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BY THE U.S. GENERAL ACCOUNTING OFFICE

Report To The Secretary Of The Air Force

Civilianizing Certain Air Force Positions Could Result In Economies And Better Use Of Military Personnel

By civilianizing over 2,200 military positions at three Strategic Air Command missile bases, the Air Force could reduce costs by over \$5 million annually. The Air Force could also reduce some military skill shortages with personnel made available through civilianization and defer military construction projects identified by the Air Force and costing about \$2 million.

However, the Air Force believes these positions should remain military because they qualify as military under Air Force criteria. GAO believes the Air Force needs to consider that (1) missile units are not moved in the event of mobilization and (2) many of the positions could be filled with qualified civilian employees.



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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

PROCUREMENT, LOGISTICS,
AND READINESS DIVISION

B-207885

The Honorable Verne Orr
The Secretary of the Air Force

Dear Mr. Secretary:

This report discusses how the Air Force could reduce costs by millions of dollars at Strategic Air Command missile bases by civilianizing certain military positions and by reducing or eliminating certain military construction projects.

This report contains recommendations to you on page 12. As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are sending copies of this report to the Director, Office of Management and Budget; the Chairmen, House Committee on Government Operations, Senate Committee on Governmental Affairs, and House and Senate Committees on Appropriations and on Armed Services; and the Secretary of Defense.

Sincerely yours,

A handwritten signature in cursive script that reads "Donald J. Horan".

Donald J. Horan
Director



GENERAL ACCOUNTING OFFICE
REPORT TO THE SECRETARY
OF THE AIR FORCE

CIVILIANIZING CERTAIN AIR
FORCE POSITIONS COULD RESULT
IN ECONOMIES AND BETTER USE
OF MILITARY PERSONNEL

D I G E S T

The Strategic Air Command (SAC) has about 25,000 military and civilian personnel at nine Air Force bases to support and operate its missile wings. Excluding specialized training and other support costs, the Air Force budgeted about \$587 million for fiscal year 1981 SAC personnel costs. At three of the nine SAC bases, GAO reviewed the appropriateness of the Air Force's current practice of assigning military personnel to positions which are (1) not deployable and (2) compatible with civilian employment. (See p. 1.)

GAO concluded that grounds exist to question the Air Force's decision on over 2,200 military positions at three SAC bases and that potential cost reduction of over \$5 million annually could be achieved. Further, GAO believes that planned military construction projects, identified by the Air Force and costing about \$2 million, should be deferred until the question of conversions can be resolved. GAO also noted that if further military-to-civilian conversions can be justified, some military skill shortages could be reduced by filling those positions with military personnel made available through civilianization. (See pp. 10 and 11.)

If the remaining six SAC bases have similar manning, GAO believes that further opportunities for substantial additional reductions in personnel costs and further reductions in military skill shortages could exist. The Department of Defense's (DOD's) long-standing policy has been to use civilians in positions which do not require military personnel. In a joint paper issued in August 1981, DOD and the Office of Management and Budget said civilianization of military positions can result in savings. However, GAO believes that the specifics need to be determined on a case-by-case basis. (See p. 4.)

GAO recognizes that any additional civilianization, if justified, would increase personnel costs over the short term, since the displaced military people would not be released but would be used for other military needs. But in the long run, converting military positions to general schedule civilian positions should reduce costs. GAO also recognizes

that the Air Force may have difficulty in immediately recruiting enough qualified civilian personnel at SAC bases and that the conversions may have to be phased in over a period of time. (See pp. 4 and 14.)

The Air Force bases its decision that the positions in question should be military on the grounds of military essentiality. In the Air Force's view, these positions meet military essentiality criteria in that they are direct combat support or require military experience, training, or skills. GAO believes that, in classifying the positions as military essential, the Air Force may not have fully considered the fact that SAC missile units are not moved in the event of mobilization. GAO believes further that detailed analysis will validate that many of the positions (1) are of the type that can be filled with civilian employees and (2) meet other requirements allowing civilians to be used. (See pp. 4 and 5.)

GAO believes that reasonable doubt exists concerning the Air Force's decision to assign only military personnel to the 2,200 positions. In GAO's view, prime targets for additional civilianization include:

--381st Security Police Squadron, McConnell AFB.

--381st Supply Squadron, McConnell AFB.

--Hospital at Grand Forks AFB.

--Combat Support Group, McConnell AFB. (See pp. 4 to 8.)

GAO recognizes that the Congress has set a fiscal year-end civilian personnel ceiling for DOD, which may constrain Air Force efforts to implement further civilianization, if justified. If it becomes necessary to overcome this constraint, GAO believes that the Air Force should use detailed cost analysis data to demonstrate to DOD the need for additional civilian positions. (See pp. 8 and 9.)

GAO also believes that the Air Force should defer some of the planned military construction projects at McConnell AFB because of the potential for reduced need that would result from converting additional military positions to general schedule civilian positions. The Air Force estimates the costs of these projects at about \$2 million. (See p. 11.)

RECOMMENDATIONS

GAO recommends that the Secretary of the Air Force:

- Reassess the determinations made on the individual military positions identified by GAO at Grand Forks AFB, McConnell AFB, and Whiteman AFB and similar positions at the remaining six SAC missile bases and determine how many of these positions should be civilianized. If the DOD personnel ceiling does not accommodate the Air Force's need for additional civilian positions, GAO recommends that the Air Force request approval of the needed additional positions and submit to the approving authority detailed analyses justifying the change. (See p. 12.)
- Defer targeted military construction projects at McConnell AFB and other SAC missile bases until it is determined whether reduced military authorizations due to civilianization would lessen the need for the projects. (See pp. 12 and 13.)
- Use, where possible, the military personnel available from additional civilianization to counter military skill shortages in other areas. (See p. 13.)

AGENCY COMMENTS

In commenting on a draft of this report, the Air Force did not agree with GAO's conclusions and recommendations. The Air Force believes that the conversions would not be cost effective and that GAO disregarded certain factors critical to the conversion issue. After evaluating the Air Force's comments, GAO continues to believe that the Air Force decision on the need for military personnel in certain positions should be reassessed. (See pp. 13 to 15.)



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ABBREVIATIONS

AFB	Air Force Base
DOD	Department of Defense
GAO	General Accounting Office
SAC	Strategic Air Command

CHAPTER 1

INTRODUCTION

The Strategic Air Command (SAC) has nine missile wings, consisting of 1,052 strategic missiles--52 Titan IIs, 450 Minuteman IIs, and 550 Minuteman IIIs--in fixed silos at various locations in the United States. The mission of these missile wings is to develop and maintain an operational capability to conduct strategic missile warfare. They are unique in that they remain in place in wartime instead of being deployed to other locations.

SAC employs about 25,000 military and civilian personnel to support and operate the missile wings. Annual personnel costs amount to about \$587 million, excluding specialized training and other support costs. The mission of personnel assigned to the units, for the most part, is the same in wartime as in peacetime. For a number of these positions, civilian employees perform the same duties as military personnel. This review addressed the economies that could be achieved by further civilianization.

DOD POLICY ON CIVILIANIZATION

The Department of Defense's (DOD's) longstanding policy has been to use civilians in positions which do not require military personnel. DOD Directive 1400.5, "Statement of Personnel Policy for Civilian Personnel in the Department of Defense," dated January 16, 1970, currently in effect, states in part:

"The Department of Defense is responsible for the security of our country. Civilian employees share fully in that responsibility. Use of civilian employees affords abilities not otherwise available, assures continuity of administration and operation, and provides a nucleus of trained personnel necessary for expansion in any emergency. Civilian employees shall, therefore, be utilized in all positions which do not require military incumbents for reasons of law, training, security, discipline, rotation, or combat readiness, or which do not require a military background for successful performance of the duties involved."

DOD Directive 1100.9, "Military Civilian Staffing of Management Positions in the Support Activities," dated September 8, 1971, currently in effect, updated this policy as it applies to management positions and states in part:

"Military personnel normally will be assigned to management positions when required by law, when the position requires skills and knowledge acquired primarily through military training and experience, and when experience in the position is essential to enable the officer personnel to assume responsibilities necessary

to maintain combat-related support and proper career development.

"Civilian personnel normally will be assigned to management positions when the specialist skills required are usually found in the civilian economy and continuity of management and experience is essential and can be better provided by civilians. Proper civilian career development will be essential in these determinations.

"The line of authority and supervision in support activities need not necessarily be military. Any level of supervisory authority may be exercised in support activities by either civilian or military personnel. The exercise of supervisory authority by civilian personnel over military personnel does not preclude superior officers of such military personnel from exercising military discipline or other military-type obligations pertaining to uniformed personnel."

In 1974 the Congress directed DOD to use the least costly form of manpower consistent with military requirements. DOD and others who have studied manpower cost elements agree that general schedule civilian employees overall are less costly than military counterparts. Therefore, unless proven to be more costly, DOD policy has been to use civilians in positions which do not require military personnel for military essential reasons. (See app. I for a list of military essential reasons.) In addition, military personnel are used when the duties of a position entail unusual hours not normally associated or compatible with civilian employment.

The overall management of DOD's personnel resources is governed by a congressional policy that DOD convert higher cost forms of staffing (military, civilian, or contract) to lower cost forms of staffing, when consistent with military requirements. The policy is stated in section 502 of DOD's Appropriation Authorization Act, 1975. Although expressed in 1975, it continues to mandate consideration by the Secretary of Defense.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to determine the appropriateness of the Air Force's current practice of assigning military personnel to positions which are (1) not deployable and (2) compatible with civilian employment.

To determine the number of authorized personnel for each missile wing, we obtained the SAC listings of authorized personnel by base, organizational unit, grade, Air Force specialty code, and military-essential designation. The listings were divided into direct missile support and base support positions.

To determine the number of authorized functional areas, we reviewed the unit staffing documents which identify personnel by unit functions. We obtained unit staffing documents for the second and third quarters of fiscal year 1981 from each missile wing visited.

To assess the feasibility of converting additional military positions to general schedule civilian positions, we reviewed the base contingency tasking requirements and identified positions (1) scheduled for deployment in the event of mobilization, (2) requiring a military incumbent by law, (3) on the Air Force list of unsatisfactory rotation indexes, (4) providing direct military authority, and (5) requiring unusual duty schedules that would be incompatible with civilian employment. In addition, we reviewed by functional area the career fields, grades, and duties performed by the incumbent military personnel as well as the mission statement for selected units. We also identified the Air Force specialty codes managed under the Air Force critical military skills program.

To determine the potential reductions in personnel costs that could accrue from converting identified military positions to general schedule civilian positions, we ascertained the average grade for the military positions by base and the comparable general schedule civilian grade and computed the difference in costs.

To ascertain the number of military construction projects that could be reduced or eliminated if additional civilians were substituted for military personnel, we interviewed base civil engineering personnel and reviewed the 5-year construction plan for each base visited.

We visited the three missile bases located at Grand Forks Air Force Base, North Dakota; McConnell AFB, Kansas; and Whiteman AFB, Missouri. We also obtained information from Air Force and SAC headquarters at the Pentagon and Offutt AFB, Nebraska, respectively.

Rather than selecting a statistical sample, we reviewed most of the direct missile support and base support authorized positions at the three bases. We did not consider direct combat positions for possible civilianization. Also, we did not evaluate the impact of a possible civilianization program Air Force-wide but only the impact at SAC missile bases.

CHAPTER 2

CIVILIANIZING MORE POSITIONS AT SAC MISSILE BASES

MERITS CRITICAL AIR FORCE CONSIDERATION

Our review at three of the nine SAC missile bases identified over 2,200 military positions that have potential to be filled with general schedule civilian employees. According to a SAC official, the three bases reviewed are typical of all nine bases. Therefore, we believe that many additional opportunities could exist. Details on the reductions in personnel costs that the Air Force could realize are discussed in chapter 3.

POLICY ON USING CIVILIAN EMPLOYEES

DOD policy is to use civilian rather than military personnel in positions where it is feasible and economical to do so. This policy was restated in an August 1981 joint position paper issued by DOD and the Office of Management and Budget. The paper noted that:

"While it is true that conversions will likely entail limited initial budget costs to the service involved, there will be immediate economic savings to the federal government when accrued retirement costs are considered. In addition, there will be long term budget savings. This is particularly true when military spaces are converted to white collar GS spaces instead of the relatively more expensive blue collar wage grade spaces. Conversion of 1,000 E-4 spaces to GS-5 in FY 1983, for example, would entail budget costs of about \$3.5 million in FY 1983 and budget savings of about \$4.6 million by FY 1985. The economic savings would be \$6.5 million in FY 1983 and \$10 million in FY 1985."

Prior Air Force actions have supported this policy. Since 1965 the Air Force has converted about 58,000 military positions to civilian and had planned to convert an additional 6,000 positions in fiscal years 1982 and 1983. However, according to the Air Force, 4,200 of these positions cannot be converted at this time due to civilian ceiling constraints. The Air Force considers the 4,200 positions still to be eligible for conversion.

ADDITIONAL MILITARY POSITIONS MAY BE CONVERTIBLE TO CIVILIAN POSITIONS

We identified more than 2,200 military positions at Grand Forks, McConnell, and Whiteman Air Force Bases that have potential to be converted to civilian positions. (A detailed listing of these positions is in app. II.)

The Air Force has determined that the positions in question should be military because it believes that they meet one of the

military essential criteria (see app. I) or require a critical military skill. According to the Air Force, these positions are either direct combat support, require military experience or training, or require skills not justified in other military essentiality classifications. In addition, the Air Force believes that in many cases civilians would not qualify for the positions and/or the positions would be deployed.

Application of these criteria may be appropriate for most DOD field positions. However, we believe it may be inappropriate for many positions at the missile sites since the missile units will not be moved in the event of mobilization. Thus, the personnel assigned to the missile units would remain in place and support positions that could be occupied by qualified civilian employees could continue to be occupied by them.

The positions which we believe offer potential for civilianization are compatible with civilian employment. Furthermore, in all probability the positions would not be deployed in the event of mobilization or be required

- to meet a military contingency;
- to meet overseas rotation requirements;
- in missile operational command and control functions;
- for security and maintenance of missiles in the field where personnel perform their duties within the missile complex;
- by law to be filled by military personnel; and
- to provide services, such as bandsmen and honor guards, that by tradition and custom have been performed by military personnel.

All the positions identified are support positions.

We believe that, despite their military designation, the positions offer potential for being filled with civilian employees. The extent of possible additional civilianization at the three sites reviewed is discussed below. The personnel ceiling factor, which the Air Force has identified as hampering further civilianization, is also discussed.

Critical military skills requirements

The Air Force has identified 2,835 positions at the three sites as requiring critical military skills. A number of these positions are necessary to operate and maintain the missile units during peacetime and wartime. Therefore, many positions at SAC missile units designated as requiring critical military skills would not be deployable because there would be greater need for

them to maintain operational readiness of the missile units at the base.

Of the 2,835 positions designated as requiring military skills, we identified 445 which we believe offer potential for civilianization. All of these are support positions, requiring skills such as medical, law enforcement and security, administrative, and food and housing services.

For example, the law enforcement section of the 381st Security Police Squadron at McConnell AFB had 95 positions authorized as of the second quarter of fiscal year 1981; 75 were classified as needing military skills. The remaining 20 positions were classified as military essential except for 1 civilian administrative position.

Of the 75 positions requiring military skills, 54 were classified as law enforcement and 21 were classified as security police. The law enforcement section of the squadron typically provides overall security of the base and performs the same functions that a police department does in a civilian community. During alerts or emergencies they augment the other security forces at the missile complex in the field. The law enforcement unit manages a 24-hour base patrol coverage, base entry control, custody of prisoners at the correctional facility, and criminal investigations. The security police personnel principally work in management, training, administrative, and equipment sections while the law enforcement personnel perform as gate guards and handle traffic control and security control.

Analysis of the 75 positions requiring military skills showed that 74 offer potential for civilianization because the required skills are available in the private sector and the work schedules are compatible with civilian employment.

Direct combat support positions

Direct combat support positions are those with tasks which, if not performed, could impair the Air Force combat capability within approximately 36 hours. The Air Force had identified 3,711 positions at the three sites as direct combat support. Of these, we identified 828 which we believe offer potential for civilianization.

An example of a SAC direct combat support unit is the 381st Supply Squadron, McConnell AFB, Kansas, which had 208 military positions classified as direct combat support. We believe that 85 of these positions offer potential for conversion to general schedule civilian positions because they are compatible with civilian employment.

In determining the 85 positions, we excluded from our analysis those positions requiring military personnel to perform maintenance

at the missile sites. We also recognized that the unit has a deployment requirement to supply 14 military personnel with certain skills.

A supply squadron is responsible for the base supply operation which includes, among other things, receipt, inspection, issue, storage, warehousing, pickup and delivery of supplies, spare parts, fuel, and other material. The squadron also operates the base supply automatic data processing system needed to manage and maintain the supply system, including requisitioning, computing stock levels, and maintaining accountability.

The base supply system is the retail outlet of the wholesale supply system. The wholesale supply system is staffed largely with civilian employees working either for civilian contractors, air logistics centers, defense logistic agencies, or the General Services Administration. Thus, Government activities at the wholesale level comparable to those in the supply squadron operating at the retail level are staffed largely with civilian employees. Also, 28 of the supply squadron positions are already filled by civilians.

Civilian employee staffing of these positions would not necessarily impair the Air Force's combat capability within 36 hours. This criterion allows civilians to respond to any maintenance or other type of emergency requirement without degrading operational readiness.

Positions requiring military training or experience

The Air Force has classified 890 positions at the three sites as requiring military training or recent military experience. We believe that the potential exists for civilianizing many of these positions because (1) civilians were currently performing the same types of duties as their military counterpart, (2) former military personnel who possibly could be hired may have similar training or experience, and (3) the missile unit is not deployable. Of the 890 positions designated as requiring military experience or training, we identified 517 which we believe merit critical reexamination.

An example of positions that merit a reexamination is found at the hospital at Grand Forks, North Dakota, which had 136 positions classified as military, 101 based on military training requirements, and 35 based on military experience requirements. The hospital provides medical and dental care for military personnel and their dependents. The hospital also has offices for a base veterinarian, patient affairs management, medical resources management, material and services management, hospital food services, and hospital plant management.

Our analysis of the 136 military positions showed that 75 positions offer potential for conversion to general schedule

civilian positions. These positions require skills for dental and dental lab, medical administrative, medical lab, medical material, and others not military in nature. The 75 positions are compatible with civilian employment, are not deployable, and are not dispatched to missile sites. We excluded 61 positions which should remain as military for the following reasons:

- 20 for deployment requirements;
- 2 for mobilization augmentee duties (persons who must be available immediately to work on base for an indefinite period in case of mobilization);
- 13 subject to dispatch; and
- 26 doctors, nurses, or dentists.

Military essential positions that were not justified by a specific criterion

The Air Force had classified 662 positions as military without justification under a specific military essential criterion. The positions were classified as military even though SAC personnel were not sure whether the positions had to be military. Of the 662 positions, we identified 473 which we believe merit consideration for conversion to general schedule civilian positions. These positions are not needed to fill critical military skills or for deployment. Also, in some instances civilians were performing the same type of duties required of the military positions.

The Combat Support Group at McConnell AFB, Kansas, is an example of military personnel in positions that could be filled by civilians. The Combat Support Group had 91 positions that were classified as military essential but could not be justified by any specific criteria. Our analysis showed that 84 of the 91 military positions offer potential for civilianization.

The Combat Support Group provides base administration services; carries out the military and civilian personnel function on the base; manages military justice through the Judge Advocate Office; and conducts worship services and other morale, welfare, and recreation services. It also operates the base aircraft operations, small arms marksmanship training, base publications and reproduction, and other training activities.

ADJUSTMENTS TO PERSONNEL CEILINGS
MAY BE NEEDED

The argument most frequently advanced by the Air Force in opposing further civilianization is the possible loss of civilianized positions. According to Air Force officials, converting a military position is commensurate with losing it; first, the military position is converted, then it is eliminated because of a civilian reduction program or a personnel ceiling adjustment.

Title V of Public Law 97-39, dated August 14, 1981, set the DOD civilian ceiling for both direct and indirect hires at 1,012,250 as of September 30, 1981. Within this overall limitation, DOD allocates to each of the military services an authorized civilian direct hire strength. As of September 30, 1981, the authorized and onboard direct hire civilian strength was as follows:

	<u>Air Force</u>	<u>DOD</u>
Authorized	232,458	936,000
On board	232,538	937,815

Section 501(d) of Public Law 96-342 states that the Secretary of Defense may authorize the employment of civilian personnel in excess of the number authorized by the Congress, but that excess number may not exceed 2 percent of the total civilian personnel authorized for DOD. The Secretary can do this when he determines it is necessary in the national interest or if previously budgeted commercial and industrial functions are determined not to be appropriate under established administrative criteria.

As a result of these constraints, without relief from DOD, the Air Force may be unable to hire civilians to fill positions formerly held by military personnel. However, during congressional hearings on DOD appropriations for fiscal year 1982, held on July 24, 1981, the Assistant Secretary of Defense for Manpower, Reserve Affairs and Logistics, in response to questions concerning civilian force levels, stated:

"We are currently reviewing the Services fiscal year 1983 programs. If this review determines that more civilians are needed, we will certainly support these requirements. I am certain that we can get more civilians if we can demonstrate we need them."

CHAPTER 3

SUBSTANTIAL BENEFITS COULD BE REALIZED BY

CONVERTING FROM MILITARY TO GENERAL

SCHEDULE CIVILIAN POSITIONS

The potential exists for the Air Force to civilianize additional support positions at SAC missile bases, and thus realize substantial benefits. These benefits could include:

- Cost reductions of over \$5 million annually if detailed analysis verifies that cost data for general schedule civilians in lieu of military at three SAC bases would parallel national average cost figures.
- Reduction or elimination of unneeded military construction projects and avoidance of costs of about \$2 million at one of the bases.
- Reductions of shortages in military career fields by using displaced military personnel to fill positions where shortages exist.

POTENTIAL OPPORTUNITIES TO REDUCE PERSONNEL COSTS

Our review of military positions at three of nine SAC missile bases showed that if the over 2,200 military positions could be converted to general schedule civilian positions, potential cost reductions of over \$5 million annually could result. If the three bases included in our review are representative of the remaining six bases, the potential also exists to realize substantial additional reductions in personnel costs. According to a SAC official, the three bases we reviewed are typical of all nine bases.

The following schedule shows the number of enlisted and officer positions that could be civilianized at each base.

Air Force base	Number of positions proposed for civilianization		
	<u>Officers</u>	<u>Enlisted</u>	<u>Total</u>
Grand Forks	77	621	698
McConnell	54	727	781
Whiteman	<u>49</u>	<u>735</u>	<u>784</u>
Total	<u>180</u>	<u>2,083</u>	<u>2,263</u>

The \$5 million cost reduction offers a broad overview of the cost reduction potential. More detailed cost analysis would be required to determine the extent of total cost reduction in light of the unique pay and employment situations at the missile sites. (See app. III.)

AIR FORCE SHOULD CONSIDER
REDUCING OR ELIMINATING
MILITARY CONSTRUCTION PROJECTS

The scope or size of some military construction projects is based partially on military staffing at the location of the projects. At the three Air Force bases visited, we discussed with base civil engineers the impact that further civilianization would have on their construction projects. At Whiteman and Grand Forks, the civil engineers said that further civilianization would not affect their construction programs. However, at McConnell the base civil engineer said that additional civilianization would affect his projects.

According to McConnell's civil engineer, 21 planned military construction projects, estimated to cost about \$25.9 million, would be considered for reduction or elimination if additional military positions were converted to general schedule civilian positions. However, the base civil engineer was unable to specify which projects could be fully eliminated, which could be partially reduced, and which would still be needed. Details on the individual projects identified by the civil engineer, which were planned for fiscal years 1982-87, are shown in appendix IV.

DISPLACED MILITARY PERSONNEL COULD
BE USED TO REDUCE SHORTAGES IN
MILITARY CAREER FIELDS

On March 17, 1981, the Deputy Chief of Staff for Manpower and Personnel, U.S. Air Force, submitted to the Senate Armed Services Committee for the record for hearings held on March 3, 1981, a fiscal year 1980 update showing shortages by career field. The total shortages amounted to over 15,800. The Deputy Chief of Staff noted that the data identified the sum of the skill shortages within each career field.

During our review, we noted that many of the positions we identified as potential targets for civilization at the three SAC missile bases were in the same career fields identified in the list of shortages submitted for the record by the Air Force. Some examples of those career fields identified were:

Accounting and finance	Fire protection
Administration	Food service
Audio visual	Personnel

If further civilianization actions result from a critical reassessment, many of the military personnel made available could be considered by the Air Force for other positions in career fields where shortages exist. Conversion of military positions to general schedule positions at the other six missile bases could also provide a source of military personnel which could be used to decrease shortages even further.

CHAPTER 4

CONCLUSIONS, RECOMMENDATIONS, AND AGENCY COMMENTS AND OUR EVALUATION

CONCLUSIONS

DOD and the Congress have consistently taken the position that using general schedule civilian employees generally is less costly than assigning military personnel. Military essentiality and critical military skill criteria justify the use of military personnel, but when these criteria are not met, civilians can be authorized. In light of these guidelines, we believe that potential exists to convert additional military positions to civilian positions at three and possibly nine SAC missile bases.

Although the Air Force applied its military essentiality criteria when classifying the SAC positions as military, we believe that it did not give adequate consideration to the fact that missile units will not be moved in the event of mobilization or that civilians have the skills for certain positions currently classified as military. Had the Air Force considered these factors, we believe that over 2,200 positions may have been classified as general schedule civilians. If this assertion is correct, the resulting conversions could (1) reduce personnel costs at three SAC bases by over \$5 million annually, (2) reduce or eliminate planned military construction projects, and (3) provide additional military personnel to reduce skill shortages in certain military career fields.

We recognize that the Congress has set a fiscal year-end civilian personnel ceiling for DOD, which may constrain Air Force efforts to implement further civilianization actions, if justified. If it becomes necessary to overcome this constraint, GAO believes that the Air Force should utilize detailed cost-analysis data to demonstrate to DOD the need for additional civilian positions.

RECOMMENDATIONS

We recommend that the Secretary of the Air Force:

- Reassess the determinations made on the individual military positions we identified at Grand Forks AFB, McConnell AFB, and Whiteman AFB and similar positions at the remaining six SAC missile bases and determine how many, if any, of these positions should be civilianized. We also recommend that the Air Force request approval of additional positions, if they are necessary, and submit to the approving authority the detailed analyses justifying the change.
- Defer military construction projects at McConnell AFB and other SAC missile bases until it is determined whether

reduced military authorizations due to civilianization will lessen the need for the projects.

--Use, when possible and if additional civilianization occurs, the replaced military personnel to counter military critical skill shortages in other areas. If additional civilianization is justified, the annual savings may offset any military personnel retraining expenses, if required.

AGENCY COMMENTS AND OUR EVALUATION

By letter dated March 19, 1982 (see app. V), the Assistant Secretary of the Air Force (Manpower, Reserve Affairs and Installations) forwarded the Air Force's views on a draft of this report. The Air Force stated that we had (1) assumed away the problems associated with the civilian ceiling, (2) disregarded the Air Force's regularized mix determination, and (3) employed questionable costing procedures and overstated estimates of savings associated with military construction projects.

Civilian ceiling

The Air Force stated that the civilian ceiling question is central to the entire issue and, unless the ceiling is removed, the Air Force will continue to be constrained in making military-to-civilian conversions. We agree with the Air Force that the civilian ceiling is central to the issue.

We recognize that the Air Force's ability to realize the economies which would result from the conversions depends on elements outside its control. Thus, we recognize that before the Air Force can bring about economies through increased civilianization, DOD must act to make this opportunity available to the Air Force. However, the Air Force first must demonstrate to DOD the need for increased civilian authorizations.

Civilian/military mix

The Air Force stated that civilian/military position mix decisions are based on various programs, including the critical military skills program which identifies specialties with large shortfalls, and the unsatisfactory rotation index program which ensures that military personnel will not have to be stationed overseas for an excessive number of tours. The Air Force stated that we disregarded these factors.

As noted on page 5, this report recognized the Air Force's designation of many positions as requiring critical military skills. However, positions which we identified as candidates for conversion were all support positions and, in our opinion, do not require a military incumbent. Also, personnel returning from overseas holding specialty codes in these support positions could be assigned to many other Air Force installations in the United States where these types of positions exist.

Concerning the availability of civilians to fill these positions, the Air Force stated that there would be problems associated with recruiting qualified civilian personnel at these locations and that conversions would have to be phased in over a number of years.

Employment/unemployment statistics for 1981 ^{1/} for the counties in which the nine missile sites are located disclosed an unemployment rate which approximated or exceeded the national average for males and females over 20 years of age. Thus, while recruitment may be a problem, we do not believe it would be insurmountable.

We agree with the Air Force that a conversion program cannot take place overnight and would have to be phased in over time. But we believe that such a program, if justified, would save millions in the long run.

Costs

The Air Force stated that no savings would result from conversions and noted that its analysis indicated the conversion would cost over \$5 million. In its analysis, the Air Force used a DOD report entitled "Average Cost of Military and Civilian Manpower in the Department of Defense," dated August 1980. The Air Force attempted to update the data by applying inflation factors and actual wage increase rates for October 1980 and October 1981. The report cautioned that it should be used only if more current data was not available. More current data was available, and we used it in our cost comparison. This data was included in "Selected Military Compensation Tables, October 1981 Pay Rates," OASD (MRA&L) MP&FE, Directorate of Compensation, and "Valuation of the Military Retirement System," approved by the Assistant Secretary of Defense (MRA&L) on August 26, 1981.

In addition to using outdated data, the Air Force made several computational errors and excluded cost elements that should have been included. For example, in applying the payrate increases effective in October 1980 and October 1981 to its October 1979 pay data, the Air Force erroneously understated military personnel costs. The Air Force used 26 percent (11.7 percent for October 1980 and 14.3 percent for October 1981) to update basic military compensation, quarters allowance, retirement, and non-DOD costs. We agree that 26 percent should have been used, but the Air Force multiplied the 1979 pay data by 26 percent instead of multiplying the 1979 pay data by 11.7 percent and multiplying that result by 14.3 percent, which would represent what has actually taken place. The Air Force made similar improper computations in

^{1/}United States Department of Labor, Bureau of Labor Statistics, Feb. 1982.

updating other costs. Because the Air Force used improper procedures to forward price the outdated data, it understated individual E-2 costs by \$1,194 and O-1 costs by \$486.

The Air Force also did not use the proper retirement factor for military personnel. According to the Assistant Secretary of Defense (MRA&L), August 26, 1981, report referred to above, this factor should be 46.2 percent of covered payroll costs. We applied this rate to current basic pay of enlisted E-2 and officer O-1. However, the Air Force shows retirement as 36.9 percent of current enlisted E-2 basic pay and 35.7 percent of current officer O-1 basic pay.

The Air Force also understated the cost of both E-2 and O-1 positions by \$2,022 by failing to consider the value of veteran benefits.

The Air Force stated that our cost comparison did not recognize reassignment, retraining, and recruitment costs and premium pay. In our opinion, reassignment and retraining costs would only be incurred when the present occupant would be needed to fill critical shortages elsewhere and would be more than offset by reductions in recruitment and initial training costs. Costs to recruit civilian replacements should be no more than those to recruit military replacements. Premium pay would be a factor in some of the jobs and should be considered in the Air Force's reassessment of individual positions. However, we believe it would be a determining factor in only a very few positions.

AIR FORCE

MILITARY ESSENTIAL REASONS

The following military essentiality codes and criteria are used in coding manpower authorizations on Unit Manpower Documents. The codes provide for military personnel to be used as follows.

- Code A: In positions which under any condition include a requirement to accomplish the job in a combat or direct combat support function.
- Code B: In a position which requires previous training that is military in nature.
- Code C: In a position that by tradition and custom has been filled by military personnel.
- Code D: In a position in which military are required in commands and agencies external to the Air Force or which are required for wartime augmentation of commands and agencies external to the Air Force.
- Code E: In a position in which current military experience is required for successful performance of the prescribed duties.
- Code F: Temporarily, in a position that should be or is normally filled by a civilian, when no civilian manpower authorization or skill is available.
- Code H: In a position which requires the incumbent to exercise direct military authority (for example, Uniform Code of Military Justice) over military subordinates.
- Code I: In a position which by law must be filled with military personnel.
- Code J: In a civilian position in which the incumbent is required to be an Air Reserve Technician or an Air Technician.
- Code R: In a military or civilian position which is in a function undergoing an in-house versus contract cost study.
- Code Z: A military position which the MAJ COM/SOA cannot justify by any of the other criteria. Following receipt of the command-coded MAF at HQ USAF, those positions coded Z will be evaluated to:

1. Ensure validity of commands' criteria application.
2. Determine if the positions should:
 - a. Be recoded as "A" to meet the requirements of the worst case deployment scenario.
 - b. Remain a military essential "Z"-coded position to satisfy career progression or overseas rotation base requirements.
 - c. Be recoded as "R" to identify those positions that are not military essential and are scheduled for conversion.

MILITARY POSITIONS THAT COULD BE
CONVERTED TO CIVILIAN

	<u>Authorized positions</u>			<u>Reasons for having been designated as military</u>				
	<u>Total</u>	<u>Civilian</u>	<u>Military</u>	<u>Critical military skills</u>	<u>Direct combat support</u>	<u>Military training experience</u>	<u>Other</u>	<u>Total</u>
<u>Grand Forks AFB, North Dakota</u>								
<u>Direct missile support:</u>								
Munition Maintenance Squadron	43	-	43	-	32	-	-	32
321st Combat Support Group	1	-	1	-	-	-	1	1
321st Field Maintenance Squadron	213	-	213	-	7	-	4	11
321st Missile Security Squadron	371	-	371	-	-	6	1	7
Organizational Maintenance Squadron	183	-	183	-	2	-	2	4
Security Police Group	1	-	1	-	-	-	-	-
321st Strategic Missile Wing	340	4	336	1	118	24	14	157
322d Missile Security Squadron	245	-	245	-	-	3	1	4
446th Strategic Missile Squadron	50	-	50	-	-	-	2	2
447th Strategic Missile Squadron	50	-	50	-	-	-	2	2
448th Strategic Missile Squadron	51	1	50	-	-	-	2	2
Other	13	-	13	-	9	-	-	9
<u>Base support:</u>								
Hospital	252	31	221	26	-	75	4	105
Civil Engineering Squadron	526	205	321	-	21	-	-	21
Combat Support Group	237	42	195	-	15	22	64	101
Security Police Group	49	1	48	-	3	-	3	6
Security Police Squadron	74	-	74	-	-	5	1	6
Services Squadron	126	4	122	34	4	-	1	39
Strategic Missile Wing	159	35	124	-	19	66	11	96
Supply Squadron	274	30	244	-	53	-	19	72
Transportation Squadron	245	59	186	-	2	-	5	7
Missile Security Squadron	2	-	2	-	-	1	-	1
Other	28	1	27	-	13	-	-	13
Total	3,533	413	3,120	61	298	202	137	698

	Authorized positions			Reasons for having been designated as military				
	Total	Civilian	Military	Critical military skills	Direct combat support	Military training experience	Other	Total
<u>McConnell AFB, Kansas</u>								
Director missile support:								
Command	17	1	16	-	-	2	5	7
Deputy Commander For Maintenance	121	2	119	-	63	2	-	65
Missile Maintenance Squadron	264	1	263	-	39	1	1	41
Deputy Command For Operations	131	1	130	-	3	7	6	16
532d Strategic Missile Squadron	154	1	153	-	-	-	3	3
533d Strategic Missile Squadron	158	1	157	-	-	-	3	3
Security Police Squadron	159	-	159	48	-	1	-	49
Base support:								
Hospital	211	37	174	40	-	61	1	102
381st Civil Engineering Squadron	457	159	298	-	52	-	-	52
381st Combat Support Group	209	48	161	-	13	18	84	115
381st Security Police Squadron	95	1	94	74	1	5	3	83
381st Service Squadron	53	6	47	20	2	-	3	25
381st Strategic Missile Wing	145	41	104	-	22	45	31	98
381st Supply Squadron	275	28	247	-	85	-	31	116
381st Transportation Squadron	159	46	113	-	2	-	4	6
Total	<u>2,608</u>	<u>373</u>	<u>2,235</u>	<u>182</u>	<u>282</u>	<u>142</u>	<u>175</u>	<u>781</u>

	Authorized positions			Reasons for having been designated as military				
	Total	Civilian	Military	Critical military skills	Direct combat support	Military training experience	Other	Total
<u>Whiteman AFB, Missouri</u>								
Direct missile support:								
Command	17	1	16	-	-	1	5	6
Resource Management Activity	1	-	1	-	-	1	-	1
Combat Support Group	1	-	1	-	-	-	1	1
Deputy Commander For Maintenance	158	2	156	-	48	-	1	49
Operational Missile Maintenance Squadron	182	-	182	-	2	-	2	4
351st Field Missile Maintenance Squadron	240	-	240	-	46	-	3	49
Deputy Commander For Operations	172	2	170	-	7	10	10	27
508, 509, 510th Strategic Missile Squadron	147	-	147	-	-	-	3	3
Security Police Group	1	-	1	1	-	-	-	1
351st Security Police Squadron	144	-	144	-	-	-	-	-
351st Missile Squadron	372	-	372	-	-	6	1	7
352d Missile Squadron	222	-	222	-	-	2	1	3
Base support:								
Command	21	2	19	-	2	14	3	19
Deputy Commander For Maintenance	11	5	6	-	-	-	-	-
Resource Management	123	34	89	-	19	58	9	86
381st Combat Support Group	194	37	157	-	9	23	93	125
Security Police Group	40	1	39	30	1	3	3	37
Security Police Squadron	73	-	73	59	-	2	2	63
352d Missile Security Squadron	3	-	3	-	-	1	-	1
Civil Engineering Squadron	447	172	275	-	38	-	-	38
Service Squadron	113	5	108	62	5	-	4	71
Supply Squadron	176	32	144	-	66	-	15	81
351st Transportation Squadron	169	38	131	-	2	-	5	7
Hospital	194	33	161	50	3	52	-	105
Total	<u>3,221</u>	<u>364</u>	<u>2,857</u>	<u>202</u>	<u>248</u>	<u>173</u>	<u>161</u>	<u>784</u>
Total	<u>9,362</u>	<u>1,150</u>	<u>8,212</u>	<u>445</u>	<u>828</u>	<u>517</u>	<u>473</u>	<u>2,263</u>

ESTIMATED COST REDUCTIONS IF MILITARYPOSITIONS ARE CONVERTED TOGENERAL SCHEDULE CIVILIAN

(Pay rates effective October 1981)

<u>Military</u>	Enlisted (E-2) (note a)	Officers (O-1) (note a)	Total officers and enlisted
Basic military compensation (note b)	\$ 11,494	\$19,194	
Retirement (note c)	3,428	6,394	
Support factor (note d)	2,984	5,118	
Veterans benefits (note e)	2,022	2,022	
Employer's share of social security tax (note f)	493	920	
Permanent change of station travel (note f)	8	72	
Dependency and indemnity compensation (note f)	97	37	
Unemployment compensation (note f)	<u>163</u>	<u>8</u>	
Total cost per military position	<u>20,689</u>	<u>33,765</u>	
<u>Civilian</u>	GS-4/5 (note g)	GS-10/11 (note g)	
Basic pay	13,389	24,759	
Benefits (note h)	<u>4,741</u>	<u>8,767</u>	
Total cost per civilian position	<u>18,130</u>	<u>33,526</u>	
Estimated cost reduction per conversion of military position to civilian	2,559	239	
Number of positions converted	<u>2,083</u>	<u>180</u>	<u>2,263</u>
Estimated annual cost reduction	<u>\$5,330,397</u>	<u>\$43,020</u>	<u>\$5,373,417</u>

a/Reported average grade level (mix reported: enlisted 92 percent, officers 8 percent.)

b/The sum of basic pay, basic allowance for quarters, basic allowance for subsistence, and Federal income tax advantage. This factor does not include the variable housing allowance that many military personnel are entitled to.

c/Retirement factor is 46.2 percent of basic pay.

d/Support factor is for military personnel in training and support functions (20 percent of basic military compensation and the retirement factor).

e/Benefits factor includes average costs of dental, medical compensation, burial plot, head stone, and rehabilitation training (1/5 of \$10,111).

f/Costs factor recommended by the Air Force not previously considered by GAO.

g/These grade levels were generally accepted as comparable for purposes of computing savings per SAC civilian personnel officials.

h/Benefits factor includes retirement, health insurance, and life insurance (35.41 percent of basic pay.)

SCHEDULE OF MILITARY CONSTRUCTIONPROJECTS IDENTIFIED BY McCONNELLAFB'S CIVIL ENGINEER THAT WOULDBE CONSIDERED FOR REDUCTION OR ELIMINATIONA. Appropriated funds

<u>Project</u>	<u>Scope</u>	<u>Estimated cost</u>	<u>Fiscal year</u>
1. Dorms, Airmen	2 (150 men) 25,500 sq. ft.	\$1,737,000	1984
2. Small arms training	2,000 sq. ft.	143,300	1984
3. Commissary	73,500 sq. ft.	4,466,000	1985
4. Hospital addition dental clinic	5,400 sq. ft.	689,472	1985
5. Dining hall	17,500 sq. ft.	1,403,325	1986
6. Bachelor officers quarters - Bil- leting	54,400 sq. ft.	6,349,600	1986
7. Gym addition	33,800 sq. ft.	2,530,000	1986
8. Chapel center	13,300 sq. ft.	1,382,300	1986
9. Officers club	22,000 sq. ft.	2,038,300	1986
10. Preschool	1,080 sq. ft.	112,000	1986
11. NCO open mess	14,500 sq. ft.	2,375,361	1987
12. Ball diamonds/ tennis courts	-	35,000 88,350	1987
13. Clothing store	5,120 sq. ft.	234,662	1987
14. Thrift shop	4,000 sq. ft.	195,600	xx
15. Library	3,784 sq. ft.	<u>512,000</u>	xx
Total		<u>\$24,292,270</u>	

B. Nonappropriated funds

<u>Project</u>	<u>Estimated cost</u>	<u>Fiscal year</u>
1. Youth center addition	\$ 325,000	1982
2. Golf clubhouse addition	473,100	1982
3. Nine-hole addition to golf course	641,700	1982
4. Handball court	89,100	1982
5. Double tennis court	63,400	1982
6. Automatic water system- softball field	<u>20,000</u>	1982
Total	<u>\$ 1,612,300</u>	
Total	<u><u>\$25,904,570</u></u>	



DEPARTMENT OF THE AIR FORCE

WASHINGTON 20330

OFFICE OF THE ASSISTANT SECRETARY

19 MAR 1982

Mr. Donald J. Horan, Director
 Procurement, Logistics, and Readiness Division
 U.S. General Accounting Office
 441 G Street, N.W.
 Washington, D.C. 20548

Dear Mr. Horan:

This is in reply to your letter to the Secretary of Defense regarding your report dated February 8, 1982, on "Benefits From Civilianizing Certain Air Force Positions: Economies and Better Use of Military Personnel" OSD Case #5897 (Code #947435).

We disagree with the report's finding that over 2,400 military positions at the three SAC missile bases surveyed--Whiteman, Grand Forks, and McConnell--could be converted to civilian. We also disagree with the projected savings and cost avoidance figures portrayed--our analysis indicates the conversion would cost over \$5 million--and the conclusion that such conversions would reduce military skill shortages by almost 1,500 military personnel. Details of our analysis are provided at the attachment--included is a narrative discussion of our objections with an appendix addressing each specialty identified for conversion and an appendix showing our detailed cost analysis.

The Air Force objective in the military/civilian mix arena is to obtain the optimum manpower posture. To do so, we have implemented a regularized process which continually reviews military requirements and resources Air Force-wide. A recent Air Force initiative resulting from that process was our programmed conversion of 6,000 military positions to civilian in Fiscal Years 1982-83. That conversion was cancelled as a result of civilian end-strength constraints imposed upon the Air Force. At a meeting on February 24, convened to discuss this report, GAO representatives--Mr. Ellington and Mr. Ostrow--requested we provide a paper outlining the civilian ceiling problem. We have done so under separate cover.

Request the comments provided herein be included in your final report. We appreciate this opportunity to explain our military/civilian mix decision process and the very important role played by civilian end-strength ceilings.

Sincerely,

A handwritten signature in cursive script that reads "Tidal W. McCoy".

Tidal W. McCoy
 Assistant Secretary of the Air Force
 (Manpower, Reserve Affairs and Installations)

1 Attachment
 AF Comments

AIR FORCE COMMENTS
on
GAO DRAFT REPORT

"Benefits from Civilianizing Certain Air Force Positions: Economies and Better Use of Military Personnel" (OSD Case #5897)

1. SYNOPSIS:

a. The GAO contends that 2,227 enlisted and 180 officer positions at the three SAC missile bases surveyed--Whiteman, Grand Forks, and McConnell--could be converted to civilian. GAO identified support positions which were not tasked to deploy and were not identified as having URI AFSCs, but were otherwise compatible with general schedule civilian employment--positions which would convert to wage grade/labor civilians were exempted as these proved more costly than military. They disregarded exemptions for those military having critical military skills (CMSs) if the positions were not tasked to deploy--i.e., they recommended converting 589 military with CMSs to civilian. GAO concludes that the total 2,407 conversions would: (1) save \$17 million annually, (2) reduce/eliminate 21 military construction projects (MCP) having associated costs of \$26 million, and (3) reduce military skill shortages by 1,490 military. GAO assumes these same results could be extrapolated to the six other SAC missile bases.

b. Air Force disagrees with the GAO report.

(1) GAO has disregarded our regularized process for determining the most effective manpower mix posture.

(2) GAO incorrectly states that we cancelled a 6,000-space military-civilian conversion scheduled for FY 82-83 because the "Current Air Force practice is to convert certain civilian positions to military..." In fact, most of the conversion was cancelled as an accommodation to civilian ceiling constraints.

(3) GAO "side-steps" the civilian ceiling problem by stating that they are "fundamentally opposed to the use of ceilings..." While we too are opposed to ceilings--dollar constraints would be sufficient--the fact is we do live with either Congressional or OMB imposed ceilings. Since our civilian requirements are already far in excess of current ceiling constraints, resolution of this issue must precede any conversion--otherwise, the GAO recommendations are simply academic.

(4) GAO costing procedures fail to recognize that the military "saved" are not those whose positions will be converted--these incumbents would be reassigned to other positions Air Force-wide. The reduction in military would accrue in reduced accessions entering the Air Force each year--the grades saved at the end of the

first fiscal year would actually be E-2s and O-1s. Our analysis indicates the conversions would cost the Government over \$5 million. GAO also fails to acknowledge all one-time costs associated with such conversions--e.g., reassigning/retraining military, and recruiting/training civilians.

(5) GAO recommends 1,490 military be assigned to positions where shortages exist. This recommendation points up GAO's unfamiliarity with our wartime requirements process. The shortages referred to are wartime shortages--there are few peacetime military vacancies against which to assign these people. We would have to convert civilian positions to military at other locations or assign them to activities in an overage/status where they could not be productively employed.

(6) GAO implied savings associated with military construction projects, that could be reduced or eliminated, is misleading. These projects are unfunded; therefore, these are not savings, rather, they are a cost avoidance. Second, the "cost avoidance" is overstated. Our analysis indicates few projects would be affected, and actual cost avoidance is approximately \$2 million.

(7) There would be problems associated with recruiting qualified civilian personnel at these locations--conversions would have to be phased over a number of years.

c. Generally, the GAO study oversimplifies the military/civilian mix decision process, assumes away critical civilian ceiling constraints, and through a questionable cost analysis, concludes that significant savings would accrue from large-scale civilianization. The recommendations are based on questionable peacetime economies made at the expense of wartime readiness. Discussion of this study prior to beginning the survey would have provided the GAO with an explanation of our decision process and an understanding of how we had arrived at the decision to convert 6,000 military to civilian, and why we had to reverse that decision (all but 1,800 spaces) due to civilian ceiling constraints. With the knowledge that we were not able to convert even 100 spaces at the locations surveyed, GAO might have recognized the impact of civilian ceiling constraints under which we must operate.

2. DECISION PROCESS: GAO apparently did not take into account our regularized process for determining military-civilian mix. The process is described herein:

a. Optimum military posture is based on wartime needs. Military requirements are identified for combat, direct combat support, and for deployment to combat and direct combat support positions. Military resources include both active duty and Reserve forces.

b. Analysis of resources versus requirements points out military shortfalls and surpluses. This is accomplished at the Air Force level to account for total Air Force requirements and resources.

c. Mix decisions are based on various programs which implement this analysis.

(1) The critical military skill (CMS) program identifies those specialities with very large shortfalls--not all shortage specialities. Where there are significant shortfalls, we convert a portion of vacant civilian positions to military to reduce shortages--each of these conversions is offset by a counter conversion of military to civilian in a military surplus speciality.

(2) The unsatisfactory rotation index (URI) program ensures military will not have to be stationed overseas for an excessive number of tours and is implemented in much the same manner as the CMS program.

(3) The career progression program ensures that there is, Air Force-wide, the appropriate distribution of grades within a speciality.

(4) To the extent these programs do not result in sufficient movement toward the optimum military/civilian posture, conversions are programmed in the POM--our initiative to convert 6,000 military spaces to civilian in FY 82 and FY 83 is an example. The majority of these conversions (4,200) were cancelled due to civilian ceiling constraints levied by OMB/OSD.

3. ANALYSIS:

a. GAO incorrectly assumed that 589 CMS positions could be converted to civilian. Personnel assigned to CMS positions in the CONUS are either tasked to deploy or are subject to deployment as casualty replacements. These military form a reservoir of trained personnel from which we can draw during wartime. Their CONUS positions can be backfilled by newly acquired military or civilians depending on the military essentiality of their CONUS duties.

b. GAO was unable to evaluate the impact of their recommended conversions on non-CMS/URI specialities. In many cases, the GAO conversions would move otherwise non-CMS/URI specialities into the CMS/URI category--an analysis by skill is shown at Appendix 1. That is why the overall military-civilian mix decision process must be conducted and evaluated Air Force-wide.

c. While missile related skills (44XXX) are neither designated critical nor URI, this is expected to change with deployment of the ground-launched cruise missile. Those jobs identified in the report are primarily overhead in nature; however, they do provide the opportunity to rotate people to an inside job that otherwise would spend their entire career traveling to and from launch-control facilities. Once again, the analysis must be made at Air Force level with the full knowledge of Air Force-wide requirements, both current and forecast.

d. GAO recommends 144 military security police assigned to weapons systems security be converted to civilian. We nonconcur with that recommendation. AFR 207-1 provides that Air Force and DOD civilian police will not be routinely used as members of a security force for normal security operations. This tracks directly to DOD 5210.41, Nuclear Weapon Security Manual. AFR 26-1 specifically identifies weapons system security as a direct combat support (military) resource. Further, weapons storage security personnel are covered by the personnel reliability program. While civilians are not precluded from certification, problems are expected if certifications were required on a large scale. Civilian security clearances require long lead time. This coupled with expected high turnover because of low grades (GS 3-4) would result in low manning. Finally, with military, disqualifying factors are routinely reported by medical and law enforcement agencies. Privacy considerations would preclude the same reporting by civilian agencies.

e. Broad application of the GAO conversions would reduce the military force below safe levels to provide for casualty replacement should we face a protracted war. Of particular concern are medical, security, and civil engineering resources.

f. GAO misunderstood the reason for cancelling the major portion of our programmed civilianization of 6,000 military spaces. They also imply Air Force had embarked on a policy of converting civilian positions to military.

(1) Air Force, through the regularized process described above, identified 6,000 military spaces for conversion to civilian as a POM initiative. The conversion was reduced to 1800 due to OMB/OSD civilian ceiling constraints associated with FY 83 Budget decisions. Those remaining 4200 spaces are still considered eligible for conversion. Air Force has not changed its policy in this regard.

(2) Air Force does, through two programs, CMS and URI, convert vacant civilian positions to military. These programs reduce military shortfalls and ease rotation problems. Moreover,

each conversion accomplished in accordance with these programs must be balanced by a military-to-civilian conversion in a military surplus speciality. Therefore, the programs do move us toward our optimum posture by reducing military shortfalls and at the same time reducing military surpluses.

By associating cancellation of our 6,000-space conversion program with CMS/URI conversions, GAO indicates they do not have an appreciation for the Air Force military/civilian mix decision process.

g. GAO "side-steps" the civilian ceiling problem. While we agree with GAO's fundamental opposition to the civilian ceiling, we realistically have to deal with it.

(1) Reversal of the major portion of our programmed 6,000 space military to civilian conversion was a direct result of civilian ceiling constraints in FY 82 and FY 83. Should Air Force civilian end strength continue to be constrained to FY 83 levels, it will be necessary to reduce civilians to provide offset for a building civilian program which Air Force has projected for FY 84 through FY 87.

(2) Further, the Air Force is concerned that the ceiling might be reduced by as much as 10,000 spaces, which is the contract conversion goal for the Air Force through FY 88--a goal which may not be attainable. While out-year civilian end strength is not yet determined, there is certainly a probability of a large civilian problem for the Air Force. Therefore, it is not advisable to aggravate the situation by converting another 2,400 military spaces to civilian as recommended by GAO.

The civilian ceiling question is central to this entire issue and unless the ceiling is removed, we will continue to be constrained in effecting military to civilian conversions.

h. GAO costing procedures assume that the reduction in military personnel will be those that are currently assigned to the positions identified for conversion. Actually, the reduction in military will occur in the reduced accessions entering the Air Force each year. At the end of the first fiscal year, the reductions will be in the grades of E-2 and O-1 (E-1s will be promoted to E-2 within the first year of service).

(1) Using these grades, we developed the table at Appendix 2 based on published DOD pay and cost data. The table parallels that provided in the GAO report but the result is a \$5 million cost, vice a \$17 million savings, for the conversion.

(2) Other costs associated with conversions are omitted in the report--e.g., reassignment, retraining, and recruitment costs. Also, certain jobs identified for conversion are routinely performed

on a 7-day, 24-hour/day basis--e.g., security, medical, billeting, and food service. Since the majority of these jobs grade in the GS-4/5 range, in many of these cases, premium pay would be required.

Given the costs outlined above, both the \$5 million specified and the unspecified one-time costs, the conversions are certainly not warranted based on economies.

i. GAO asserts military shortfalls can be reduced by reassigning 1,490 military with the same skills.

(1) The difficulty with this conclusion is that there are not 1,490 unmanned positions to which we could assign these military. The fact is that these are wartime shortages. That is why many military are assigned in the CONUS, in lieu of civilians, to positions which seemingly could be manned by civilians. In this manner we can productively employ the military during peacetime and have them available for wartime deployment.

(2) There are two ways of implementing the GAO proposal to reassign the 1,490 military individuals.

(a) First, we could convert civilian positions at other locations to military--that would simply leave us in the same position we are in today, only at another location or,

(b) We could assign military in excess of requirements at overseas locations. This would make the military unproductive during peacetime and require us to fund a civilian replacement at the SAC CONUS bases--double costing.

The Air Force policy of assigning military where they can be productively employed during peacetime and yet deploying them/subjecting them to deployment in wartime, has made us the most efficient of the DOD components--unfortunately, this efficiency during peacetime has continually brought our CONUS military positions under attack for civilianization. The alternative would be to go to wartime manning for all our units and civilianize many CONUS positions. The cost of such "double funding" would be prohibitive.

j. GAO's estimate of savings associated with military construction projects is misleading and overstated. The GAO implies that 21 military construction projects and/or nonappropriated fund (NAF) projects could be reduced or eliminated at McConnell AFB as a result of changing 781 officer and enlisted military positions to civilian. They estimate the "savings" would be \$25.9 million. GAO implies throughout the rest of the report that the entire \$25.9 million could

be "saved" with no emphasis being made that only a part of these requirements could be reduced. An analysis of these projects, in fact, shows that possibly only one NAF project, a 9-hole golf course addition, could be eliminated while only eight could be slightly reduced in scope and cost. The actual cost avoidance for all the projects is less than \$2 million--not \$25.9 million. The rest of the projects would not be impacted by the reduction in military strength used to determine their original scopes and costs. In addition, since none of the MCP have been funded, no cost savings can be attributed to reducing their cost. This can be better described as a "cost avoidance" if, in fact, the specific function and situation cause the requirement to be reduced. At this time, SAC has identified only four of the 15 GAO listed projects in their FY 84-88 Five-Year Defense Program, none of which would be significantly impacted by a reduction or change in military strength.

k. GAO underestimated the problems associated with recruiting qualified civilian personnel at these locations. Missile bases by design were located in areas of relatively low population; and, we expect a long lead time would be required to attract civilian employees in the number contemplated and to develop the supporting community infrastructure. For example, at Whiteman the surrounding Johnson County/Warrensburg area population (age 20-59) is about 25,000. Ten percent of this population is already supported by the base. It is evident that any large-scale conversions would have to be phased in over a number of years.

In sum, of the 2,407 military recommended for conversion we agree that approximately 250 could readily be converted without risk of degrading wartime readiness.

4. CONCLUSION:

a. The Air Force objective in the military-civilian mix arena is to obtain the optimum manpower posture. The predominant influence on that posture is the requirement for military to perform combat and direct combat support duties during wartime. Corollary requirements are generated from personnel management programs--e.g., maintenance of favorable career progression and CONUS/overseas rotation ratios. It is Air Force policy to assign military in support functions where they can be productively employed during peacetime and subject these same military to deployment during wartime.

b. Air Force recognizes that there do exist imbalances in selected specialities--e.g., where the wartime military requirement does not equal current military resources. For this reason, Air Force has developed a regularized process for transitioning from its current posture to the optimum. Highlights of this program include

our critical military skills program wherein both military shortages and overages are at once reduced through conversions. Large-scale conversions are also programmed in the POM exercise--e.g., the Air Force recently programmed over 6,000 spaces in specialities which had military surpluses for conversion to civilian. The majority (4,200 spaces) of this conversion was cancelled as a result of FY 82 and FY 83 limitations on Air Force civilian end strength.

c. The GAO report assumes away the problems associated with the civilian ceiling, evidences a lack of appreciation for military shortfalls, employs questionable costing procedures, and overstates estimates of savings associated with military construction projects. Most important, the report disregards Air Force's regularized mix determination process--implying that without outside pressure the Air Force would overstate its military requirements. The facts, and the Air Force's "track record" in this arena, are contrary. Air Force has converted over 60,000 military spaces to civilian since 1965. In the near term Air Force proposed to convert an additional 6,000 military spaces to civilian and was only thwarted by OMB's civilian end-strength ceiling. Presently, we recognize that at the three SAC bases surveyed, there are approximately 80 military spaces at each location that could readily be converted to civilian. When civilian ceiling constraints allow, we will program these conversions. Further, since the Air Force process is continuous, once these conversions are implemented we will reassess our entire military/civilian mix posture and plan for the next iteration of conversions.

- 2 App
- 1. AFSC Analysis of GAO-Proposed Conversions
- 2. Estimated Costs

AFSC ANALYSIS OF GAO-PROPOSED CONVERSIONSENLISTED SKILLS:

- Of the three bases studied, Whiteman AFB has 875 (40%) of 2200 enlisted positions proposed for civilianization
- Attached list identifies the 875 Whiteman positions by AFSC and corresponding estimated numbers for the three bases and places them into ten categories:
 - Current/projected URI (CONUS military positions insufficient for overseas rotation)
 - Current CMS (significant wartime military skill shortfall)
 - Current AF shortfall (not critical, but still a wartime shortfall)
 - New CMS--3 bases (if conversions at 3 bases)
 - Current SAC shortfall
 - AF policy to use military
 - Potential CMS--9 bases (if conversion at 9 missile bases)
 - Potential AF shortfall--9 bases (if conversions at 9 missile bases)
 - Potential SAC readiness degradation (if conversions at 9 missile bases)
 - Not military essential (potential resource for CMS or programmed conversions)
- First 6 categories--approx 1314 positions--should not be converted
 - Aggravate current and projected overseas rotation problems
 - Reduces generation and availability of military skills for which the AF is currently short for wartime
 - Would cause a CMS shortage in AF or SAC
 - Contrary to established military use policy
- Next 3 categories--approx 737 positions--conversions not advisable, especially for 9 missile bases
 - Could cause CMS, AF skill shortfall, or SAC readiness skill shortfall

- Final category--approx 170 enlisted positions--not apparently military essential; however, could be used as military resources for CMS conversions (civilian to military conversions in critical military skill position shortages)

OFFICER SKILLS:

- Of the three bases studies, Whiteman AFB has 39 (22%) of 180 officer positions proposed for civilianization.

- Attached list identifies the 39 Whiteman positions and corresponding estimated numbers for three bases and places them into four categories:

- Current URI (CONUS military positions insufficient for overseas rotation)
- Current AF shortfall (not critical, but still a wartime shortfall for that skill)
- Military essential for career field training and career progression needs
- Not Military Essential (potential resource for Critical Military Skills (CMS) Program conversions)

- Positions in the first three categories--approximately 112 positions--should not be converted

- Aggravate overseas rotation problems
- Reduces generation and availability of military skills for which the AF is currently short for wartime
- Inappropriately restricts military career field training and career progression

- Final category--approximately 71 positions--not apparently military essential; however, could be used as military resources for SAC's CMS conversions (civilian to military conversions in critical military skill position shortages) and conversions could hurt military career field experience in SAC

1 Atch
Analysis of GAO Proposed
Conversions

BREAK-OUT OF GAO PROPOSED
ENLISTED TO CIVILIAN CONVERSIONS

CATEGORY	AFSC	TITLE	NUMBER OF POSITIONS	
			WHITEMAN	3 BASES
CURRENT/PROJECTED URI:	542X2	Electrical Power Production	1	3
	445X0	Msl Facilities (projected URI)	11	28
		TOTAL	12	31
CURRENT CMS:	47232	Vehicle Mech	2	5
	545X2	Heating Sys	1	3
	551X1	Constr Equip Operator	1	3
	553X0	Enginr Assist	4	10
	554X0	CE Resources Mgt	2	5
	555X0	Prod Control	9	23
	566X1	Environmental Spt	1	3
	571X0	Fire Protection	3	8
	611X0	Services	11	28
	622X0	Food Service	63	158
	81100	Sec Pol Mgr	1	3
	811X0	Sec Police	165	413
	811X2	Law Enforcement	57	143
	902X0	Medical Service	48	120
	902X2	Surgical Service	3	8
	902X2C	Surgical Orthopedics	1	3
		TOTAL	372	936
CURRENT AF SHORTALL:	622X1	Diet Therapy	3	8
	67299	Financial Manager	1	3
	732X1	Personal Affairs	5	13
	791X2	Historian	1	3
	81199	Sec Pol Supt	2	5
	903X0	Radiologic	3	8
	904X0	Medical Lab	6	15
	905X0	Pharmacy	3	8
	906X0	Medical Admin	16	40
	912X5	Optometry	1	3
	913X0	Physical Therapy	1	3
	914X0	Mental Health Clinic	1	3
	915X0	Medical Material	6	15
	918X0	Dental	18	45
		TOTAL	67	172
NEW CMS--3 bases:	672X2	Disburs Acctg	16	40
	51199	Computer Sys Supt	1	3
		TOTAL	17	43
CURRENT SAC SHORTFALL:	231X0	AV Media	2	5
	231X2	Still Photo	3	8
	242X0	Disaster Prep	3	8
		TOTAL	8	21

**BREAK-OUT OF PROPOSED
ENLISTED TO CIVILIAN CONVERSIONS (CONT)**

AF POLICY TO USE				
MILITARY				
	732X4	Career Advisory	2	5
	701X0	Chapel Mgt	3	8
	732X0	Personnel	39	98
		TOTAL	44	111
POTENTIAL CMS--9 bases:				
	645X0	Inventory Mgt	70	175
	645X2	Supply Sys	9	23
	64599	Supply Mgt Supt	1	3
	64500	Supply Manager	1	3
	651X0	Contracting	18	45
		TOTAL	99	249
POTENTIAL AF SHORTFALL				
--9 BASES				
	443X0	Missile Maint	36	90
	672X1	Financial	17	40
	672X3	Fin Mgt Supt	3	8
	51199	Computer Sys Supt	1	3
		TOTAL	57	144
POTENTIAL SAC READINESS				
DEGRADATION--9 BASES				
	24150	Safety	1	3
	341X7	Msl Trainer	8	20
	672X1	Fin Mgt	17	43
	702X0	Administrative	111	278
		TOTAL	136	344
NOT MILITARY ESSENTIAL				
(POTENTIAL RESOURCE FOR				
CMS CONVERSIONS):				
	324X0	PMEL	13	33
	511X0	Computer Ops	18	45
	691X0	Mgt Analysis	2	5
	703X0	Reprographic	3	8
	705X0	Legal Services	6	15
	73200	Personnel Res Mgr	1	3
	74100	Rec Services Mgr	1	3
	741X1	Rec Services	7	18
	742X0	Oper Mess Mgt	4	10
	751X2	Education	8	20
	791X0	Public Affairs	4	10
		TOTAL	67	170

BREAK-OUT OF GAO PROPOSED
OFFICER TO CIVILIAN CONVERSIONS

<u>CATEGORY</u>	<u>AFSC</u>	<u>TITLE</u>	<u>NUMBER OF POSITIONS</u>	
			<u>WHITEMAN</u>	<u>3 BASES</u>
CURRENT URI:	0524	Disaster Prep	1	5
	8124	Sec Pol	<u>5</u>	<u>23</u>
		TOTAL	<u>6</u>	<u>28</u>
CURRENT AF SHORTFALL:	5525	Civil Eng	5	23
	6724	A & F	1	5
	7024	Exec Spt	4	18
	7924	Public Affairs	1	5
	9016	Health Svcs; Staff	1	5
	9025	Health Svc	2	5
	9196	Clinical Social Worker	2	9
	9246	Pharmacist	<u>1</u>	<u>5</u>
		TOTAL:	<u>17</u>	<u>79</u>
MILITARY ESSENTIAL FOR CAREER FIELD TRAINING AND CA- REER PROGRESSION:	3124	Missile Maint	1	5
NOT MILITARY ESSEN- TIAL(POTENTIAL RE- SOURCE FOR CMS CONVERSIONS):	5155	Computer Ops	1	5
	6416	Sup Mgt Staff	1	5
	6424	Sup Ops	2	9
	6516	Acg Courtg/Mfrg, Staff	1	5
	6534	Acg Contrg	1	5
	6736	Budget	1	5
	6924	Mgt Anal	2	9
	7016	Exec Spt Staff	1	5
	7034	Admin Mgt	2	9
	7324	Personnel Prog	2	9
	7916	Public Aff, Staff	<u>1</u>	<u>5</u>
	TOTAL:	<u>15</u>	<u>71</u>	

ESTIMATED COSTS IF MILITARY
POSITIONS ARE CONVERTED TO
GENERAL SCHEDULE CIVILIAN
(Pay rates effective October 1981--note a)

<u>Military</u>	<u>Enlisted E-2</u> (note b)	<u>Officer O-1</u> (note b)	
Basic Mil Compensation (note c)	\$9,420	\$15,638	
Quarters (note c)	1,768	2,901	
Retirement (note c)	2,739	4,942	
Support Costs (note d)	356	1,027	
Training (note d)	97	2,756	
PCS (note d)	120	218	
Non-DoD Costs (note c)	<u>1,051</u>	<u>1,115</u>	
 Total Military Cost	 <u>\$16,051</u>	 <u>\$28,597</u>	
 <u>Civilian</u>	 <u>GS-4/5</u> (note e)	 <u>GS-10/11</u> (note e)	
Basic Pay	\$14,048	\$26,426	
Benefits	1,907	2,906	
Training	38	157	
Non-DoD Costs	<u>1,941</u>	<u>3,604</u>	
 Total Civilian Cost	 <u>\$17,934</u>	 <u>\$33,093</u>	
 Estimated <u>cost</u> per conversion	 \$1,883	 \$4,496	
 Number positions converted	 <u>2,227</u>	 <u>180</u>	 <u>2,407</u>
 <u>Total cost</u>	 <u>\$4,193,441</u>	 <u>\$809,280</u>	 <u>\$5,002,721</u>

a/ All figures derived from "Average Cost of Military and Civilian Manpower in DoD," published by the Office of the Assistant Secretary of Defense (Comptroller), August 28, 1980.

b/ Grades, E-2 and O-1, are used in lieu of E-4 and O-3 since actual reduction is in number of accessions coming into Air Force. Incumbents of positions converted, average E-4 and O-3, are simply reassigned. Grades costed herein would be the grade of the accession at the end of the first fiscal year.

c/ Since DoD publication reflects pay rates as of January 1980, rates are inflated by 26% to allow for pay raises.

d/ Rates are inflated by 18.1% IAW factors provided in DoD Publication.

e/ All GS rates are average--GS-4/5 or GS-10/11--inflated by 13.9% for pay raises.

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Effect of a Self-Management Program on the Performance of a Complex Task

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Abstract: The present study examined the effects of a self-management program on the performance of a complex task. The program consisted of a series of self-management strategies that were designed to help participants to manage their time and resources more effectively. The results showed that the program had a significant positive effect on performance.

Keywords: self-management, complex task, performance

The present study was designed to examine the effects of a self-management program on the performance of a complex task. The program consisted of a series of self-management strategies that were designed to help participants to manage their time and resources more effectively.

The first strategy was to identify the task and its components. This strategy was designed to help participants to understand the task and to identify the steps that they needed to take to complete it.

The second strategy was to set goals for each step of the task. This strategy was designed to help participants to establish a clear and specific target for each step of the task.

The third strategy was to create a plan for each step of the task. This strategy was designed to help participants to develop a clear and specific plan for each step of the task.

The fourth strategy was to monitor progress. This strategy was designed to help participants to track their progress and to identify any problems that they were having.

The fifth strategy was to adjust the plan. This strategy was designed to help participants to make changes to their plan if they were having any problems.

The sixth strategy was to evaluate performance. This strategy was designed to help participants to evaluate their performance and to identify any areas for improvement.

The results of the study showed that the program had a significant positive effect on performance. Participants who used the program performed significantly better than those who did not use the program.

The program was found to be effective in helping participants to manage their time and resources more effectively. This suggests that the program may be a useful tool for helping people to manage their time and resources more effectively.

The program was also found to be effective in helping participants to set goals and to create a plan for each step of the task. This suggests that the program may be a useful tool for helping people to set goals and to create a plan for each step of the task.

The program was also found to be effective in helping participants to monitor progress and to adjust the plan. This suggests that the program may be a useful tool for helping people to monitor progress and to adjust the plan.

The program was also found to be effective in helping participants to evaluate performance. This suggests that the program may be a useful tool for helping people to evaluate performance.

The program was also found to be effective in helping participants to identify any areas for improvement. This suggests that the program may be a useful tool for helping people to identify any areas for improvement.

The program was also found to be effective in helping participants to manage their time and resources more effectively. This suggests that the program may be a useful tool for helping people to manage their time and resources more effectively.

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