GGD-76-27
11-11-75

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

B-125051

NOV 11 1975

The Honorable Harry F. Byrd, Jr.
United States Senate

Dear Senator Byrd:

The Immigration and Naturalization Service, Department of Justice, will relocate its Richmond regional office in Dallas, and, in response to your July 28, 1975, letter and subsequent discussion with your office, we made a cost study of that relocation.

Information concerning the background, funding, costs, and other considerations relating to the relocation is enclosed. The Department reviewed this information and agreed with it.

Our study was made at the Service's central office in Washington, D.C., and at the Richmond regional office. We also requested and obtained information from the General Services Administration.

A similar report is being sent today to each House of Representatives Member from Virginia in response to their joint request.

Sincerely yours,

[signature]
Comptroller General
of the United States

Enclosure

~~707125~~

093799

GGD-76-27

RELOCATING THE IMMIGRATION AND NATURALIZATION SERVICE'S RICHMOND REGIONAL OFFICE IN DALLAS

The Immigration and Naturalization Service, Department of Justice, plans to realine its regional boundaries to conform with the standard Federal regions established by the Office of Management and Budget. The new alinement, which is scheduled for January 15, 1976, and the current structure are shown in attachment I. This realinement includes moving the Richmond regional office to Dallas.

On April 4, 1974, the Office of Management and Budget issued circular A-105 which formally established, as long-range goals for all domestic agencies, 10 standard Federal regions, uniform boundaries, and common regional office locations. Actions to establish standard Federal regions began in 1969 when a Presidential directive was issued.

The Attorney General endorsed the standard regional policy and asked the Service to adjust its regional structure accordingly. The Service decided that, because its personnel and workload are centered in areas with many aliens, the policy would be impractical, because it would create some regions with negligible workloads. The Service, therefore, submitted an alternative plan to the Office of Management and Budget on February 12, 1975.

The Service proposed that its four regional boundaries be realined to equalize personnel distribution, workload, and span of control among the regions. To illustrate, the Service stated that its Southwest Region has jurisdiction over 45 percent of all Service employees and in many operational activities is responsible for over 50 percent of the Service's workload. With this imbalance, efficiently and effectively managing a massive area is difficult, if not impossible.

The plan, approved by the Office of Management and Budget on February 26, 1975, realines the Service's existing four regional boundaries to conform to the standard Federal regions and redesignates them as follows:

Federal regions (note a)	INS regions
I, II, III	Eastern
IV, VI	Southern
IX	Western
V, VII, VIII, X	Northern

a/ Map of Federal regions is shown as attachment II.

The Service anticipates the realinement will enable it to better use its resources and thus help improve its operations overall.

The Commissioner of the Service, in commenting on the relocation to Dallas, stated:

> "Relocation of the Richmond office at the time of the regional realignment is the most logical move, since it already maintains jurisdiction over much of the Southern region. With headquarters in Dallas, the Regional office will be able to provide more efficient support for the bulk of the regional workforce because of its centralized location and will enable better coordination with counterparts in other agencies also located in and near Dallas and responsible for the same geographic area."

Other reasons cited by the Service for Dallas' selection as the Southern regional office were its proximity to the Mexican border and its status as an approved standard Federal regional office.

FUNDING

The Service's fiscal year 1976 general appropriation funds will be spent for the relocation, except for severance pay to be spent from fiscal year 1976 and 1977 funds. The Service stated that "the cost of the move will not prohibit any functional group from having funds to accomplish their goal." The Service anticipates that future benefits from increased effectiveness will more than compensate for the initial relocation expenses.

ESTIMATED COSTS

Relocating the Richmond regional office in Dallas will cost the Service an estimated $662,000.

Severance pay	$103,500
Transfer of employees	262,900
Moving of office equipment	22,200
Preparation of Dallas office space	50,800
Replacement and coordination	222,600
Total	$662,000

As of August 29, 1975, the Richmond regional office estimated that 31 of its 63 employees would relocate to Dallas, 22 would terminate employment, 7 would retire, 2 would obtain new jobs in other Federal agencies, and 1 would transfer to a job at another Service location. This information was the basis used for computing the estimated severance pay and transfer costs.

The severance pay cost was calculated for employees anticipated to terminate and eligible for such pay.

The transfer cost was calculated for each employee expected to relocate and includes all normal reimbursable items allowed by the Federal Travel Regulations.

The cost for preparing the Dallas office space was based on replacing those items in the Richmond office, such as carpeting, draperies, and telephones, in Dallas and other special requirements desired by the Service. Most of the cost figures were obtained from the General Services Administration's Dallas-Fort Worth office.

At the time of our study, the site of the office space was unknown. The preparation cost will be affected by the configuration of the space obtained and may include additional costs for partition changes if the Service exceeds the General Services Administration's allowance.

The replacement cost includes items associated with replacing employees who are not relocating, such as transfering other employees to Dallas. The coordination cost includes such items as employees' trips to Dallas to make space arrangements and recruit new personnel and central office employees' trips to Richmond to explain the relocation to Richmond employees.

Our estimate includes costs for items already incurred by the Service and for items related to plans for the relocation at the time of our study. Additional costs may be incurred, depending on revisions made to its plans.

OTHER CONSIDERATIONS

Over a period of time, the Service will eventually have to pay accumulated annual leave to employees terminating and retiring. As of August 29, 1975, $34,719 for lump sum annual leave payments will have to be paid out of fiscal year 1976 funds.

Further, the Service will have to move from federally owned space in Richmond to leased space in Dallas. The Service will pay the Federal Building Fund, administered by the General

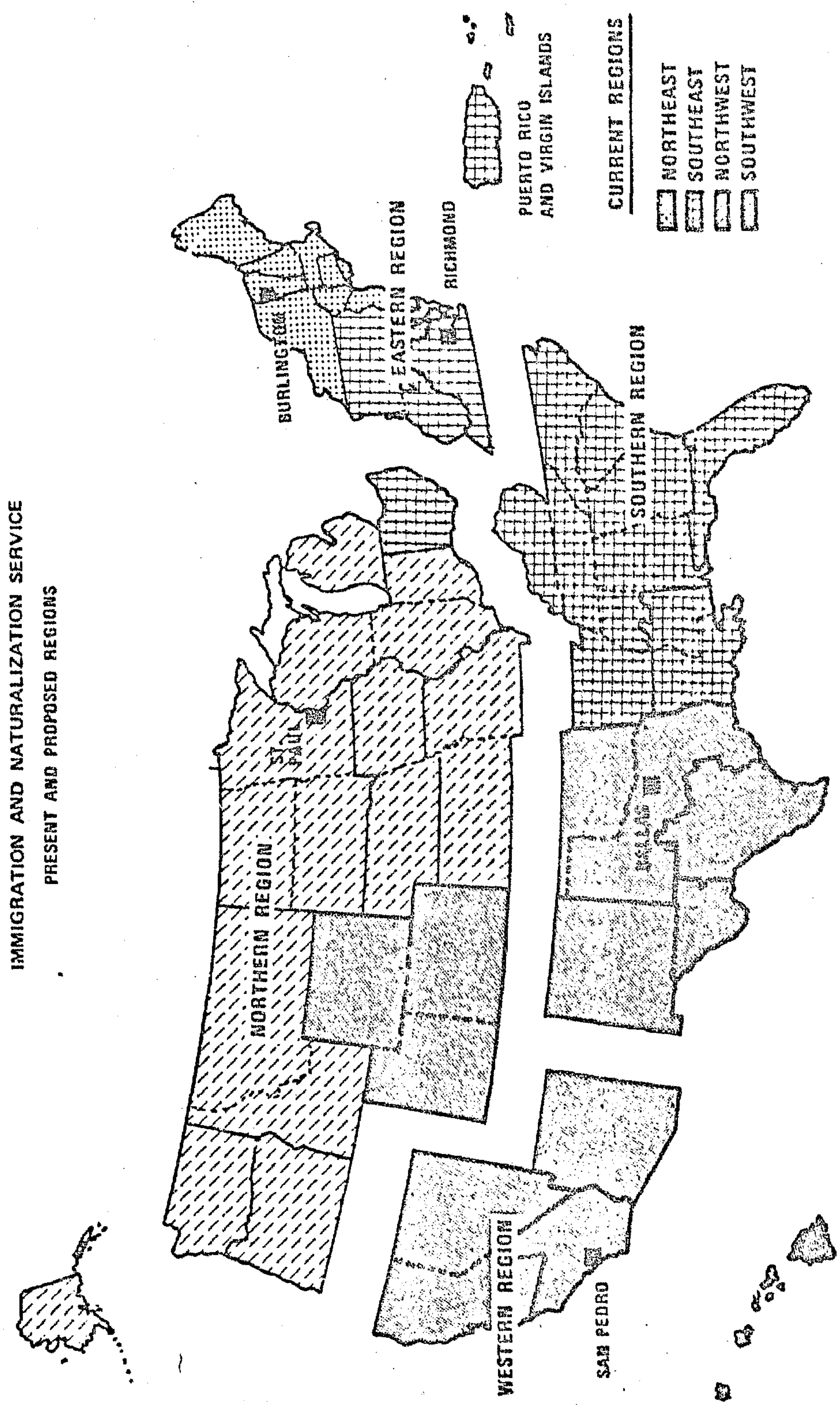
Services Administration, at approximately the same rate for the Dallas office space as it is now paying in Richmond. Since the Service will no longer be using Federal space, however, the General Services Administration will have to authorize rent payment to the private lessor, thereby increasing Government costs. The annual lease cost is an estimated $167,200; however, only $113,000 is due to the relocation. The remainder is attributed to the realinement, which includes 27 more positions for the Dallas office than authorized for the Richmond office.

The increased rental cost may be offset if another agency moves from leased space into the Service's space in Richmond. At the time of our study, the General Services Administration believed the space would probably be occupied by expanding Federal agencies already in the Federal building, that is, no agency would move in from leased space to offset this cost.

Efficiency will immediately be lost, which is another major consideration. For example, the Service estimates only 31 people will relocate to fill an authorized 101 positions in Dallas. Consequently, the Dallas office will be understaffed and have untrained personnel for an undeterminable period. Additional costs may be incurred for overtime.

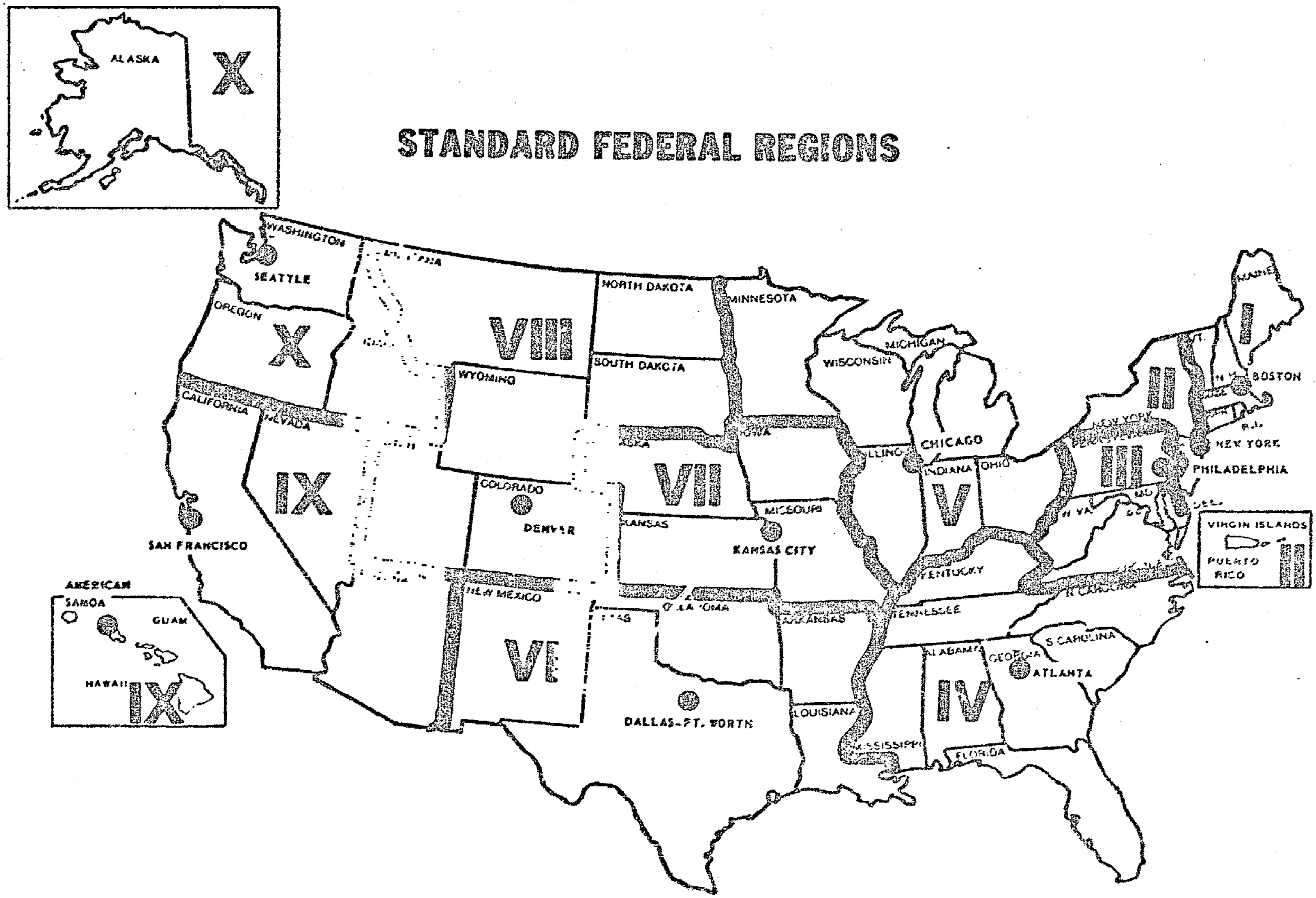
Finally, the relocation will affect the Richmond employees not anticipated to relocate to Dallas and will necessitate paying unemployment compensation to these employees who qualify under State regulations.

ATTACHMENT I



ATTACHMENT II

STANDARD FEDERAL REGIONS



ATTACHMENT II