
Office of the Inspector General Inspection Report

*FAA's Alleged Circumvention of
National Performance Review
Staffing Requirements*

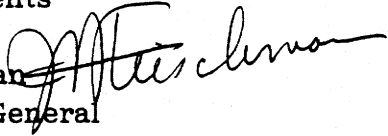
Report Number: E5-FA-7-005

Date: December 09, 1996



Subject: **INFORMATION:** Report on FAA's Alleged
Circumvention of National Performance Review
Staffing Requirements

Date: December 9, 1996

From: Joyce N. Fleischman 
Acting Inspector General

Reply to
Attn. of:

To: Monte R. Belger
Acting Deputy Administrator
Federal Aviation Administration

The Office of Inspector General reviewed a complaint alleging FAA officials sought to reclassify acquisition positions to circumvent National Performance Review (NPR) staffing requirements to avoid a future reduction-in-force. As discussed in the attached report, although we found reclassification was discussed at a regular quarterly managers' meeting as a means of complying with NPR staffing requirements, we found no indication FAA adopted this option. FAA plans to reduce its number of acquisition personnel by attrition, buyouts, and retraining.

We appreciate the courtesies and cooperation extended by FAA personnel to our inspection team.

If I can answer any questions or be of further assistance, please feel free to contact me on x61959, or my Associate Deputy, Raymond J. DeCarli, on x61964.

Attachment

#

CONCLUSION

This report responds to a complaint received by the Office of Inspector General (OIG), Department of Transportation. The complainant alleges the Federal Aviation Administration (FAA) planned to circumvent National Performance Review (NPR) staffing requirements in the Eastern and Southern Regions. Specifically, the complainant alleges FAA managers sought to reclassify individuals in General Schedule (GS) -1102, -1105, and -1106 (acquisition series which are targeted by the NPR for a 50-percent reduction) to GS-343 (management and program analysis series) and GS-346 (logistics management series) to avoid a future reduction-in-force (RIF).

Our review found FAA discussed position reclassification as an option at a regular Associate Administrator for Administration (AAD) quarterly meeting, but we found no indication FAA adopted this option. FAA plans to reduce its number of acquisition personnel by attrition, buyouts, retraining, and RIFs. In addition, although the Eastern and Southern Regions experienced decreases in GS-1100 series positions comparable to increases in GS-300 series positions, we found these changes did not involve reclassification of acquisition personnel to GS-343 and -346 positions.

TABLE OF CONTENTS

Conclusion i

Background 1

Scope and Methodology 1

Allegation and Finding 2

APPENDICES

Appendix A - Organizations Contacted During the Review.....6

Appendix B - Acronyms.....7

Appendix C - Definitions of Series.....8

Appendix D - Inspection Team Members.....9

BACKGROUND

The Report of the National Performance Review, From Red Tape to Results: Creating A Government That Works Better & Costs Less, dated September 7, 1993, includes numerous recommendations affecting governmental systems. One recommendation is to "reduce the costs and number of positions associated with management control structures by half." Specifically, the report targets oversized headquarters; multiple layers of supervisors and auditors; and offices specializing in budgeting, personnel, procurement, and finance. NPR goals include reducing the executive branch workforce by at least 12 percent--or a total of 252,000 positions--and increasing the supervisory span of control from 1:7 to 1:15 over the next 5 years.

On September 11, 1993, the President, through Executive Order 12839, directed each head of an Executive Department or agency to prepare and submit a streamlining plan to the Director of the Office of Management and Budget (OMB) by December 1, 1993. This order is consistent with the NPR recommendation to reduce the executive branch civilian work force by the close of Fiscal Year (FY) 1999. The Senior Advisor to the OMB Department Director for Management indicated OMB has asked the Departments for information on what types of positions are targeted for reduction. The overall goal is to achieve a 12-percent reduction in civilian personnel over a 5-year period without a deterioration in program performance. Although the 12-percent reduction must be met, each department has unique needs that must be taken into account.

SCOPE AND METHODOLOGY

In conducting the review, we discussed relevant issues with OMB, NPR, and FAA officials (see appendix A for a list of organizations contacted and visited during our review). We also examined documentation provided by OMB, NPR, and FAA relating to the allegation. We conducted our review in accordance with the President's Council on Integrity and Efficiency's Quality Standards for Inspections.

ALLEGATION AND FINDING

Allegation: ***FAA Eastern and Southern Region managers sought to reclassify acquisition positions to circumvent NPR staffing requirements.***

OIG Finding: ***Not substantiated.***

The complainant alleges the FAA's Acting AAD Associate Administrator met with Eastern and Southern Region managers to discuss ways to circumvent NPR staffing requirements calling for a 50-percent reduction in GS-1102, -1105, and -1106 positions (acquisition series) by 1999. The complainant further alleges discussions took place as to how positions in the GS-1100 series could be reclassified as GS-343 (management and program analysis) and GS-346 (logistics management) positions to avoid a future RIF (see appendix C for definitions of series). We found FAA discussed position reclassification as an option at a regular AAD quarterly meeting, but we found no indication FAA adopted this option. FAA plans to reduce its number of acquisition personnel by attrition, buyouts, retraining, and RIFs. Based on our review of FAA personnel data, decreases in acquisition positions did not correspond with significant increases in other positions in the Eastern and Southern Regions.

Reclassification Discussed at Quarterly AAD Meeting

The FAA's Acting AAD Associate Administrator held a regular quarterly managers' meeting on September 18-19, 1995, in Chicago, Illinois. Participants included managers from the Office of Financial Service, the Office of Human Resource Management, the Office of Business Information and Consultation, the Aeronautical Center, and all nine regions. Staffing was only 1 of the 11 topics on the agenda. The Director, Office of Business Information and Consultation, told us that reclassification of positions was discussed during the meeting as one option for reducing GS-1100 series positions; however, the option was never used.

FAA Plans Reduction in Acquisition Personnel

According to the FAA Streamlining Plan responding to Executive Order 12839, FAA established the following targets to achieve the 50-percent reduction in the acquisition series (GS-1100) positions.

Acquisition Series Reduction Targets

| Fiscal Year | Number of 1100 Series Personnel |
|-------------|---------------------------------|
| 1992 | 621 |
| 1995 | 535 |
| 1996 | 516 |
| 1997 | 507 |
| 1998 | 494 |
| 1999 | 332 |

As of September 30, 1996, FAA had 487 incumbents in the GS-1100 series positions. According to the Director, Office of Business Information and Consultation, the reductions in GS-1100 series positions have resulted from attrition, buyouts, retraining¹, and a hiring freeze.

Although FAA has reduced GS-1100 series positions below the reduction target goals for FY 1996, it should be noted that the most significant reduction in the GS-1100 series positions will not take place until FY1999, when a dramatic 32.8 percent reduction (162 positions) is scheduled. This represents a greater reduction than in all the previous years (FYs 1992-1998). Aware of the sizable reduction, the AAD Associate Administrator noted that both the General Accounting Office and OIG have reported the need to upgrade and modernize the national air space system used for air traffic control. By retaining the GS-1100 series specialists until the final year, they can help to procure this system. In addition, FAA is currently looking at Governmentwide pilot programs to allow FAA to sell administrative services to other Federal agencies on a competitive basis. This would allow FAA to justify more GS-1100 series positions.

Decreases in Acquisition Series Do Not Correspond With Other Increases

As illustrated by the following two tables², modest decreases in GS-1100 series positions were comparable to increases in GS-343 and -346 positions in the Eastern and Southern Regions. This was especially true for

¹ Individuals in GS-1100 series are retrained for vacancies in other series, rather than FAA recruiting external candidates.

² The two tables were based on data provided by the Director of Human Resource Management for AAD. The data included the number of incumbents in each position on September 30, 1995, just prior to the complainant's allegation, and again on September 30, 1996.

the Eastern Region, which experienced a total decrease of eight GS-1100 series positions and an increase of eight GS-346 positions

| EASTERN REGION | | | | |
|-----------------------|----------------|----------------|-------------------|--------------------------|
| Series | 9/30/95 | 9/30/96 | Difference | Percentage Change |
| 343 | 33 | 33 | 0 | 0% |
| 346 | 27 | 35 | 8 | 30% |
| 1102 | 12 | 11 | -1 | -8% |
| 1105 | 8 | 1 | -7 | -88% |
| 1106 | 2 | 2 | 0 | 0% |

| SOUTHERN REGION | | | | |
|------------------------|----------------|----------------|-------------------|--------------------------|
| Series | 9/30/95 | 9/30/96 | Difference | Percentage Change |
| 343 | 24 | 26 | 2 | 8% |
| 346 | 42 | 45 | 3 | 7% |
| 1102 | 12 | 13 | 1 | 8% |
| 1105 | 0 | 0 | 0 | 0% |
| 1106 | 2 | 0 | -2 | -100% |

Upon further examination, however, we found the above increases and decreases did not involve the reclassification of acquisition personnel to GS-343 and -346 positions. For instance, although the number of GS-346 positions in the Eastern and Southern Regions increased by 11, this increase was consistent with FAA's need for additional Logistics Management Specialists established prior to the NPR Report. According to the Eastern Region's Human Resource Management Division Manager, the GS-346 positions were originally established in FY 1992 as a part of a nationwide FAA reorganization of the Airway Facilities Service. Therefore, the establishment of this series was not in any way intended to evade the September 1993 NPR recommendation to reduce employees in procurement and contracting positions by 50 percent.

In addition, a decrease of nine GS-1100 series positions in the Eastern and Southern Regions did not correspond with an increase of 13 GS-343 and -346 positions. This was confirmed by a computer search performed by a computer specialist in the Office of Human Resource Information Systems. The search revealed that only three FAA employees in GS-1100 series positions were

changed from the GS-1100 series to the GS-300 series between September 30, 1995, and September 30, 1996. One employee was reassigned from a GS-1102 to a GS-343 position, the second employee was promoted from a GS-1102 to a GS-346 position, and the third employee was promoted from a GS-1106 to a GS-318 position. In addition, of the three personnel actions, only one involved an employee in the two regions identified by the complainant (i.e., Southern Region).

Appendix A

Organizations Contacted During the Review

FAA Headquarters

- Associate Administrator for Administration
- Chief of Staff for the Associate Administrator for Administration
- Deputy Associate Administrator for Research and Acquisition
- Director of the Office of Business Information and Consultation
- Director of Human Resource Management
- Division Manager of the Business Process Division
- Administrative Systems Staff Manager

FAA Eastern Region

- Manager, Human Resource Management Division

Other Government

- Office of Management and Budget
- National Performance Review

Appendix B

Acronyms

| | |
|-----|--|
| AAD | Associate Administrator for Administration |
| FAA | Federal Aviation Administration |
| FY | Fiscal Year |
| GS | General Schedule |
| NPR | National Performance Review |
| OIG | Office of Inspector General |
| OMB | Office of Management and Budget |
| RIF | Reduction-in-Force |

Appendix C

Definitions of Series

GS-343--Management and Program Analysis Series

This series includes positions which primarily serve as analysts and advisors to management on the evaluation of the effectiveness of Government programs and operations, or the productivity and efficiency of the management of Federal agencies, or both.

GS-346--Logistics Management Series

This series covers positions concerned with directing, developing, or performing logistics management operations that involve planning, coordinating, or evaluating the logistical actions required to support a specified mission, weapons system, or other designated program.

GS-1102--Contracting Series

This series includes positions that manage, supervise, perform, or develop policies and procedures for professional work involving the procurement of supplies, services, construction, or research and development.

GS-1105--Purchasing Series

This series includes positions which involve purchasing, rental, or lease of supplies, services and equipment through (1) informal open market methods and (2) formal competitive bid procedures, when the primary objective of the work is to assure rapid delivery of goods and services in direct support of operational requirements.

GS-1106--Procurement Clerical and Assistance Series

This series covers positions that involve clerical and technical support work for purchasing, procurement, contract negotiation, contract administration, and contract termination.

Source: Handbook of Occupational Groups and Series September 1991

Appendix D

Inspection Team Members

| | |
|--------------------|------------------------------|
| Mark E. Peters | Regional Inspections Manager |
| Catherine P. Pyles | Senior Technical Analyst |
| Maria G. Longley | Project Manager |