provide increased employment opportunities in executive agencies for persons unable to work standard working hours. A House subcommittee has held hearings but has not acted on this bill or other bills proposing increased part-time employment.

The Government's programs and functions are carried on primarily by its full-time permanent work force. The Civil Service Commission (CSC) has recognized, however, that in many circumstances--such as when workloads fluctuate or less than 40 hours a week of staff time is needed--using part-time employees may be the best and most economical way of accomplishing necessary work. CSC has also recognized that the Federal Government, as the Nation's largest employer, has the responsibility to make maximum use of all available skills and abilities. 13

During fiscal year 1974 the executive branch employed an average of 2,762,970 civilians. Part-time employment accounted for 222,880, or 8 percent, of these jobs. Except for Office of Management and Budget (OMB) employment ceilings, policies and regulations pertaining to the hiring, period and conditions of employment, and separation of part-time employees are prescribed by CSC. 27

In the Federal Personnel Manual (FPM), CSC offers varying definitions of part-time employees:

--"Part-time employees means those regularly employed on a prescheduled tour of duty which is less than the specified hours or days of work for full-time employees in the same group or class." (Chapter 291, app. B-1a(6).)

--"* * * a part-time employee, regardless of the nature of his or her employment, is one who works less than 40 hours a week. The employment may be regular and recurring (loosely referred to as

"permanent"); it may be for a temporary period; or it may be intermittent in the sense that the person works only when called in, but it is still the kind of employment which is subject to the derived ceiling." (Chapter 312, B-2(d).)

Agencies' employment ceilings, both for the end of the fiscal year in progress and the end of the succeeding fiscal year, are established by OMB and the President during the annual budget review. Ceilings are established for both full-time permanent and total employment. The difference between these two ceilings, including temporary part-time and intermittent employees, is commonly referred to as the derived or "other" ceiling. The derived ceiling becomes, in effect, a limitation on the number of part-time workers that may be employed. Since all ceilings apply to the last day of the fiscal year, agencies have some flexibility for adjusting employment levels within the year.

Part-time employees may be hired against vacancies applicable to both the derived ceiling and the full-time permanent ceiling without OMB approval. If an agency's legitimate needs for part-time employees cannot be met within the limits of the derived ceiling and the full-time permanent ceiling, with OMB approval the agency may convert spaces from the full-time permanent ceiling to the derived ceiling to permit splitting full-time jobs. For example, two persons, each working 20 hours a week, would be counted as one.

Since agency heads have flexibility to make internal adjustments, they need apply for OMB approval of only those adjustments which are significant in relation to their agency's overall personnel ceiling. According to an OMB official, no agencies have applied for approval of this type of conversion. No specific provision allows for reversing the conversion process, that is, converting positions from the derived ceiling to the full-time permanent ceiling should the need arise. However, an OMB official said that such a reversal can be made. He said the absence of the provision should not deter agencies wishing to convert full-time spaces to part time.

Agencies can also obtain part-time employees through youth programs, such as the Temporary Summer Aid program, the Stay-in-School Campaign, and the Federal Junior Fellowship program, that are exempt from ceilings.

CSC has encouraged Federal organizations to use part-time employees. FPM Letter No. 713-8, dated January 25, 1968,

said that CSC was continuing to study opportunities for developing additional part-time positions to meet staffing requirements arising from shortages of qualified people. The letter added that, while the needs of the Federal service must be made known to all sources of employable talent, women able to reenter the employment market were a principal source of recruits.

On December 19, 1973, CSC issued Bulletin No. 300-34, which said that, when job candidates with needed skills and training are in short supply, the use of part-time candidates may uncover talented, well-qualified individuals agencies might have otherwise missed. CSC also said that there is growing recognition of the desirability of using part-time employees in clerical jobs, but that more attention should be given to using qualified part-time employees in professional and technical positions.

Most agencies maintain information on their total employment population, but normally do not prepare separate information on part-time employees. CSC provided us with statistics on Federal civilian part-time employment by agency as of November 30, 1973, the latest date for which information was available. The information included summaries for both white- and blue-collar workers by grade or salary levels and by age groupings.

According to these statistics, about 192,500 persons, 7.3 percent of the Federal work force, were employed less than full time. White-collar part-time positions were concentrated in grades GS-7 and below and blue-collar positions mostly in the salary range of \$8,999 and below. All age groupings were represented, but most part-time positions were held by individuals under 21 years old. (See apps. I and II.)

Part-time employees generally receive fewer fringe benefits--for which the Government bears part or all of the cost--than full-time permanent employees. (See p. 6.)

Studies of private industry showed that some companies, school systems, and universities used part-time workers effectively. Other companies tried to avoid using them (See pp. 9 and 10.)

CHAPTER 2

ADVANTAGES AND DISADVANTAGES OF USING

PART-TIME EMPLOYEES IN FEDERAL AGENCIES

In providing part-time employment, the Government can use a great pool of talent that may not be needed or available full time. Part-time employment also benefits many groups: persons who cannot or choose not to work full time; handicapped people who cannot bear the strains of a long day or cope with rush-hour traffic; students and individuals undergoing retraining who must be partially or totally self-supporting; experienced, trained older employees who prefer to continue to work part time rather than retire; and retired annuitants.

The 21 agencies in which we made our review employed about 181,200 part-time workers, 94 percent of the Federal civilian part-time employment as of November 30, 1973. In these agencies part-time employees have been used primarily to (1) augment the regular work force to meet temporarily increased workloads in day-to-day and seasonal activities, (2) replace employees on leave, (3) assist with emergency work or special projects not requiring full-time permanent employees, and (4) provide a source for recruiting to fill vacant full-time positions.

Part-time employees occupied various types of positions but were generally used as clerical workers. Some agencies used part-time workers in professional or semiprofessional positions--as attorneys, claim representatives, inspectors, and staff assistants--but rarely in supervisory or management positions. According to officials, full-time employees are needed in these positions to assume the responsibility and provide the continuity of effort required to maintain stability in the work force.

Officials at all the agencies we reviewed said they had benefited from using part-time employees, and 44 of the 58 officials questioned said they could effectively use more of them. However, some officials cited certain disadvantages.

ADVANTAGES

None of the agencies reviewed had specifically studied the impact of using part-time employees. However, agency officials mentioned a number of advantages, including (1) greater flexibility in meeting work requirements, (2) having quality personnel who otherwise might not be available, (3) lower personnel costs, (4) increased interest in later

permanent employment, and (5) positive job attitudes.

Greater flexibility

Of the 58 officials questioned, 41 said that using part-time workers to augment the regular work force had provided greater flexibility in meeting temporary increases in requirements for personnel during seasonal workload peaks and to do emergency work and special projects. The flexibility had enabled the agencies to provide better and more timely service to the public and to more effectively use their staffs. Two Immigration and Naturalization Service (INS) officials in New York City said that using part-time employees had enabled the agency to decrease its backlog and provide better service to the public. The CSC New York regional office used part-time employees for special projects during the normal workweek.

Quality personnel

Nineteen officials said that their agencies had been able to secure highly skilled and talented personnel part time who might not have otherwise been available because of other commitments. For example, former employees who could no longer work full time because they had returned to school or had family commitments had been hired part time.

Performance evaluations of part-time workers were usually not available. However, performance ratings prepared at the Social Security Administration (SSA) and the Internal Revenue Service (IRS) in Los Angeles for several part-time employees showed that each had met all expectations for success and four had received special achievement awards.

Forty-five agency officials said that their experience with part-time employees had been satisfactory and that part-time workers' productivity tended to equal or surpass that of their full-time counterparts.

An IRS manager in the Los Angeles area office said that (1) because their assignments were temporary, part-time workers seemed to take the tedious tasks in stride and (2) their productivity was often greater than that of his full-time employees.

At SSA in Los Angeles, some part-time employees handled a workload 27 to 59 percent greater than full-time employees performing similar work. A Department of Housing and Urban Development (HUD) official suggested that part-time employees were sometimes more productive than full-time employees

because the part-time workers felt they would be terminated if their productivity was not consistently high. In the event of a reduction in force, temporary and intermittent employees are placed lower on the retention register than career and career-conditional employees and usually are separated first. (FPM chapter 351, subchapter 5-2c.)

Recognizing the potential benefits of hiring high-quality, skilled personnel part time, the Department of Health, Education, and Welfare (HEW), HUD, the Veterans Administration, and the Atomic Energy Commission implemented programs to tap these resources. (See pp. 8 and 9.)

Lower personnel costs

Nine officials said that using part-time employees had helped lower personnel costs through reduced overtime and fringe benefits, but they had no documentation available to show the extent of any cost savings.

Part-time employees generally receive fewer fringe benefits--for which the Government bears part or all of the cost--than full-time permanent employees. Under current statutes and regulations, full-time permanent employees earn annual and sick leave, participate in insurance and retirement programs, and are considered for promotion. The extent to which part-time employees qualify for these benefits depends on their employment classification--career conditional, temporary, term, or intermittent.

--Part-time career-conditional employees (that is, those with appointments leading to career status after 3 years) earn annual and sick leave based on the number of hours worked and participate in insurance and retirement programs. Generally, these employees may be considered for promotion to positions that can practicably be filled on a part-time basis.

--Part-time temporary employees who work regularly scheduled tours of duty, usually for less than a year, earn annual and sick leave based on the number of hours they work. These employees are not entitled to insurance or retirement benefits but are covered by Social Security. They cannot be promoted or transferred to another job.

--Term employees, those with temporary appointments for a specific project which can last from 1 to 4 years, are entitled only to insurance benefits.

Such employees can be promoted or transferred to another job in the same project.

- Individuals working on an intermittent or irregular basis are covered by Social Security but do not earn leave and are not entitled to insurance or retirement benefits.

Increased interest in permanent employment

Six officials said that part-time employees provide a good source for recruiting full-time permanent personnel. By hiring part-time workers to fill vacant permanent positions, agencies can reduce recruiting costs and the need for extensive orientation and training.

According to a San Francisco IRS official, college students who had worked part time added to the staff's effectiveness upon becoming regular employees because they had already gained some proficiency in agency operations. A San Francisco HUD official said that part-time workers provide a recruiting pool for the agency when full-time permanent positions became vacant. He added that hiring experienced part-time employees for full-time positions reduces training costs and provides permanent employment opportunity for persons--especially members of minority groups--who might not otherwise have the opportunity.

Positive job attitudes

Five officials noted that part-time employees generally have positive job attitudes. IRS and SSA officials said that part-time workers are reliable and generally have good attendance records because many want to obtain full-time positions.

DISADVANTAGES

Nine of the 58 officials questioned reported no disadvantages in using part-time employees. Disadvantages cited by other officials are listed below in the order of frequency.

- Additional training and administrative costs are incurred because of the higher turnover rate.
- Problems are encountered in scheduling work to accommodate the hours part-time workers are available.

--There is lack of job continuity, and other employees have to continue or complete work started by the part-time workers.

--Part-time employees are less capable than full-time employees, resulting in poor service to the public or lower productivity.

--Many qualified part-time workers leave for full-time employment.

--Part-time employees have lower morale because they receive fewer fringe benefits than full-time employees.

Although the agencies we reviewed had not documented the disadvantages of using part-time employees, data at the IRS Los Angeles office showed that 38 part-time workers had attended a 3-week training program at a cost of \$24,920, or \$656 per person. Since part-time employment is usually limited to 6 months and about 50 percent of the workers did not return the second year, the agency benefited less from their training than from the training of full-time permanent employees for whom the turnover rate was 8 percent. IRS had not estimated the value of the additional services afforded the public because of the part-time workers.

In some instances the Government incurs increased costs for unemployment insurance paid to separated seasonal workers on the basis of their part-time employment. For example, in a sample of 50 temporary employees terminated by the IRS Service Center, Fresno, California, 11 persons filed claims and received unemployment insurance benefits solely on the basis of their temporary employment. The 11 individuals received \$16,157 in wages during their temporary employment, entitling them to unemployment insurance benefits of \$8,099. The total cost to the Government was thus \$24,256, approximately 50 percent more than the employees' actual wages.

FEDERAL PROGRAMS FOR PART-TIME EMPLOYEES

HEW and HUD implemented programs specifically designed to employ qualified individuals who could not or chose not to work a regular 40-hour week. The part-time workers filled a variety of positions--as staff assistants, architects, economists, and attorneys. The grade level of these employees ranged from GS-5 to GS-15.

HEW's program, started as a demonstration project to promote employment opportunity for women, was later integrated

into the agency's broader program for women. During the summer of 1971, the project was evaluated on the basis of information obtained through interviews and with questionnaires filled out by program participants, their supervisors, and women employed full time in comparable grades and occupations. Since only 22 persons participated in the evaluation, the results were considered merely suggestive of the kinds of work experiences to be expected of part-time professional and technical personnel.

Supervisors responded favorably toward the use of part-time employees and considered them productive. In appraising the 22 participants, supervisors said that

--12 had been more productive than comparable full-time employees,

--14 had had no area of deficiency,

--16 had had no difficulty with work assignments,

--17 had made some special contribution,

--20 had required either less or the same orientation as other employees, and

--21 had completely favorable attitudes toward work.

HUD's program was intended to enable professionally trained employees to undertake part-time work when full-time work was not feasible. The program, started in 1967, was oriented toward women but was also available to men. Because of the program, HUD was able to use highly skilled professional workers who otherwise might not have been available. The program helped the agency meet its employment needs and gave the employees an opportunity to maintain their professional skills. As of March 1971, 48 persons had participated in the program.

The Veterans Administration and the Atomic Energy Commission (now part of the Energy Research and Development Administration) instituted similar programs in 1966.

USE OF PART-TIME AND TEMPORARY
EMPLOYEES IN PRIVATE INDUSTRY

On December 5, 1974, the American Society for Personnel Administration and the Bureau of National Affairs reported on a survey of the use of part-time and temporary employees at 122 organizations--52 percent were manufacturing and 48 percent were nonmanufacturing organizations. The survey

indicated that these employees were used in positions and under circumstances similar to those of part-time workers in Federal agencies.

Companies' evaluations of the advantages and disadvantages of using part-time and temporary workers ranged from completely positive to completely negative. Some companies felt their operations could not run smoothly without part-time and temporary help; others did everything possible to avoid hiring them. The reported advantages included:

- Savings in overtime costs for organizations with 6- and 7-day operations.
- Savings in fringe benefit payments.
- Workers usually above average in the quality and quantity of their work.
- Possible recruitment of students for full-time jobs after graduation.

Disadvantages mentioned were:

- Increased training and administrative costs because of the high turnover rate.
- Lower morale, lack of motivation, poor attendance, lack of dependability, incompetence, and sloppy dress.

Studies by private organizations show that productivity tended to be less among full-time, 8-hour-a-day employees than among part-time workers. One study, which involved recruiting 50 part-time caseworkers to fill 25 full-time jobs, showed that as much or more work could be accomplished by two half-time workers than by one full-time worker. The study concluded that offering part-time jobs for two-thirds or three-quarters of a week would be equally feasible. The half-time caseworkers carried a more-than-half caseload and completed many more client contacts than full-time workers.

In a study of part-time teaching in five major school systems, administrators acclaimed the use of part-time teachers, stressing that they were a bargain because many teachers voluntarily put in additional time.

Another study reported that part-time professional administrative employment in a university atmosphere proved successful and productive. All who were eligible for pay raises received them.

CHAPTER 3

CONSTRAINTS ON ADDITIONAL

USE OF PART-TIME EMPLOYEES

Although 44 of the 58 agency officials said additional part-time employees could be effectively used in clerical and professional positions, they said that funding limitations and/or personnel ceilings prevented agencies from hiring more part-time workers. Some officials added that CSC regulations prevented or inhibited more effective use of part-time workers. Constraints cited by these officials are listed below in the order of frequency.

<u>Constraints</u>	<u>Number of officials (note a)</u>
Funding limitations	27
Personnel ceilings	25
Lack of space	4
Labor union contract restricting number of part-time workers that can be employed	4
CSC restrictions on temporary employees	3
Lack of supervisory help	1

^aSome officials cited more than one constraint.

When we questioned 39 officials about this situation, 13 identified the following adverse effects:

- Fewer and/or untimely services were extended to public.
- Full-time employees were used for lower level work than called for by their grade level. A Los Angeles IRS official estimated that some management personnel used as much as one-third of their time on clerical tasks which part-time employees could have performed.
- Employees were inefficiently detailed during peak periods.
- Additional overtime costs were incurred.
- One full-time employee was hired to handle a workload that required less than 40 hours a week.

INS does not restrict part-time hiring through authorized force levels. Instead, it governs the number of part-time personnel it uses by the amount of funds available. When funds have been inadequate, INS has sometimes had to detail full-time patrol agents and investigators to perform work of a temporary nature, such as inspection, guard duty, bus driving, and clerical work, normally performed by intermittent and when-actually-employed personnel.

SSA and HUD officials in Los Angeles said that using part-time workers to reduce overtime costs is feasible in some cases. These officials said they did not plan to request additional part-time workers, however, because it was easier to obtain authorization for increased overtime hours than for an increased ceiling for part-time personnel. An SSA official said that all previous verbal requests for additional part-timers had been denied.

According to an SSA headquarters official, in some locations with heavy workloads the weekly maximum number of authorized overtime hours was increased. A portion of the work for which the overtime hours at premium pay was used--such as filing--could have been done by part-time employees. The agency's regional overtime allocation for the third quarter of fiscal year 1975 was 342,383 hours. Information was not available on the actual hours that would be used, but a regional official said that offices generally use all overtime allocated. Thus, for the third quarter the region would expend \$1.87 million in overtime costs (based on the trainee entry level of GS-4 with an hourly overtime rate of \$5.48) or enough funds to hire nearly 1,000 full-time GS-4s or nearly 2,000 part-time GS-4s working 20 hours a week.

An SSA official said that, when certain State-operated programs were transferred to the agency in January 1974, it had requested OMB to authorize additional positions to handle the anticipated increase in its workload. OMB refused to increase the agency's personnel ceiling, stipulating that requests for additional personnel be based on actual workload changes demonstrating such a need, not anticipated changes.

According to SSA officials, in addition to the enormous amount of overtime used, the public was inconvenienced by having to wait an inordinate amount of time to receive services. Recipients at a Los Angeles SSA branch had to wait for hours outside the office in long lines. These conditions were a particular hardship for a number of senior citizens.

A Veterans Administration regional official said that the personnel ceilings actually are meaningless, since the number of part-time workers used exceeds the ceiling during the year. He felt the agency should be allowed to hire additional people if it has the funds to pay them. An official of another agency alleged that in fiscal year 1974 several temporary employees were reported to OMB as full-time permanent employees to preclude the loss of full-time permanent spaces.

CSC observed in a regional letter dated February 20, 1973, that agencies had circumvented their full-time permanent ceilings by working temporary employees on substantially a full-time basis. According to CSC, the misuse apparently was caused by ceiling limitations imposed on the agencies.

CSC REGULATIONS AND GUIDELINES

Agency officials cited CSC regulations and guidelines as restricting or inhibiting the most effective use of part-time employees and resulting in (1) additional administrative and training costs associated with hiring and separating personnel and (2) loss of productivity. Throughout our review we told officials of our focus on part-time employment. Although the regulations cited below may apply to full-time, part-time, and intermittent temporary limited appointments, the cases agency officials cited are peculiar to part-time employees.

FPM chapter 316, subchapter 4-7(b), authorizes agencies to make temporary limited appointments outside the competitive register to fill vacancies in positions lasting no longer than a year when there are insufficient eligibles on the register. However, section 4-7(c) provides that temporary appointments outside the register be limited to positions in grades GS-7 and below and to 700 hours during a 12-month period.

A Los Angeles IRS official said that, as a result of this regulation, skilled and trained part-time workers must be furloughed after 700 hours of employment and new part-time workers must be hired. According to CSC officials, this provision is intended to prevent agencies from circumventing the competitive merit system by continuously using temporary employees not on the register. A CSC official said that if a job--full-time or part-time--is expected to require more than 700 hours, agencies may not use the 700-hour authority for such appointments.

FPM chapter 316, subchapter 4-8(d), authorizes agencies to rehire, by temporary limited appointment, former temporary

employees hired from competitive registers. To rehire these temporary employees, however, the FPM requires (1) a break in service of at least 1 month, (2) not over 180 days of total service in the year preceding appointment, and (3) no more than 18 months elapsed time since the last separation.

IRS and HUD officials in Los Angeles said this regulation sometimes precludes the hiring of qualified, trained temporary employees. According to CSC, this provision is intended to protect both the integrity of the merit system and the employees. The provision attempts to prevent an employer from taking successive actions resulting in temporary employees being used essentially full time for more than 1 year without receiving the benefits that normally accrue to permanent employees. However, CSC does allow extension of temporary appointments under certain justified conditions, such as in emergencies.

CHAPTER 4

CONCLUSIONS, AGENCY COMMENTS, AND RECOMMENDATION

CONCLUSIONS

Effective, efficient, and economical agency implementation of programs authorized by the President and the Congress requires hiring and using the most appropriate types of manpower. The full-time permanent work force provides the management expertise and continuity of effort needed for carrying on the agency's principal programs and functions. However, when workloads temporarily increase, emergencies occur, or activities are undertaken not requiring the services of full-time permanent employees, part-time workers may be the most cost-effective source of needed manpower.

Excessive emphasis on limiting the number of persons on the Federal payroll may obscure the reality that the Government incurs the cost of getting essential work accomplished regardless of the type of manpower used. In our opinion, the budget and appropriation processes provide the President and the Congress effective means of controlling the numbers of persons that can be hired. Additional controls imposed by rigid personnel ceilings tend to deprive agency management of flexibility in accomplishing essential work by most effectively and economically using the most appropriate type of manpower in specific circumstances.

In the current period of high unemployment, it seems reasonable to assume that many capable people would welcome the opportunity to work for the agencies part time. We believe that OMB and CSC should work with the agencies to determine how regulations and guidelines could be revised to make more effective use of this available talent.

AGENCY COMMENTS

We presented our findings to the Director, OMB, and the Chairman, CSC, for comment, and to the heads of all agencies included in our review (see p. 21) for their information.

By letter of August 27, 1975 (see app. III), the Director, OMB, agreed on the desirability of part-time employment and the need to find appropriate ways to make hiring part-time employees easier, but he said that he was not at all certain that central personnel ceilings are producing the problems we outlined. He said:

"As the report suggests, one way to determine the validity of the premise is to test the effect on operations of removal of employment ceilings. Five years ago the Navy Department under 'Project REFLEX' tested the effect of elimination of employment ceilings on the operation of certain laboratory facilities. The results were inconclusive. The General Services Administration is now undertaking a project to test the idea in agencies outside the Defense Department."

Project REFLEX was a Department of Defense demonstration project in which 10 research, development, test, and evaluation laboratories of the Army, Navy, and Air Force operated under fiscal controls without personnel ceilings. As noted in our report to the Congress on Project REFLEX (B-165959, June 21, 1974), project success was not measured objectively despite extensive efforts by the Defense Department and us to develop meaningful quantitative and qualitative data. REFLEX laboratory managers agreed that the project had been successful in providing flexibility, creating an environment which permitted management to meet rapid change. The General Services Administration has not yet completed arrangements for testing the REFLEX concept in other agencies.

In regard to the flexibility available to agencies through the use of personnel ceilings, the Director, OMB, said:

"It is our view that many of the problems discussed in the draft report result from a failure to take advantage of the considerable flexibility that exists under the current ceiling system. We believe that the personnel ceiling system can accommodate the varying needs of agencies, especially for part-time employment. First, when an agency's employment ceiling is set during the fall budget process, consideration is given to requests for part-time and temporary employment commensurate with the agency's perceived needs to cover periods of unusual workloads. Second, ceilings are provided to the agency as a whole, and each agency head has discretion to allocate and reallocate that ceiling among the bureaus and elements of the agency. Finally, the personnel ceiling is applicable only to one day out of the year--June 30. The agency head can (within dollar limitations) exceed that ceiling during the year so long as the ceiling can be reached in an orderly manner by the end of the year."

By considering an agency's personnel needs in relation to its anticipated workload during the budget process, OMB and the President have an opportunity to influence projected employment levels. When the Congress approves programs and functions and appropriates the funds to implement them, personnel requirements can be determined more realistically and an effective control is established over an agency's actual workload and employment levels. An agency cannot hire workers unless it has the funds to pay them.

In addition to these controls, OMB imposes a personnel ceiling which arbitrarily limits the number of employees an agency may have on its payroll on the last day of the fiscal year, regardless of the work that must be accomplished and the funds available. Allocation and reallocation of this ceiling by an agency among its organizational elements and monitoring actual employment by these elements to insure that the ceiling is not exceeded on one day of the year creates an administrative burden and a meaningless illusion of control.

Concerning the rationale for using personnel ceilings, the Director, OMB, said:

"* * * employment ceilings exist to constrain increases, primarily because of the proper concern of the President, many members of Congress, and the public in the number of employees on the Federal payroll, regardless of any other considerations. Without ceilings, there would be no effective control over these numbers, and employment probably would increase at a faster pace than is now the case. Even with ceilings on part-time and temporary employment, their numbers (Executive Branch less Postal Service) have increased by 40,000 (or 27%) over the last four years. Full-time permanent employment has declined by 40,000 over the same period."

We are in general agreement with the Director, OMB, that the Federal work force should be no larger than needed to effectively, efficiently, and economically carry out the programs and functions approved by the President and the Congress.

While employment ceilings may be a tool to assure that the concerns of the President and the Congress as to total numbers of Federal employees are met, they are at best an inferior substitute for effective management. Management at all levels needs to aggressively seek ways to improve

productivity. We have studies underway aimed at measuring the impact of personnel ceilings on both employment levels and productivity.1/

We agree with comments furnished us on this matter by the Assistant Director for Administration and Finance of ACTION (see app. V):

"In reviewing the relative advantages and disadvantages listed in your study we agree and support your position that many of the disadvantages would be eliminated if OMB removed agency ceilings for part-time employees. In fact, we would suggest that there might be even greater value if OMB abolished all ceilings, including personnel slots and average grades and, instead of the current system, became concerned only with budgets to agency management which were based on the program goals and requirements. Under this proposal agency management would then become responsible for assuring that the goals were accomplished within the budget allocation and the question of accountability would rest clearly and precisely with agency management and not be shared with OMB because of inappropriately allocated ceiling authorizations. Obviously Congress and OMB would still maintain vital control over agency management through a budget allocation process which focused on the amount of money it took to accomplish a task instead of the irrelevant criteria of how many employees were required. This proposal would very likely have its own effect on lowering the Federal average grade structure and the number of permanent Federal employees and in all likelihood increase the use of part-time employees if managers were measured against goals and budget."

1/Other reports discussing effects of personnel ceilings:

- "Impact of Employment Ceilings on Management of of Civilian Personnel" (B-165959, Apr. 30, 1971).
- "Implementation and Impact of Reductions in Civilian Employment, Fiscal Year 1972" (B-180257, July 2, 1974).

Officials of the Department of Agriculture; the Department of Health, Education, and Welfare; the Department of the Interior; the Department of Justice; and the National Science Foundation commented that personnel ceilings should be relaxed or eliminated. (See apps. VI, VII, IX, X, and XI.) Officials of other agencies reviewed (see p. 21) declined to comment on this matter.

By letter of August 27, 1975, (see app. IV), the Executive Director, CSC, said:

"We have long favored maximizing * * * [part-time job] opportunities on the basis that they offer significant benefits and returns not only to the employee, but to the agency as well.

"In view of our longstanding support for part-time employment, we were troubled by statements in your report that some agency officials (albeit only a few) consider our policies and regulations as restricting the most effective use of part-time employees. We are not aware of anything in our regulations, policies, or instructions to agencies that would support such a view. A review of the statements of the officials concerned leads us to believe that they may lack a clear understanding of what is meant by 'part-time' in the context of Federal employment. We note, too, that your report sometimes confuses part-time, intermittent, and temporary employment. We would therefore like to use this opportunity to clarify what is meant by part-time employment.

"Part-time employment is recognized by the Commission as any regularly recurring work that is less than full time. It is, therefore, nothing more than a tour of duty (as is full time and intermittent) and should not be confused with kinds of appointments, such as temporary limited, term, or career conditional. Inasmuch as all agencies determine the tours of duty of their employees independent of any Commission control, it is difficult to see how the Commission's policies and regulations could properly be singled out as hampering part-time employment."

CSC's definition of part-time employment as any regularly recurring work that is less than full time is compatible with the definition in FPM chapter 291, app. B-1a(6). However, this definition is at variance with the definition in FPM chapter 312-B-2(d):

"* * * a part-time employee, regardless of the nature of his or her employment, is one who works less than 40 hours a week. The employment may be regular and recurring (loosely referred to as 'permanent'); it may be for a temporary period; or it may be intermittent in the sense that the person works only when called in, but it is still the kind of employment which is subject to the derived ceiling."

The Executive Director, CSC, said:

"Certainly, we have seen no evidence that our policies and regulations in any way restrict the full and proper use of part-time workers. On the contrary, we have taken the lead in encouraging agencies to consider part-time workers and our procedures to permit their employment are flexible and consistent with merit principles."

CSC's policies have encouraged agencies to use part-time workers in appropriate circumstances. However, agency officials said that CSC's regulations and guidelines do restrict the use of these workers. Officials of most agencies reviewed declined to comment on this matter.

RECOMMENDATION

We recommend that the Director, OMB, eliminate or relax personnel ceilings for part-time employees on a test basis to allow agencies the flexibility of using--within limits of their available funds--enough part-time employees with the appropriate skills and level of experience needed to accomplish their functions efficiently and productively.

CHAPTER 5

SCOPE

We questioned 58 officials at 21 Federal agencies and the U.S. Postal Service to determine (1) how and in what types of positions part-time workers were being used, (2) the advantages and disadvantages of employing such workers, and (3) whether OMB and CSC policies and regulations inhibit or preclude the effective use of these workers.

We reviewed various regulations, circulars, and studies pertaining to personnel ceilings and part-time employment. We also reviewed the House and Senate versions of the Part-Time Career Opportunity Act, designed to increase Federal employment opportunities for persons unable to work standard working hours. We made this review at the agencies listed below, in Washington, D.C.; Los Angeles, California; and New York, New York, and did limited work in San Francisco, California, and Burlington, Vermont.

Department of Agriculture
Department of Defense (Office of the Assistant
Secretary; Departments of the Army, Navy, Air Force;
and Defense Supply Agency)
Department of Health, Education, and Welfare
(Social Security Administration)
Department of Housing and Urban Development
Department of the Interior
Department of Labor
Department of Justice (Immigration and Naturalization
Service)
Department of the Treasury (Internal Revenue Service)
ACTION
Civil Service Commission
Energy Research and Development Administration
(formerly Atomic Energy Commission)
General Services Administration
National Science Foundation
Office of Management and Budget
Tennessee Valley Authority
U.S. Postal Service
Veterans Administration

DISTRIBUTION OF COMBINED TOTAL OF PART-TIME
AND INTERMITTENT EMPLOYEES BY GRADE AND
SALARY LEVEL AS OF NOVEMBER 30, 1973 (note a)

Agency	White-collar employees					Blue-collar employees					Total employees	Total part-time and intermittent	Part-time and intermittent % of total
	GS grade level	Part-time and intermittent	Full-time	Sub-total	Part-time % of subtotal	Salary	Part-time and intermittent	Full-time	Sub-total	Part-time % of subtotal			
ACTION	1-4	0	52	52	-	up to \$6,999	0	0	0	-	52	0	-
	5-7	1	167	168	.6	7,000 8,999	0	0	0	-	168	1	.6
	8-12	1	161	162	.6	9,000 13,999	0	1	1	-	163	1	.6
	13-18	0	183	183	-	14,000 18,000	0	0	0	-	183	0	-
	b19	397	750	1,147	34.6	(c)	0	0	0	-	1,147	397	34.6
	Total	399	1,313	1,712	23.3		0	1	1	-	1,713	399	23.3
CSC	1-4	1,005	2,196	3,201	31.4	Up to \$6,999	0	6	6	-	3,207	1,005	31.3
	5-7	98	1,488	1,586	6.2	7,000 8,999	2	20	22	9.1	1,608	100	6.2
	8-12	27	1,675	1,702	1.6	9,000 13,999	0	25	25	-	1,727	27	1.6
	13-18	14	904	918	1.5	14,000 18,000+	0	1	1	-	919	14	1.5
	b19	73	10	83	88.0	(c)	0	0	0	-	83	73	88.0
	Total	1,217	6,273	7,490	16.2		2	52	54	3.7	7,544	1,219	16.2
AGRICULTURE	1-4	13,424	16,353	29,777	45.1	up to \$6,999	1,083	817	1,900	57.0	31,677	14,507	45.8
	5-7	6,214	26,028	32,242	19.3	7,000 8,999	965	1,724	2,689	35.9	34,931	7,179	20.6
	8-12	392	33,776	34,168	1.1	9,000 13,999	531	2,550	3,081	17.2	37,249	923	2.5
	13-18	41	8,510	8,551	.5	14,000 18,000+	6	144	150	4.0	8,701	47	.5
	b19	6,822	1,748	8,570	79.6	(c)	0	0	0	-	8,570	6,822	79.6
	Total	26,893	86,415	113,308	23.7		2,585	5,235	7,820	33.1	121,128	29,478	24.3
DEFENSE	1-4	178	10,527	10,705	1.7	Up to \$6,999	5	1,860	1,865	.3	12,570	183	1.5
	5-7	86	13,947	14,033	.6	7,000 8,999	9	3,952	3,961	.2	17,994	95	.5
	8-12	10	25,171	25,181	.0	9,000 13,999	5	6,604	6,609	.1	31,790	15	.0
	13-18	2	6,058	6,060	.0	14,000 18,000+	0	544	544	-	6,604	2	.0
	b19	560	342	902	62.1	(c)	1	2	3	33.3	905	561	62.0
	Total	836	56,045	56,881	1.5		20	12,962	12,982	.2	69,863	856	1.2
ARMY	1-4	1,317	56,053	57,370	2.3	Up to \$6,999	1,120	6,125	7,245	15.5	64,615	2,437	3.8
	5-7	375	67,781	68,156	.6	7,000 8,999	582	24,806	25,388	2.3	93,544	957	1.0
	8-12	356	75,107	75,463	.5	9,000 13,999	69	73,311	73,380	.0	148,843	425	.3
	13-18	36	21,170	21,206	.2	14,000 18,000+	31	5,996	6,027	.5	27,233	67	.2
	b19	5,658	7,328	12,986	43.6	(c)	6	402	408	1.5	13,394	5,664	42.3
	Total	7,742	227,439	235,181	3.3		1,808	110,640	112,448	1.6	347,629	9,550	2.7
NAVY	1-4	1,397	40,332	41,729	3.3	Up to \$6,999	363	7,442	7,805	4.7	49,534	1,760	3.6
	5-7	258	40,275	40,533	.6	7,000 8,999	593	27,217	27,810	2.1	68,343	851	1.2
	8-12	203	57,785	57,988	.4	9,000 13,999	341	97,701	98,042	.3	156,030	544	.3
	13-18	172	20,317	20,489	.8	14,000 18,000+	10	10,566	10,576	.1	31,065	182	.6
	b19	2,052	3,743	5,795	35.4	(c)	2	9	11	18.2	5,806	2,054	35.4
	Total	4,082	162,452	166,534	2.5		1,309	142,935	144,244	.9	310,778	5,391	1.7
AIR FORCE	1-4	538	34,570	35,108	1.5	Up to \$6,999	123	2,937	3,060	4.0	38,168	661	1.7
	5-7	54	41,947	42,001	.1	7,000 8,999	222	16,037	16,259	1.4	58,260	276	.5
	8-12	88	51,957	52,045	.2	9,000 13,999	30	81,639	81,669	.0	133,714	118	.1
	13-18	28	12,931	12,959	.2	14,000 18,000+	0	6,926	6,926	-	19,885	28	.1
	b19	3,924	3,465	7,389	53.1	(c)	15	54	69	21.7	7,458	3,939	52.8
	Total	4,632	144,870	149,502	3.1		390	107,593	107,983	.4	257,485	5,022	2.0
DEFENSE SUPPLY AGENCY (note d)													

Agency	White-collar employees						Blue-collar employees						
	GS grade level	Part-time inter-mittent	Full-time	Sub-total	Part-time % of subtotal	Salary	Part-time inter-mittent	Full-time	Sub-total	Part-time % of subtotal	Total employees	Total part-time and intermittent	Part-time and intermittent % of total
HEW	1-4	1,752	31,951	33,703	5.2	Up to \$6,999	83	364	447	18.6	34,150	1,835	5.4
	5-7	846	34,611	35,457	2.4	7,000 8,999	49	673	722	6.8	36,179	895	2.5
	8-12	365	30,290	30,655	1.2	9,000 13,999	24	655	679	3.5	31,334	389	1.2
	13-18	141	13,720	13,861	1.0	14,000 18,000+	304	4,491	4,795	6.3	18,656	445	2.4
	b19	2,279	6,403	8,682	26.2	(c)	1	0	1	100.0	8,683	2,280	26.3
	Total	<u>5,383</u>	<u>116,975</u>	<u>122,358</u>	4.4		<u>461</u>	<u>6,183</u>	<u>6,644</u>	6.9	<u>129,002</u>	<u>5,844</u>	4.5
HUD	1-4	95	2,716	2,811	3.4	Up to \$6,999	0	0	0	-	2,811	95	3.4
	5-7	25	4,214	4,239	.6	7,000 8,999	0	15	15	-	4,254	25	.6
	8-12	57	6,810	6,867	.8	9,000 13,999	0	42	42	-	6,909	57	.8
	13-18	29	3,306	3,335	.9	14,000 18,000+	0	2	2	-	3,337	29	.9
	b19	110	76	186	59.1	(c)	0	0	0	-	186	110	59.1
	Total	<u>316</u>	<u>17,122</u>	<u>17,438</u>	1.8		<u>0</u>	<u>59</u>	<u>59</u>	-	<u>17,497</u>	<u>316</u>	1.8
INTERIOR	1-4	2,528	10,230	12,758	19.8	Up to \$6,999	695	785	1,480	47.0	14,238	3,223	22.6
	5-7	929	12,049	12,978	7.2	7,000 8,999	537	2,778	3,315	16.2	16,293	1,466	9.0
	8-12	491	21,034	21,525	2.3	9,000 13,999	521	6,485	7,006	7.4	28,531	1,012	3.5
	13-18	266	6,544	6,810	3.9	14,000 18,000+	372	1,720	2,092	17.8	8,902	638	7.1
	b19	686	963	1,649	41.6	(c)	5	2	7	71.4	1,656	691	41.8
	Total	<u>4,900</u>	<u>50,820</u>	<u>55,720</u>	8.8		<u>2,130</u>	<u>11,770</u>	<u>13,900</u>	15.3	<u>69,620</u>	<u>7,030</u>	10.1
LABOR	1-4	196	1,710	1,906	10.3	Up to \$6,999	0	0	0	-	1,906	196	10.3
	5-7	71	3,346	3,417	2.1	7,000 8,999	1	25	26	3.8	3,443	72	2.1
	8-12	43	4,056	4,099	1.0	9,000 13,999	0	51	51	-	4,150	43	1.0
	13-18	33	3,425	3,458	1.0	14,000 18,000+	0	2	2	-	3,460	33	1.0
	b19	186	109	295	63.1	(c)	0	0	0	-	295	186	63.1
	Total	<u>529</u>	<u>12,646</u>	<u>13,175</u>	4.0		<u>1</u>	<u>78</u>	<u>79</u>	1.3	<u>13,254</u>	<u>530</u>	4.0
JUSTICE	1-4	262	8,145	8,407	3.1	Up to \$6,999	3	2	5	60.0	8,412	265	3.2
	5-7	621	13,114	13,735	4.5	7,000 8,999	7	65	72	9.7	13,807	628	4.5
	8-12	93	15,371	15,464	.6	9,000 13,999	0	740	740	-	16,204	93	.6
	13-18	8	7,758	7,766	.1	14,000 18,000+	0	524	524	-	8,290	8	.1
	b19	432	1,670	2,102	20.6	(c)	0	0	0	-	2,102	432	20.6
	Total	<u>1,416</u>	<u>46,058</u>	<u>47,474</u>	3.0		<u>10</u>	<u>1,331</u>	<u>1,341</u>	.7	<u>48,815</u>	<u>1,426</u>	2.9
TREASURY	1-4	2,391	25,987	28,378	8.4	Up to \$6,999	26	422	448	5.8	28,826	2,417	8.4
	5-7	749	28,722	29,471	2.5	7,000 8,999	9	2,097	2,106	.4	31,577	758	2.4
	8-12	105	33,251	33,356	.3	9,000 13,999	0	2,420	2,420	-	35,776	105	.3
	13-18	11	12,533	12,544	.1	14,000 18,000+	0	373	373	-	12,917	11	.1
	b19	535	1,025	1,560	34.3	(c)	0	15	15	-	1,575	535	34.0
	Total	<u>3,791</u>	<u>101,518</u>	<u>105,309</u>	3.6		<u>35</u>	<u>5,327</u>	<u>5,362</u>	.7	<u>110,671</u>	<u>3,826</u>	3.5
ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION	1-4	71	548	619	11.5	Up to \$6,999	1	10	11	9.1	630	72	11.4
	5-7	25	2,023	2,048	1.2	7,000 8,999	0	25	25	-	2,073	25	1.2
	8-12	31	1,560	1,591	1.9	9,000 13,999	0	62	62	-	1,653	31	1.9
	13-18	15	3,070	3,085	.5	14,000 18,000+	0	1	1	-	3,086	15	.5
	b19	16	132	148	10.8	(c)	0	0	0	-	148	16	10.8
	Total	<u>158</u>	<u>7,333</u>	<u>7,491</u>	2.1		<u>1</u>	<u>98</u>	<u>99</u>	1.0	<u>7,590</u>	<u>159</u>	2.1
GENERAL SERVICES ADMINISTRATION	1-4	836	4,786	5,622	14.9	Up to \$6,999	98	1,062	1,160	8.4	6,782	934	13.8
	5-7	78	8,152	8,230	.9	7,000 8,999	100	6,466	6,566	1.5	14,796	178	1.2
	8-12	20	5,186	5,206	.4	9,000 13,999	25	7,585	7,610	.3	12,816	45	.4
	13-18	2	2,272	2,274	.1	14,000 18,000+	0	540	540	-	2,814	2	.1
	b19	237	88	325	72.9	(c)	11	1	12	91.7	337	248	73.6
	Total	<u>1,173</u>	<u>20,484</u>	<u>21,657</u>	5.4		<u>234</u>	<u>15,654</u>	<u>15,888</u>	1.5	<u>37,545</u>	<u>1,407</u>	3.7
NATIONAL SCIENCE FOUNDATION	1-4	4	119	123	3.3	Up to \$6,999	0	0	0	-	123	4	3.3
	5-7	10	302	312	3.2	7,000 8,999	1	4	5	20.0	317	11	3.5
	8-12	6	205	211	2.8	9,000 13,999	0	9	9	-	220	6	2.7
	13-18	3	392	395	.8	14,000 18,000+	0	1	1	-	396	3	.8
	b19	3	29	32	9.4	(c)	0	1	1	-	33	3	9.1
	Total	<u>26</u>	<u>1,047</u>	<u>1,073</u>	2.4		<u>1</u>	<u>15</u>	<u>16</u>	6.3	<u>1,089</u>	<u>27</u>	2.5

Agency	White collar employees						Blue collar employees						
	GS grade level	Part-time and intermittent	Full-time	Sub-total	Part-time % of subtotal	Salary	Part-time and intermittent	Full-time	Sub-total	Part-time % of subtotal	Total employees	Total part-time and intermittent	Part-time and intermittent % of total
OMB	1-4	0	13	13	-	Up to \$6,999	0	0	0	-	13	0	-
	5-7	4	102	106	3.8	7,000 8,999	1	8	9	11.1	115	5	4.3
	8-12	1	166	167	.6	9,000 13,999	0	10	10	-	177	1	.6
	13-18	0	286	286	-	14,000 18,000+	0	0	0	-	286	0	-
	b19	21	9	30	70.0	(c)	0	0	0	-	30	21	70.0
	Total	<u>26</u>	<u>576</u>	<u>602</u>	4.3		<u>1</u>	<u>18</u>	<u>19</u>	5.3	<u>621</u>	<u>27</u>	4.3
TENNESSEE VALLEY AUTHORITY (note d)													
U.S. POSTAL SERVICE	1-4	0	0	0	-	Up to \$6,999	10	187	197	5.1	197	10	5.1
	5-7	0	0	0	-	7,000 8,999	436	7,068	7,504	5.8	7,504	436	5.8
	8-12	0	0	0	-	9,000 13,999	906	25,333	26,239	3.5	26,239	906	3.5
	13-18	0	0	0	-	14,000 18,000+	2	672	674	.3	674	2	.3
	b19	81,973	545,819	627,792	13.1	(c)	0	11	11	-	627,803	81,973	13.1
	Total	<u>81,973</u>	<u>545,819</u>	<u>627,792</u>	13.1		<u>1,354</u>	<u>33,271</u>	<u>34,625</u>	3.9	<u>662,417</u>	<u>83,327</u>	12.6
VETERANS ADMINISTRATION	1-4	1,926	46,524	48,450	4.0	Up to \$6,999	1,525	5,397	6,922	22.0	55,372	3,451	6.2
	5-7	926	38,444	39,370	2.4	7,000 8,999	2,874	15,743	18,617	15.4	57,987	3,800	6.6
	8-12	1,033	20,766	21,799	4.7	9,000 13,999	238	13,481	13,719	1.7	35,518	1,271	3.6
	13-18	108	4,351	4,459	2.4	14,000 18,000+	146	779	925	15.8	5,384	254	4.7
	b19	16,451	27,707	44,158	37.3	(c)	108	188	296	36.5	44,454	16,559	37.2
	Total	<u>20,444</u>	<u>137,792</u>	<u>158,236</u>	12.9		<u>4,891</u>	<u>35,588</u>	<u>40,479</u>	12.1	<u>198,715</u>	<u>25,335</u>	12.7
TOTAL		<u>165,936</u>	<u>1,742,997</u>	<u>1,908,933</u>	8.7		<u>15,233</u>	<u>488,810</u>	<u>504,043</u>	3.0	<u>2,412,976</u>	<u>181,169</u>	7.5

^aThis type of information is not normally prepared by the individual agencies. These figures, the latest available, were provided by CSC.

^bOther white collar.

^cUnspecified salaries.

^dInformation not provided by CSC.

SOURCE: Computer printout from CSC's central personnel data file.

DISTRIBUTION OF TOTAL PART-TIME EMPLOYMENT
BY AGE GROUPING AS OF NOVEMBER 30, 1973 (notes a and b)

Agency	Age grouping							Total
	20 and under	21-25	26-30	31-35	36-40	41-50	51 and over	
ACTION	33	0	0	1	1	0	0	35
CSC	73	62	24	13	11	9	15	207
AGRICULTURE	941	692	525	296	283	550	499	3,786
DEFENSE	338	68	19	15	13	18	12	483
ARMY	2,064	282	163	110	79	139	86	2,923
NAVY	1,214	454	266	250	213	442	232	3,071
AIR FORCE	768	122	78	76	75	105	76	1,300
DEFENSE SUPPLY AGENCY (note c)								
HEW	1,632	518	348	285	210	470	528	3,991
HUD	88	29	20	18	15	27	44	241
INTERIOR	255	302	284	160	159	323	397	1,880
LABOR	121	51	32	16	10	21	29	280
JUSTICE	331	150	61	23	17	26	16	624
TREASURY	733	546	219	117	105	149	115	1,984
ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION	63	9	7	8	6	20	10	123
GENERAL SERVICES ADMINISTRATION	247	65	41	26	26	60	39	504
NATIONAL SCIENCE FOUNDATION	0	6	6	1	1	3	6	23
OMB	3	1	0	3	1	1	0	9
TENNESSEE VALLEY AUTHORITY (note c)								
U.S. POSTAL SERVICE	12,535	13,125	7,487	4,601	4,400	10,335	9,405	61,888
VETERANS ADMINISTRATION	<u>2,067</u>	<u>2,415</u>	<u>6,595</u>	<u>3,726</u>	<u>1,777</u>	<u>2,860</u>	<u>2,143</u>	<u>21,583</u>
TOTAL	<u>23,506</u>	<u>18,897</u>	<u>16,175</u>	<u>9,745</u>	<u>7,402</u>	<u>15,558</u>	<u>13,652</u>	<u>104,935</u>

^aIncludes white- and blue-collar employees.

^bThis type of information is not normally prepared by the individual agencies. These figures, the latest available, were provided by CSC.

^cInformation not provided by CSC.

SOURCE: Computer printout from CSC's central personnel data file.



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 27, 1975

Mr. Forrest R. Browne
Director, Federal Personnel
and Compensation Division
U. S. General Accounting Office
441 'G' Street, N.W., Room #4001
Washington, D.C. 20548

Dear Mr. Browne:

This is in response to your request for comment on the subject draft report (B-159950) concerning the elimination or relaxation of personnel ceilings for part-time employees on a test basis.

We certainly agree with the emphasis in the draft report on the desirability of part-time employment and on the need to find appropriate ways to make it easier for part-time employees to be hired. However, we are not at all certain that the central personnel ceilings are producing the problems outlined in your report.

As the report suggests, one way to determine the validity of the premise is to test the effect on operations of removal of employment ceilings. Five years ago the Navy Department under "Project REFLEX" tested the effect of elimination of employment ceilings on the operation of certain laboratory facilities. The results were inconclusive. The General Services Administration is now undertaking a project to test the idea in agencies outside the Defense Department.

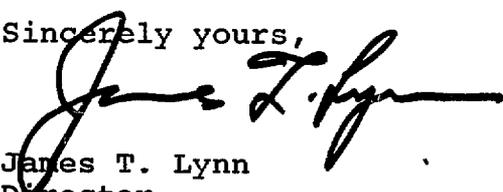
It is our view that many of the problems discussed in the draft report result from a failure to take advantage of the considerable flexibility that exists under the current ceiling system. We believe that the personnel ceiling system can accommodate the varying needs of agencies, especially for part-time employment. First, when an agency's employment ceiling is set during the fall budget process, consideration is given to requests for part-time and temporary employment commensurate with the agency's perceived needs to cover periods of unusual workloads. Second, ceilings are provided to the agency as a whole, and each agency head has discretion to allocate and reallocate that ceiling among the bureaus and

elements of the agency. Finally, the personnel ceiling is applicable only to one day out of the year--June 30. The agency head can (within dollar limitations) exceed that ceiling during the year so long as the ceiling can be reached in an orderly manner by the end of the year.

However, employment ceilings exist to constrain increases, primarily because of the proper concern of the President, many members of Congress, and the public in the number of employees on the Federal payroll, regardless of any other considerations. Without ceilings, there would be no effective control over these numbers, and employment probably would increase at a faster pace than is now the case. Even with ceilings on part-time and temporary employment, their numbers (Executive Branch less Postal Service) have increased by 40,000 (or 27%) over the last four years. Full-time permanent employment has declined by 40,000 over the same period.

In summary, we believe that it is fundamentally desirable to control the number of employees on the Federal payroll and that the present system provides the necessary flexibility for agency heads to accommodate the needs of their agencies for peak loads for part-time employment. The 40,000 increase in part-time and temporary employment over the last four years gives some indication of the present ceiling system's ability to provide for new needs through this means. We do not believe that further relaxation of these ceilings is necessary to accommodate the objectives that the report addresses.

Sincerely yours,



James T. Lynn
Director



UNITED STATES CIVIL SERVICE COMMISSION

WASHINGTON, D.C. 20415

IN REPLY PLEASE REFER TO

YOUR REFERENCE

August 27, 1975

Mr. David P. Sorando, Acting Director
 Federal Personnel and
 Compensation Division
 United States General Accounting Office
 Washington, D.C. 20548

Dear Mr. Sorando:

Thank you for giving us the opportunity to review and comment on the draft of your report to the Congress on part-time employment in Federal agencies.

Your report presents a comprehensive overview of part-time employment with emphasis on its advantages and flexibilities. We note, too, your recognition of the Commission's role in furthering part-time job opportunities. We have long favored maximizing such opportunities on the basis that they offer significant benefits and returns not only to the employee, but to the agency as well.

In view of our longstanding support for part-time employment, we were troubled by statements in your report that some agency officials (albeit only a few) consider our policies and regulations as restricting the most effective use of part-time employees. We are not aware of anything in our regulations, policies, or instructions to agencies that would support such a view. A review of the statements of the officials concerned leads us to believe that they may lack a clear understanding of what is meant by "part time" in the context of Federal employment. We note, too, that your report sometimes confuses part-time, intermittent, and temporary employment. We would therefore like to use this opportunity to clarify what is meant by part-time employment.

Part-time employment is recognized by the Commission as any regularly recurring work that is less than full time. It is, therefore, nothing more than a tour of duty (as is full time and intermittent) and should not be confused with kinds of appointments, such as temporary limited, term, or career conditional. Inasmuch as all agencies determine the tours of duty of their employees independent of any Commission control, it is difficult to see how the Commission's policies and regulations could properly be singled out as hampering part-time employment.

THE MERIT SYSTEM—A GOOD INVESTMENT IN GOOD GOVERNMENT

2.

We have made several comments and suggested revisions on the attached copy of the draft you sent us.

[See GAO note 2, p. 30.]

Certainly, we have seen no evidence that our policies and regulations in any way restrict the full and proper use of part-time workers. On the contrary, we have taken the lead in encouraging agencies to consider part-time workers and our procedures to permit their employment are flexible and consistent with merit principles. Significantly, these recommendations are based on the statements of just three agency officials and the examples they cite (page 21 of your report) have to do with our restrictions to prevent abuses in the use of temporary limited appointments whether for full-time, part-time, or intermittent duty.

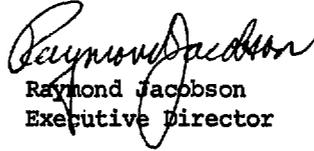
[See GAO note 2, p. 30.]

3.

[See GAO note 2.]

We hope this puts this matter in proper perspective. Should you have any questions concerning any of our comments, or any other aspect of part-time employment, please contact our Office of Staffing Policies on 632-6817.

Sincerely yours,


Raymond Jacobson
Executive Director

Attachment

- GAO notes:
1. Page references in this appendix may not correspond to page numbers in the final report.
 2. Sections that deal with matters no longer contained in this report have been omitted.



ACTION
WASHINGTON, D.C. 20525

August 7, 1975

Mr. Gregory J. Ahart
Director
Manpower and Welfare Division
United States General Accounting Office
Washington, D. C. 20548

Dear Mr. Ahart:

We received your draft report to Congress regarding the way in which part-time employees are used in the Federal Government.

In reviewing the relative advantages and disadvantages listed in your study we agree and support your position that many of the disadvantages would be eliminated if OMB removed agency ceilings for part-time employees. In fact, we would suggest that there might be even greater value if OMB abolished all ceilings, including personnel slots and average grades and, instead of the current system, became concerned only with budgets to agency management which were based on the program goals and requirements. Under this proposal agency management would then become responsible for assuring that the goals were accomplished within the budget allocation and the question of accountability would rest clearly and precisely with agency management and not be shared with OMB because of inappropriately allocated ceiling authorizations. Obviously Congress and OMB would still maintain vital control over agency management through a budget allocation process which focused on the amount of money it took to accomplish a task instead of the irrelevant criteria of how many employees were required. This proposal would very likely have its own effect on lowering the federal average grade structure and the number of permanent federal employees and in all likelihood increase the use of part-time employees if managers were measured against goals and budget.



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FOSTER GRANDPARENTS • RETIRED SENIOR VOLUNTEERS • SERVICE CORPS OF RETIRED EXECUTIVES • ACTIVE CORPS OF EXECUTIVES

-2-

If you would like to discuss these proposals please call
Philip Bourbon, Director of Personnel.

We are pleased to have been a part of your study.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. Meinecke".

Willard Meinecke
Assistant Director for
Administration and Finance



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20250

September 15, 1975

Mr. Henry Eschwege, Director
Resources and Economic
Development Division
General Accounting Office
Washington, D.C. 20548

Dear Mr. Eschwege:

Here are our comments on your draft report on the use of part-time employees in Federal agencies (B-159950).

The need to study the effective use and control of other than full-time employees is great and your report represents a good start. We believe, however, that an additional indepth study with statistics to support conclusions is indicated. For an example, a belief that part-time employees are more productive or that the use of such employees reduces personnel costs through reduced overtime and fringe benefits should be supported by statistics which clearly show that these conclusions are or are not supportable.

Commenting on your recommendations, USDA managers agree that ceilings are an ineffective means of controlling the number of part-time employees. Available funds and program requirements should and do generally control the actual hires. However, the presence of end-of-year ceiling restrictions does force agencies to reduce employment to ceiling levels even though this action may not be reflective of program needs. Eliminating ceiling restrictions on part-time employment would eliminate the paperwork required to control ceilings and would not, in our view, result in a significant increase in part-time employment.

[See GAO note 2, p. 30.]

We believe the CSC could permit much greater flexibility in filling temporary jobs which are limited to a year or less in duration without affecting basic merit principles.

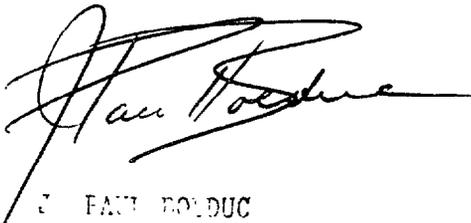
Henry Eschwege

2

[See GAO note 2, p. 30.]

Thank you for the opportunity to comment on this report.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Paul Bolduc". The signature is written in black ink and is positioned above the typed name.

J. PAUL BOLDUC
Assistant Secretary
for Administration



DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
OFFICE OF THE SECRETARY
WASHINGTON, D. C. 20201

August 21, 1975

Mr. Gregory J. Ahart
Director, Manpower and Welfare
Division
General Accounting Office
Washington, D. C. 20548

Dear Mr. Ahart:

Thank you for sending us a copy of your proposed report on part-time employment in Federal agencies. We are glad to note that attention is being focused on this matter, and we appreciate the opportunity to comment on the report.

In general, we agree with the recommendations in the report, particularly the ones relating to the relaxation or modification of employment ceilings for part-time employees. Some action in this regard is essential if the use of part-time workers is to gain support. As long as a part-time employee is counted, for ceiling purposes, on the same basis as a full-time employee serving in a temporary position, offices will be reluctant to utilize part-time workers. A limitation on dollars available for other than full-time employment rather than a ceiling limitation would provide greater flexibility.

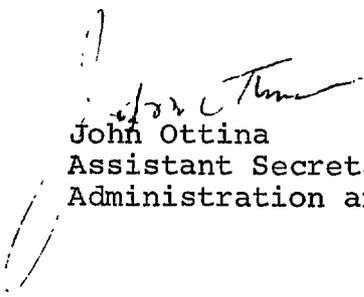
With respect to the policies and regulations of the Civil Service Commission, we think the problems involved could be more clearly presented if the report separated for discussion purposes part-time employment under career appointments and part-time employment under temporary appointments. Also, a distinction needs to be made between persons who have a regular tour of duty, although part-time, and those who work on an intermittent basis. The type of appointment (career or temporary) and the duty basis (regular or irregular) must both be considered in determining appropriate methods of appointment and the fringe benefits to which employees are entitled. Several of the problems discussed on pages 20-22 of the report are related to temporary appointments, whether part-time or full time. The methods to be used in recruiting and appointing persons for part-time employment present

Page 2 - Mr. Gregory J. Ahart

problems of a peculiar type and these need to be addressed independent of the career/temporary appointments associated with full-time workers.

We do not think the proposed report gives sufficient recognition to the management problems involved in utilizing part-time employees, and therefore we want to include in our comments a word of caution. Though part-time workers can be used to great advantage in many situations, the work environment and the nature of the duties must be carefully considered in determining where the employment of part-time personnel is feasible.

Sincerely yours,



John Ottina
Assistant Secretary for
Administration and Management

GAO note: Page references in this appendix may not correspond to page numbers in the final report.



DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410

OFFICE OF THE ASSISTANT SECRETARY
FOR ADMINISTRATION

August 13, 1975

IN REPLY REFER TO:
APP

Mr. Henry Eschwege
Director
Resources and Economic
Development Division
U. S. General Accounting Office
Washington, D. C. 20548

Dear Mr. Eschwege:

Secretary Hills has asked me to respond to your letter of July 22, 1975, transmitting for comment a draft report to the Congress on part-time employment in Federal agencies.

We have found part-time employment to be of considerable value in providing staffing flexibility to meet ongoing and changing workload requirements. We are particularly impressed with the contribution made by part-time professionals to our mission accomplishment, as indicated in your report. Although opportunities for part-time professional employment are open to all qualified candidates, most of our part-time professionals are women many of whom have reentered employment after meeting family obligations.

We appreciate the opportunity to comment on your draft report.

Sincerely,

Thomas G. Cody
Thomas G. Cody
Assistant Secretary



United States Department of the Interior

OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

August 26, 1975

Dear Mr. Browne:

The draft of the Comptroller General's Report to the Congress on Part-Time Employment in Federal Agencies has been carefully reviewed. We particularly endorse the statements contained on page 23 of the draft pertaining to the adverse managerial effects of the present rigid personnel ceiling system. All too frequently, personnel ceilings are at variance with program authorizations and funding. This situation can lead to diseconomy and reduced program effectiveness. Specific comments on the draft are as follows:

1. Eliminating or Relaxing Personnel Ceilings for Part-Time Employees.

We concur in the recommendation that the Director, Office of Management and Budget, consider eliminating or relaxing personnel ceilings for part-time employees on a test basis to allow agencies the flexibility of using -- within limits of their available funds -- sufficient numbers of part-time employees to provide a work force of trained personnel to meet recurring seasonal employment needs.

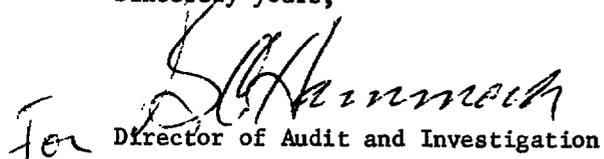
[See GAO note 2, p. 30.]



Save Energy and You Serve America!

We appreciate the opportunity to review and comment on the proposed draft.

Sincerely yours,


For Director of Audit and Investigation

Mr. Forrest R. Browne
Director
Federal Personnel and
Compensation Division
General Accounting Office
Washington, D.C. 20548

GAO note: Page references in this appendix may not correspond to page numbers in the final report.



UNITED STATES DEPARTMENT OF JUSTICE

WASHINGTON, D.C. 20530

Address Reply to the
Division Indicated
and Refer to Initials and Number

October 23, 1975

Mr. Victor L. Lowe
Director
General Government Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Lowe:

This letter is in response to your request for comments on the draft report titled "Part-Time Employment in Federal Agencies."

Based on the Department's past experience, we believe the report accurately depicts the use of part-time employment in the Federal Government. The advantages and disadvantages of utilization of part-time employees, which are catalogued in the report, are representative of experience with this category of employees within the Department of Justice.

Insofar as the proposed recommendations to the Civil Service Commission (CSC) are concerned, we agree that some modifications to existing restrictions on the employment of part-time and temporary employees are warranted. For example, the present restriction on agency use of "temporary 700 hour appointments" during the summer months should be lifted. In addition, it is felt that the authority to administer the Summer Employment Examination should be delegated to agencies, and further, that agencies be given authority to administer the examination on a walk-in basis. At the present time, prospective applicants for summer positions must apply to take the written test no later than January 17th. Such tests are administered by CSC examining offices. It is felt that the present procedure is overly burdensome to agencies and prospective summer applicants as well. Under present requirements, most prospective summer applicants are unaware of the early filing deadlines and therefore are precluded from consideration once such deadlines are passed.



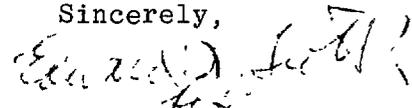
2.

Of particular interest is the recommendation concerning the present control mechanism exerted on agencies by the Office of Management and Budget (OMB) through the imposition of rigid personnel ceilings which, in the words of the report, "... deprive agency management of options for accomplishing efficient work through the most effective and economical use of the appropriate type of manpower in specific circumstances." We agree with the report's conclusion that funding limitations would provide an equally effective means of controlling the overall number of persons who can be hired and concur with the GAO recommendation that OMB consider eliminating or relaxing personnel ceilings for part-time employees at least on a test basis.

[See GAO note 2, p. 30.]

We appreciate the opportunity given us to comment on the draft report. Should you have any further questions, please feel free to contact us.

Sincerely,



Glen E. Pommerening
Assistant Attorney General
for Administration

NATIONAL SCIENCE FOUNDATION

WASHINGTON, D.C. 20550

August 15, 1975

Mr. Gregory J. Ahart
Director, U. S. General
Accounting Office
Washington, D. C. 20548

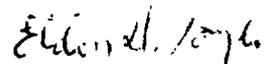
Dear Mr. Ahart:

The National Science Foundation has reviewed the draft report on part-time employment in Federal agencies and submits the following comments for your consideration.

We are in agreement with your recommendation that the Office of Management and Budget experiment with relaxed personnel ceilings in order to facilitate the hiring of part-time employees. However, it has been the Foundation's experience that the real limitation on the hiring of part-time personnel is the availability of PDM funds, since we have generally been operating under ceiling due to fund limitations.

[See GAO note 2, p. 30.]

Sincerely yours,



Eldon D. Taylor
Assistant Director
for Administration

PRINCIPAL OFFICIALS RESPONSIBLE FORADMINISTERING ACTIVITIESDISCUSSED IN THIS REPORT

<u>Tenure of office</u>	
<u>From</u>	<u>To</u>

CIVIL SERVICE COMMISSIONS

CHAIRMAN:

Robert E. Hampton	Jan. 1969	Present
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OFFICE OF MANAGEMENT AND BUDGET

DIRECTOR:

James T. Lynn	Feb. 1975	Feb. 1975
Roy L. Ash	Feb. 1973	Feb. 1975
Casper W. Weinberger	June 1972	Feb. 1973

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