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The Honorable Lee M. Mitcheff, Chairman
Joint Committee on Congressional
Operations TNT 00300
Congress of the United States CWO 00001

Dear Mr. Chairman:

I appreciated the opportunity of appearing before your Committee on June 19, 1974, and being given an opportunity to respond for the record to the questions you forwarded to us on June 26, 1974. The answers we have prepared to those questions are enclosed.

Sincerely yours,

(SIGNED) WALTER B. STALTS

Comptroller General
of the United States

Enclosure

[Answers to Questions from the
Joint Committee on Congressional
Operations]

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QUESTION 1

Testimony indicates that increasing committee and for program results information has increased the need for GAO to use evaluations performed in the executive agencies. Is this a desirable trend? Shouldn't the Congress itself be equipped to conduct such evaluative studies, rather than in effect transferring this aspect of its review function to the Executive? Where do you believe the various kinds of evaluative work connected with program review should be done?

ANSWER:

It is our view that program evaluation is a fundamental part of effective program administration. The responsibility, therefore, rests initially upon the responsible agencies. However, in our opinion, the executive agencies too frequently issue reports without adequate consideration of congressional needs. The legislative branch should expect to receive from executive departments, reliable, valid and timely evaluation data to support the congressional oversight and budgetary roles and GAO can help to identify these needs for consideration by the agencies.

The GAO can also serve an important function for the Congress by reviewing agency evaluation processes to insure also that the best evaluation management controls, research methods, and criteria are implemented and utilized by agency evaluation groups in the conduct of evaluation studies which the Congress receives. In addition, GAO can assess the objectivity and validity of agency studies, which are relevant to issues under consideration by the Committees, or GAO can use such studies in its own reviews of program results.

We believe the Congress and GAO, as an arm of Congress, should also have capability to make evaluations of programs. The GAO reviews and evaluations of programs should not, however, supplant the agencies' responsibilities in this area. The GAO evaluations should be made on a more selective basis than those made by executive agencies, particularly where necessary to fill the gaps in areas that are not being given adequate coverage by the agencies.

QUESTION 2

According to materials developed for us by your staff, a partial list of Executive agencies had budgeted about \$146 million for program evaluation in fiscal 1974. And that total--of which more than \$87 million is in research contracts--does not include Defense, Justice, Treasury, and NASA. What is your estimate of GAO spending in this

area, to check on the adequacy of program evaluations done in the executive, to develop standards for this type of research, and to conduct such studies yourself?

ANSWER:

At any time about 1/3 of our professional staff is engaged in conducting evaluations and program results reviews. We have been spending approximately 30 million dollars on such reviews and audits annually. The enactment of the Congressional Budget and Impoundment Control Act of 1974 (H.R. 7130) could well provide an impetus for additional congressional requests for us to make evaluations of Federal programs.

With regard to the adequacy of evaluations done by the agencies, we have a central staff of experts in program evaluation design and methods which assists in many of these reviews to determine whether or not the evaluations done in the executive branch can be incorporated in our own reviews. Multi-disciplinary staff located throughout the office are also expert in the quantitative methods most used in the agency evaluations. The central staff has for some time been working to develop standards for selecting the best evaluations or recommending improvements in the agencies' processes to improve the usefulness of future studies.

QUESTION 3

According to your testimony you are devoting considerable effort in the development of a general statement of standards for program evaluation. When will that be completed? Can such a generalized statement cover criteria of evaluation of all programs? To some extent, don't different types of programs and activities require different--even, perhaps individual--evaluative approaches?

ANSWER:

It is expected that the statement of principles and standards will be ready for issuance to Federal agencies for comment and review during calendar year 1975. The development of principles and standards for evaluation is viewed at GAO as a difficult undertaking, but one that is necessary to insure high quality and valid studies. In preparing the principles and standards, GAO is obtaining the views of a number of recognized practitioners in the field, both in Government and in research or evaluation institutes. Because the task is difficult and because no easy answer is expected, it is extremely important to

obtain the views of a number of experts outside of the present, representatives of the various federal, state and local activities of various other governmental units. We consider the principles and standards to be a flexible document which will require ongoing review and periodic updating to reflect our development and approaches to program evaluation methods and criteria.

The principles and standards will be broad enough to encompass all program evaluation activities. These standards will contain guidance for the auditor, analyst, or evaluation researcher in making program evaluations or reviewing evaluations made by others. We expect to issue more specific guidance on criteria and methods under separate cover since different types of programs and activities do require their own set of specifications. The guidance under criteria and methods will be a specific set of guidelines in terms of methodology and testing applicable to a given set of programs.

Even though different types of programs and activities require different evaluative approaches, the general conduct and scientific practice applied in evaluation studies are always the same.

QUESTION 4

GAO's testimony suggests that program evaluation as practiced throughout the executive branch is in serious need of improvement as a "high priority matter." If there are so many problems with the evaluation process, what use can be made of it until such time as it is improved? Would you comment that current management and technology of evaluation research yield evidence which is inadequate? That the capacity to use and to absorb such evidence is limited in both the executive and legislative branches?

ANSWER:

The problems in the evaluation process are many but they are not insurmountable. Many of them affect only certain types of programs and many of them can be rectified in a reasonable time frame. Program evaluations and program administration require clear and concise statements of objectives in order to achieve their legislative intent. The lack of such objectives is often one of the major problems.

The Congress can help solve these problems by being sure that program goals and objectives are structured to facilitate the evaluative process as required by Title VII of H.R. 7130. Despite these problems, there is much useful and meaningful work being done. We believe that a balanced view is needed which recognizes good work but at the same time acknowledges that in many areas of the evaluative

process much if the present in the state-of-the-art is needed.

We believe there is adequate capacity to use such information effectively in both executive and legislative branches if the evaluations are properly planned, carried out, and the results clearly set forth.

QUESTION 5

Under section 202 of the 1970 act as amended by H.R. 7130, CMO would have the leadership role for the development of standard classifications. What nature and level of staffing do you believe will be required in the legislative and executive branches to carry out this work expeditiously?

ANSWER:

We can not completely isolate the work required under section 202 from the overall effort that will be required to implement the revised sections 201-204. We see the requirements of these sections, as amended, to be even more integrated than they were before H.R. 7130. However, we are estimating that our staff performing functions required by section 202 will increase from 9 to 20 professionals in fiscal year 1975. Other GAO units who have audit responsibilities in various areas will help this group in the development of the reporting requirements for various Federal programs.

We cannot estimate the executive branch staffing requirements at this time. Our classification and reporting requirements work will impact on the Office of Management and Budget, both in their Budget Review responsibilities and the Management and Operations responsibilities since it will impact on classification structure and information systems.

The major agencies will also be involved. The senior personnel of their budget and program office will have to work with us as we are developing classifications and reporting for their programs. The extent of system changes that are required will determine the subsequent staffing commitments of the executive branch.

QUESTION 6

Your staff has worked closely with the ^{HSE 00300} House Appropriations Committee on their fiscal and budgetary information requirements. And the work being done in that area shows considerable promise. What is the status of and schedule of work with other House and Senate committees?

Will this be sufficiently amended to be reflected in your report in September of this year, as will be required in Title VIII of H.R. 7130?

ANSWER:

We expect to include the current status of our work for the House Committee on Appropriations in our September 1974 report. That report which is required by section 202 of the LRA, as amended by H.R. 7130, will also explain how we plan to extend our work on housing programs funded by the Department of Agriculture and the Department of Housing and Urban Development to determine and include in our documentation the reporting requirements and special needs of the authorizing committees.

We also expect to include in that report our plans for enlarging the staff and doing further work.

QUESTION 7

GAO is a large, well-established institution--and there is undoubtedly some internal resistance to employment of new methods and "multi-disciplinary" approaches in program evaluation. Can a 50-member central staff provide, in the foreseeable future, the necessary "push" for effective performance of your responsibilities of program evaluation? Is it your intention to move forward rapidly in establishing an Office of Program Review and Evaluation within GAO, as authorized in Title VII of H.R. 7130?

ANSWER:

It is important here for us to point out that the central 50-man multi-disciplinary staff is only a small part of the GAO professional staff involved in making reviews and evaluations of Federal programs. Essentially, every division in GAO--involving about 1/3 of our professional staff effort--gets involved in reviewing the effectiveness of Government programs.

We are giving high priority to such evaluations. The attachment to my testimony gave some examples of such evaluations and indicates that our staff is accepting the challenge. We do not feel that there is a problem of resistance on the part of the staff in using new methods and approaches in program evaluation.

Our 50-40 hour central staff is used to support the efforts of our audit division in conducting professional audits. The organization has 600 civil staff members who help our employees for evaluation, training, and other administrative tasks. This staff also provides training in such state-of-the-art to staff throughout the office. In such training has been well received and is in demand by these other staffs.

GAO is continuing to broaden its personnel base of skills, and will do so at an increasing rate. Our central staff of experts is supplemented by resources throughout GAO and act as a catalyst for change.

In addition to our central staff of experts, many other members of the professional staff also have had specialized training. In total, 134 staff members are classified in the following quantitative General schedule (GS) occupational groups:

GS-1500	Mathematics and Statistics Group	67
GS-334	Computer Specialist Series	26
GS-800	Engineering Group	29
GS-110	Economist Series	9
GS-101	180 Social Science or Psychology Series	3
TOTAL		<u>134</u>

An additional 242 staff members possess academic degree in areas related to the above occupational groups but have been classified as accountants (GS-510) or Management Analyst (GS-343). A similar break down by quantitative area is as follows:

Mathematical Sciences	38
Computer Sciences	36
Engineering	17
Economics	140
Psychology	11
TOTAL	<u>242</u>

In total then, there are at least 376 professional staff members who possess skills in the following quantitative areas:

Mathematical Sciences	105
Computer Sciences	62
Engineering	46
Economics	149
Psychology and other Social Sciences	14
TOTAL	<u>376</u>

Many of the remaining GAO professional staff have received training in the utilization of quantitative methods as I indicated in my statement.

In summary, we have done considerable recruiting, planning, and work under the Legislative Reorganization Act of 1970, and believe we are in a good position to comply with our new responsibilities.

Of course, it is necessary to integrate our new responsibilities under H.R. 7170 with our LRA and our other statutory responsibilities. At this time we believe this can best be accomplished without establishing the Office of Planning and Evaluation, authorized by H.R. 7130.

QUESTION 8

Your letter of August 1972 offered assistance to committees in drafting legislative language which would require evaluation of programs in terms of stated objectives and so forth. You mention work for the Senate Agriculture Committee as a result. What has been the response from other House and Senate committees? Did any react adversely to your office? *SEN 00100*

ANSWER:

We did not receive any adverse reaction to our letter, although we did not receive much feedback from committees. We feel that section 202 of H.R. 7130 will stimulate more activity in this regard, and hope to aid and assist the committees in drafting evaluation language for new legislation. Achieving valid and reliable program evaluation is in many respects contingent upon program objectives being stated clearly and concisely. The greater the effort toward improving such statements, the greater the likelihood that useful evaluations will be performed by Federal agencies. More useful evaluations should, in turn, lead to better program administration.

QUESTION 9

In making public GAO reports, you may (I assume) have two kinds of problems. On the one hand there is a danger that the nature of the report will make its appearance awkward at a sensitive stage of the legislative process or other political events. On the other hand, a report may be suppressed essentially against the public interest. Would you speculate on GAO's approach to such issues?

ANSWER:

The basic GAO policy on the disclosure of reports is that we strongly favor full and complete disclosure and generally follow this policy. In some cases, however, there are exceptions. For instance, if the subject matter of an audit involves material that is classified for security purposes, the report cannot be given unrestricted distribution.

Another exception is where the work is done specifically for a Committee or Member of the Congress. We do not control the release of reports on such work. We do not release copies of the report to anyone other than the requestor, unless he gives us permission or makes the report public. In those instances where we are requested by a member or committee to do work which we believe would be of general interest to the Congress or other committees, we make arrangements with the requestor for us to issue the report to the Congress or to make wider distribution.

QUESTION 10

In the past, it has become a frequent criticism that GAO takes an excessive length of time to complete tasks requested by the Congress. What steps have been taken to improve this situation?

ANSWER:

Requests from Congressional Committees and Members of Congress receive our highest priority. In addition, we have made every effort to tailor our review approach to the specific need. However, some of the work we are asked to perform is very complex and requires a good deal of planning and field work to complete effectively.

In order to improve our response time, we have provided for special handling of requests for information only, without audit, on a basis which is about 20 days or less. Many requests from individual members are being handled in this manner. We are also encouraging informal briefings of congressional Members and staffs to provide information sooner than we can in formal reports. Another effort to speed up our response time is to spend more time with the requestor before we start to work to develop and sharpen the questions in order that we do not waste time on tasks that may be of marginal interest to the committee or member.

QUESTION 11

What areas of GAO activity in your judgment are most in need of improvement? What gaps in information services for the Congress are apparent now? Would you care to speculate on what gaps are likely in the next 5 to 10 years?

ANSWER:

We believe that coordinating our work with Congressional processes and timetables is the area in which we would most like to improve. Congress looks to us for accurate information and often it has been difficult to obtain data and be certain of its accuracy in the time frames within which Congress asks us to respond. We believe this problem can be overcome by establishing closer working relationships and better integrating our fact gathering and evaluative processes with congressional action processes.

There continue to be problems for Congress in the information services it receives. Among the more prominent problems are the availability of forward looking predictive devices and a reliable mechanism or method for sifting through the information it receives from endless sources to separate the wheat from the chaff.

Congress has done much to strengthen its information services and the results of these actions over the next several years are not clear. The strengthening of GAO and CRS and the establishment of the Office of Technology Assessment, Congressional Budget Office and House Information Systems should all have an impact. We believe these sources will eventually be able to overcome most, if not all, of the information problems. We believe it wise, therefore, to wait a year or two until the effect of these actions can be more fully assessed before attempting to identify remaining gaps.

For the future, we anticipate that:

- The General Accounting Office will remain an independent, intelligence-gathering analyst for the Congress; independent in reporting on matters, as objectively as it can, regardless of external interests, and independent in the sense that it will continue to use discretionary resources to meet the needs of the Congress and the nation, as it perceives them.
- The GAO will be required to focus more on the broader, longer-range information needs of Congress; furnishing more information on emerging issues of national concern, and on program effectiveness, both at congressional request and on its own initiative.

- Congress will expect the General Accounting Office to organize itself so as to be responsive to Congressional needs, rather than relying on the organization of either the Executive Branch or the Congress. GAO will need an organization structure which will be responsible to everchanging national issues and one which, because of its flexibility and relatively small size, can more readily adapt to rapid changes in its external environment than can either the Executive Branch or the Congress.
- GAO will move to a project mode in managing its internal operations. Whenever necessary, multi-disciplined GAO teams will be drawn together for a project and disbanded at its completion. Teams of this type will be composed of members with the appropriate talents and motivations--regardless of where they are based.
- The need to create less formal and more timely reporting arrangements will become more critical--reporting arrangements which provide for oral and visual presentations to the Legislative and Executive Branches during any phase of a significant GAO undertaking. Such reporting arrangements, although less formal, will result in increased effectiveness, shorter response time, and more opportunities to provide decision-makers with useful information on matters of national significance.

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We have recently implemented certain internal improvements consistent with these projections of GAO's future. We recently established the Office of Energy and Special Projects which will serve as a responsibility center for planning and coordinating GAO-wide efforts on such important issues as the energy crisis, scarce raw materials, and world food shortages. On June 25, 1974, two Assistant Comptrollers General were given important new assignments to strengthen our program planning and management service capabilities. Mr. A. T. Samuelson was designated ACG for Special Assignments to help determine ways in which we can strengthen our program planning in high priority areas. Mr. T. D. Morris was designated ACG for Management Services to maximize the strength of our programs for staff development, management information systems, and resource management. These actions were part of our continuing program of management improvements to better meet the present and future information needs of Congress.

QUESTION 12

In recent years, Congress has given GAO additional responsibilities of one kind or another. Some have been clearly consistent with your mission. But some appear far removed. As a congressional agency, GAO

part of course perform tasks assigned by the Congress. Please comment on the trend toward "add on" sometimes unrelated responsibilities for GAO. Are there responsibilities, other than types of audits indicated in your testimony, which you feel are inconsistent with GAO's function? Do you feel that some "add on" really become submerged in GAO's other activities, eventually disappearing from sight and serving little useful purpose?

ANSWER:

As an independent agency in the legislative branch, the GAO's principal responsibility is to monitor executive programs and the work of executive agencies to see that the programs and work are conducted efficiently; that funds are employed for authorized purposes; and that congressional objectives are achieved. The assignment of tasks which should more appropriately be performed in the executive branch of the Government tends to divert our resources and compromise our capacity to independently review executive functions.

We have expressed concern regarding some of these tasks, particularly the assignment of voter registration responsibilities and the assignment of responsibility for agency review of regulatory reporting requirements. The latter responsibility, however, has been given us by statute and we are attempting to carry it out effectively. "Add ons" of this sort do not "disappear from sight" although, as we have indicated, they do divert our resources from basic responsibilities and require us to perform executive-type functions.

QUESTION 13

In responding to a congressional committee's request for a report on a program at a time when new legislation is being prepared in the same general area, what experience have you had with CRS in the coordination of their policy analysis and your evaluation? Can you give any specific examples of coordinating the work of the two institutions? Have they ever been asked to perform the same task—with what results? Please provide specific examples of those occasions where the work of the two agencies has been coordinated.

ANSWER:

We established liaison procedures for coordinating our efforts with those of the Congressional Research Service. This coordination will not, however, eliminate the cases where CRS may receive a request from a congressional committee at the same time GAO receives a similar request. This is very often intended by the committee to obtain two

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possibly different perspectives of the issue. GAO may take on the assessment by analyzing Federal programs with related goals or objectives. On the other hand, GAO may hypothesize the impact of various uncharted courses of action. Consequently, we do not have any formal mechanism for preventing work on similar requests and do not necessarily believe one should be established.

Although we do not try to prevent our both working on the same issue, we have worked closely with CRS on various projects. For example, on page 13 of my statement of June 19, 1974, I referred to our coordination with the Congressional Research Service in supporting oversight for the Senate Committee on Agriculture and Forestry. A senior specialist of CRS cooperated with us in planning this effort which pertained to the Rural Development program of the USDA. The Congressional Research Service helped the Committee formulate workable definitions to the provisions of the Rural Development Act and the GAO helped the Committee to learn the status of agency evaluations in accordance with these definitions.

Another example of a case was where both GAO and CRS received the same question last year concerning the appropriation accounts that have permanent, indefinite authority. Two approaches were used; GAO using the computer budget tape and CRS using a letter survey approach. Joint GAO/CRS briefings were held for the Congressman and his staff on the results. The use of two approaches provided complementary data which allowed the Congressman to evaluate alternative courses of action.

A third example involves GAO research on Federal projects identified in the news media as seemingly frivolous expenditures. GAO prepared a summary of information obtained from the executive agencies. CRS has been able to make use of GAO's summary in responding to those Members who had asked CRS for comment. We believe an unusual amount of duplication of effort was avoided in this instance because of the number of items requiring extensive research.

A fourth example of GAO/CRS coordination involves a Senator who is requesting GAO to perform an extensive audit of selected Federal agencies. In this case, the Senator's questions and request for an audit were precise and succinct since CRS had previously prepared an overview study of the subject which allowed the Senator to identify those areas of concern.

QUESTION 14

GAO has requested at various times to be clothed with the authority to issue subpoenas and to follow up with their enforcement without the participation of the Attorney General. In so doing, GAO would be acting

on behalf of the Legislative Branch exercising power given to the Congress by the Constitution. Would the possibility of better access to needed information, would GAO be likely to persuade the Congress to grant a subpoena power, if such action conditioned by specific permission of the appropriate committee rather than a sure the burden that subpoenas might appear tools for fishing expeditions?

ANSWER:

In June 1973 and again in December 1973, the Comptroller General submitted proposed bills to the Congress (H.R. 12114 and S. 3014), two titles of which were designed to improve GAO's ability to obtain information and documentation from Federal and private sources to which he has a right of access by law or agreement.

In these bills, the Comptroller General has asked for subpoena power only for the production of negotiated contract and subcontract records and records of other non-Federal persons or organizations to which he has a right to access. Another title of these bills--title IV--would provide a procedural remedy to enforce already existing rights of the Comptroller General to access to information of Government departments and establishments by permitting him to institute suits in the U.S. District Court for the District of Columbia to compel the production of the material.

Both of these procedures relate only to enforcement of existing authority of the Comptroller General as granted in laws enacted by the Congress, and, thus, they do not relate to the exercising of power granted directly to the Congress by the Constitution.

The Comptroller General is seeking authority to be represented by GAO attorneys so he will not have to be dependent on an Attorney General who may have a different view of the legal issues involved. Under title IV of H.R. 12114 and S. 3014, the Attorney General--if he disagrees with the Comptroller General--also would be authorized to represent the defendant Federal official who refused to provide information to GAO. Concerning the enforcement of subpoena, many Federal agencies, including regulatory agencies, have authority to go into court on their own behalf. Finally, two statutes--the Presidential Election Campaign Fund Act (Title VIII of Public Law 92-173) and Impoundment Control Act of 1974 (Title X of Public Law 92-344)--authorize the Comptroller General to institute or defend legal actions in U.S. District Courts, using his own attorneys in connection with carrying out or enforcing certain provisions of these acts.

Although the Federal Energy Administration Act authorizes the Comptroller General to issue a subpoena to obtain access to private energy industry records only after the approval by resolution of any one of

Several committees of jurisdiction, GAO's preferred approach is not to have to send such a report. Some of GAO's work is self-initiated and committees involved in often difficult to obtain because the latter may not be of direct interest to such committee or the committee may already have a full schedule of activities.

QUESTION 15

It is my understanding you have been studying the inventory and directory of sources of fiscal, budgetary, and program information since April 1972. Under H.R. 7150 you are required to establish and maintain such an up-to-date inventory, to facilitate congressional access to information in the Executive and elsewhere. Are you ready to move ahead on this now? When can we expect to have this available to us?

ANSWER:

The development, establishment and maintenance of an up-to-date inventory and directory of sources and information systems containing fiscal, budgetary and program-related data information and a brief description of their content is now the responsibility of the Comptroller General, in cooperation with the Director of the Congressional Budget Office, the Secretary of the Treasury and the Director of the Office of Management and Budget. In anticipation of legislation along these lines, we have been conducting a pilot effort to collect, index and abstract selected recurring agency reports to the Congress. We will not be able to complete our plans and related specifications until we have assessed this pilot effort. We expect to complete the pilot directory and circulate it for comments and reactions the latter part of 1974. It will be particularly important to get the views of the Congressional Budget Office when it is created.

In a related effort, we have begun to develop plans for screening, collecting, indexing, and abstracting non recurring Federal program evaluation reports. We will classify the results by major functional or subfunctional areas.

Meeting congressional needs for information is, in substantial part, a "people" problem, rather than a computer or mechanical problem. We believe these needs can only be met with knowledgeable people who can help interpret needs and assist in framing the question properly, as well as interpret responses to the inquirer.