



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

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INFORMATION MANAGEMENT
& TECHNOLOGY DIVISION

JANUARY 23, 1985

B-208738

The Honorable Paul S. Sarbanes
United States Senate

Dear Senator Sarbanes:

Subject: Review of Allegations Made About the Census
Bureau (GAO/IMTEC-85-4)

In response to your July 1, 1983, request and subsequent discussions with your office, we have evaluated the validity of several allegations made by one of your constituents about the U.S. Census Bureau. According to the constituent,

- during the 1980 Decennial Census, mismanagement and improprieties occurred in the recounting of the Bedford-Stuyvesant district of New York City;
- the Department of Commerce's Office of Inspector General covered up the results of an investigation and audit of the recount;
- senior Bureau executives, including the former Bureau director, abused travel; and
- the Bureau used government resources to ghostwrite a book for the former Bureau director.

In reviewing the allegations on the Bedford-Stuyvesant recount, we obtained some information covering management weaknesses, questionnaire falsification, and improper conduct by temporary census employees. The information on these matters was, however, quite limited. We believe this is partly attributable to the time lag between our review and the recount, which could have affected the recollections of those interviewed and the availability of records. We have provided Commerce's Inspector General (IG) with the information concerning questionnaire falsification and improper conduct of temporary census employees.

Regarding the other allegations, we did not find information to support a coverup by the IG, travel abuse by senior Bureau executives, or the misuse of government resources to write a book. (Details of our review are discussed in encl. I.)

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DATE 11-19-83 BY SP-10/BJD/STP



There are some lessons to be learned from the Bedford-Stuyvesant recount, which the Bureau should find useful in planning for the 1990 census. These are discussed in enclosure II.

OBJECTIVE, SCOPE, AND METHODOLOGY

To assess the validity of the allegations about the recount and a coverup by the IG of its investigation of the recount, we reviewed Bureau memoranda, accounting records and reports, and IG reports and supporting workpapers. We also interviewed permanent and temporary Bureau employees who worked on the recount, former IG officials who reviewed the recount, and your constituent. Because we performed our review about 3 years after the recount, the recollections of the persons interviewed may have been hampered. In our examination of the costs for the recount, the Bureau could not provide detailed accounting records on all transactions, and we could not obtain complete details on vehicle use records. The unavailability of some records, we believe, was also a result of the time lag in our review.

To find out if personnel had abused travel, we examined travel orders and vouchers for fiscal year 1982, the period specified in the allegation. We also interviewed Bureau officials and reviewed memoranda on the alleged use of government resources to ghostwrite a book for the former director. In addition, we used material developed from our prior reviews of the 1980 census to identify possible improvements for the 1990 census.

As requested by your office, we did not obtain agency comments on the report. However, we did discuss our findings with Bureau and Commerce officials and considered their comments in preparing the report. Except for the absence of agency comments, we performed our review in accordance with generally accepted government auditing standards.

BEDFORD-STUYVESANT RECOUNT

The Bureau recounted the Bedford-Stuyvesant area because a fire on October 27, 1980, damaged the Bureau's temporary office there and its contents of decennial census records. The Bureau spent about \$3.4 million on the recount, or more than three times the cost of conducting the original count. Items contributing to the cost of the recount being significantly higher included travel and subsistence costs for out-of-town employees, higher pay for temporary workers, overtime payments, and the use of rental vehicles.

In recounting the Bedford-Stuyvesant district population, the Bureau encountered several stressful situations. Because of the statutory reporting date of January 1, 1981, the Bureau had to accurately complete the recount in a short time period--2 months

compared to the 7 months taken in the original count. Added to this was the fact that the Bureau's regional director replaced the Bureau's district manager during the original count because he believed the manager's performance was not satisfactory. Moreover, New York City contested census-taking accuracy and procedures, and the ongoing litigation required some Bureau managers' attention.

Although the Bureau had to react in haste to a unique situation, it did accomplish its statutory mission of reporting the population counts to the President by January 1. Under the circumstances, second-guessing the Bureau's actions from hindsight does not seem to serve a constructive purpose. However, at your office's request, we have identified some lessons learned (see encl. II), such as administrative problems associated with the temporary employment of out-of-town personnel, the importance of physical security and information backup, and the impact of payment methods on productivity and cost, which could help prevent or reduce future problems. In a previous report, The Census Bureau Needs To Plan Now for a More Automated 1990 Decennial Census (GAO/GGD-83-10, Jan. 11, 1983), we recommended that the Bureau use more automation in the next census. Increased automation could provide for a backup file of data and would eliminate the need for a complete recount should such problems as those experienced by the Bedford-Stuyvesant office reoccur.

Also, as requested, we have determined the status of officials responsible for the recount (see encl. III).

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As agreed with your office, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days after its issue date. At that time, we will send copies to interested parties and make copies available to others upon request.

Sincerely yours,



Warren G. Reed
Director

Enclosures - 3

INFORMATION OBTAINED ONALLEGATIONS MADE ABOUTTHE CENSUS BUREAU

The following sections discuss our review of allegations made by a constituent concerning activities at the U.S. Census Bureau.

ALLEGATIONS ON THE BEDFORD-STUYVESANT RECOUNT

Because most of the Bureau's 1980 census records for the Bedford-Stuyvesant area were damaged or destroyed in a fire, the Bureau recounted the district. The constituent alleged that, in performing the recount, the Bureau spent between \$1 million and \$1.5 million more than it should have.

In reviewing this allegation, we obtained information that some mismanagement did take place during the recount. Indicators of this condition include the expense incurred in bringing in temporary workers from out of town and the need to redo some of the recount. Also, we obtained some information concerning questionnaire falsification and improper conduct by temporary census employees during duty hours. However, because of the time lag between the recount and our review, we cannot measure the extent of the mismanagement and improprieties.

Events leading to the recount

The enumeration activities of the 1980 Decennial Census took place between April 1, 1980 (Census Day), and December 31, 1980, when the population counts were reported to the President. For management purposes, the Bureau divided the country into 409 districts.

Field enumeration activities in the Bedford-Stuyvesant district started in late April--about 2 weeks late. In July 1980, Bureau regional officials noted discrepancies in the census records, such as differences between control records and completed questionnaires, and temporarily closed the office to inventory and assess the status of the count. After the assessment, the district manager was replaced and enumeration activities resumed.

On October 27, 1980, a fire (of suspicious origin, according to the Bureau) destroyed or damaged most of the census records at the Bedford-Stuyvesant district office. At the time of the fire, most field enumeration activities had been completed and a preliminary population count had been provided (in September) to New York City authorities for review.

However, on the day of the fire, the Bureau decided that a recount of the district was necessary, thus putting itself in the position of attempting to recount the entire district in the 2 months remaining before the statutory reporting date. In addition to this time constraint, the Bureau had to contend with controversy surrounding the 1980 census results. Nineteen legal suits had been filed by communities and groups that contested census procedures. New York had filed one of these suits before the fire. The New York suit, which challenged census-taking accuracy and procedures, heightened the visibility of the recount and the pressure under which operations were conducted.

To perform the recount, the Bureau assembled a staff of about 1,000 local temporary employees, and some permanent Bureau employees. According to the Bureau's current assistant director for demographic censuses, the Bureau was concerned that not enough competent employees were available in the New York City area to complete the recount. Therefore, it recruited 124 additional temporary employees from out of town who had prior experience in the 1980 census and who were racially compatible with the Bedford-Stuyvesant area. The Bureau's current chief of the field division said that the Bureau also hired these employees to make sure those assigned to the recount were objective and were not subject to political or community pressures to bias the count.

About 1 month after the recount started, the Bureau expressed dissatisfaction with the preliminary results because of the low count, mainly attributed by Bureau officials to curbstoning.¹ Consequently, the Bureau brought in about 250 of its senior field interviewers and program supervisors from around the country to help redo some of the initial work and finish the recount. When the Bureau brought in these employees, it dismissed the original group of 124 out-of-towners and most of the local temporary employees. According to the Bureau, it did not retain these employees to complete the recount primarily because of their poor performance.

Cost of the recount

According to its accounting records, the Bureau spent \$3.4 million on the recount. Although this is more than three times the cost of conducting the original count of the Bedford-Stuyvesant area, the costs are not comparable because of the short time-frame--2 months--the Bureau had to complete the recount. Also, as stated earlier, the replacement of the Bureau's original district manager and the New York suit only heightened the pressure under which the recount was conducted and management decisions were made.

¹"Curbstoning" means falsifying a questionnaire by not having contacted household members or their surrogates for the information.

In analyzing the Bureau's accounting records, we found that some were not complete and did not provide details of all expenses that contributed to the cost of the \$3.4 million recount. The two major costs--about \$2.2 million for payroll and about \$766,000 for travel and transportation--are discussed below.

Payroll costs

Regular pay and overtime made up most of the \$2.2 million payroll cost. Although this figure can be contrasted with the \$833,000 spent on pay for the original count, the costs are not comparable because of the uniqueness of the recount. For example, because of the short timeframe for the recount, the Bureau had several times as many employees to pay than it had in the original count and paid an extensive amount of overtime. Payroll records available in the New York regional office showed that \$375,000, or 32 percent, of the \$1,178,000 paid by the New York office to temporary employees was for overtime. It was not uncommon for the temporary employees to be paid for 20 to 40 hours of overtime in a week. As a rule, the Bureau tries to avoid paying overtime to census workers. Our analysis of recount payroll records showed that overtime pay had been authorized and approved by supervisors.

The recount was also unique because of the payment method used. Generally, temporary employees who worked on the 1980 census were paid on a piece-rate basis, which is a fixed fee for a completed task. The Bureau used this method to promote productivity and control costs. The Bureau believed that an hourly rate did not promote economy or encourage the quick completion of the work assigned. However, it resorted to an hourly rate when it was necessary to retain reliable temporary employees for difficult-to-complete assignments. During the Bedford-Stuyvesant recount, to help ensure an adequate workforce, the Bureau not only paid the hourly rate from the beginning, but it also paid a higher hourly rate (by about \$1) than it did for previous census work.

Travel costs

About \$766,000 was spent on travel and transportation in the recount. This sum consisted of about \$638,000 for transportation and subsistence for the temporary out-of-towners and for the Bureau staff brought in from other regions and headquarters, and approximately \$128,000 for rental vehicles.

The Bureau usually employed only local staff to do census work, with permanent supervisory Bureau personnel in charge of difficult-to-enumerate areas. However, as mentioned previously, the Bureau recruited 124 temporary employees from out of town to work on the recount. It paid for their transportation to and from New York and for their subsistence expenses for about a month while they were on the payroll. Some of the temporary employees reported

to duty with little or no money and required about \$43,000 in emergency cash advances. Many signed the cash advance forms after receiving the funds. One distribution of cash by a headquarters employee was not reported to the payroll office until most of the temporary group of out-of-towners were off the payroll. As a result, \$1,400 of the advances was not recovered.

Overall, the Bureau spent about \$128,000 for rented buses and cars during the approximately 6 weeks of the recount. The buses were used to transport (1) out-of-town employees from the hotel in mid-Manhattan where they resided during the recount and (2) local temporary employees from designated pickup points to the worksite. The rental vehicles were also used to transport supervisors around the district and for publicizing the recount (aided by loudspeakers placed atop the vehicles). The supervisors used the cars as portable offices and for moving materials. According to the Bureau's New York regional administrative officer, as many as 100 cars at one time may have been used on the recount. By contrast, enumerators for the original count generally had used the three New York City subway lines that serviced the Bedford-Stuyvesant area. However, the Bureau believed that for the recount, rental vehicles were necessary because it was using employees who were not native to the area and who had to travel at unusual hours.

Administratively controlling the transportation costs was a difficult task in the recount. A supervisory administrative Bureau official who worked on the recount reported that lists of essential data took weeks to be compiled or were not compiled at all. This included lists to determine (1) the validity of parking and gasoline reimbursement claims and (2) entitlement to mileage and parking reimbursement. Not having the lists obviously complicated the reimbursement process.

Allegations related to payroll and transportation costs

Although the constituent did not specify which recount activities contributed to excess costs, he did allude to a holiday atmosphere and partying by employees and to the abuse of rental automobiles by employees as causes. We interviewed 6 of 20 field supervisors who worked on the recount. Four commented that partying did take place during the recount. Two field supervisors told us that some work assigned to the original out-of-towners did not progress as fast as was expected. They believed that the group was competent but less than conscientious, saying they partied and "goofed off." A third field supervisor told us that, on two occasions during duty hours, he found about 10 out-of-towners engaged in curbstoning, drinking liquor, and using drugs at their hotel. He advised us that some of the partying out-of-towners were designated as census team leaders. He reported this situation to his

superiors and, shortly thereafter, the original group of out-of-towners was dismissed. These were the only cases of partying during duty hours reported to us.

In addressing travel and transportation costs, we reviewed allegations that approximately 10 GSA and rental vehicles were either destroyed or badly damaged by employees. We did find evidence that several vehicles were significantly damaged, but we found no information to indicate that the damage was caused by the Bureau's senior executive personnel. Moreover, we cannot conclude that the damage caused the Bureau to incur excessive costs. According to a Bureau official who was assigned the responsibility of reviewing the claims of a vehicle rental agency, a couple of rental vehicles were abandoned by temporary employees at airports but were later recovered, and three or four cars were wrecked. We did note that records of one vehicle rental agency firm showed major damage to seven vehicles used in the recount. However, the Bureau had taken out insurance coverage for vehicles rented from this agency.² One payment made by the Bureau to that firm for damage to one of the vehicles totaled \$475. Also, the Bureau's records showed that the agency reported a couple of cars were returned after the recount was completed.³ Regarding GSA vehicles, a GSA supervisor recalled significant damage done to one GSA vehicle. We do not have definitive information on damage or destruction involving GSA cars because adequate records were not available.

ALLEGATION OF COVERUP BY THE IG

The constituent contended that reports resulting from the IG's investigation and audit of the Bedford-Stuyvesant recount covered up the improprieties committed by Commerce and census employees. We reviewed the IG reports and supporting workpapers and spoke to the persons who performed the work. On the basis of our review of the IG's work and resulting reports, we found no evidence to substantiate the constituent's allegations about a coverup. However, we did note that the IG staff did not interview the field supervisory personnel who worked on the recount.

The IG's efforts were prompted by an anonymous letter of complaint citing inefficient use of the workforce during the recount,

²The policy, as implemented in the Federal Travel Regulations, provides that the government be a self-insurer. Apparently, this travel policy was not followed in this case.

³The IG's investigation of the billings of this vehicle rental agency indicated that the firm's credibility was suspect because of its failure to provide requested support for some billed amounts. Consequently, the Bureau did not pay all amounts submitted by this agency.

padding of pay and expense vouchers, uncontrolled use and abuse of rental cars, unauthorized use of rented hotel rooms, and partying. The IG report (File Number NO-0713-005) dated October 9, 1981, concluded:

"This investigation disclosed that rental cars were not misused and no improper conduct was noted on the part of any CEN [census] employees. All miscellaneous leads investigated were negative."

The conclusion on the abuse of vehicles was supported by interviews with representatives of the car-rental agencies. The IG auditors also reviewed car-rental records. The conclusion on the conduct of employees was supported by the interviews with officials of the hotels where census employees stayed during the recount, the Bureau's New York regional director and assistant regional director, and several payroll clerks. However, the then IG staff did not interview field supervisory personnel who worked on the recount. As to why these personnel were not interviewed, the IG could not say. However, he did acknowledge that the 1981 review seemed deficient in this respect and added that the field staff who performed the work were no longer Commerce employees.

The other complaints were covered in a September 22, 1982, audit report by the IG (NYC-X-573-00-0700-82-001), which concluded that weaknesses existed in the overall management of the recount. The report stated that the Bureau had a poorly defined management chain of command and that it did not adhere to established controls in managing the recount effort, ". . . causing ineffective performance of temporary employees and substantial wasteful expenditure in recount costs. . . ." The report also stated:

"As a result, substantial portions of work performed by the first wave which cost more than \$353,000 had to be redone by a second recount involving the use of 250 permanent staff for a one-month period, at an estimated cost of \$400,000."

The report further stated:

"A clear line of authority and responsibility would have resulted in a more coordinated and controlled taking of the recount. We believe that under these circumstances the quality of work performed by wave-one employees would have been higher and that the size of the second wave, which required 250 professional census employees at travel and per diem costs of \$400,000 could have been reduced greatly."

The IG's audit report concluded that the Bureau paid \$34,175 for hotel and auto rentals without proper documentation, and \$13,419 of unallowable expenses.

The scope of the IG's audit included interviews with senior Bureau executives at the Bureau's headquarters and New York regional office and an examination of procedural manuals, correspondence files, pay and travel folders, vendor invoices and available project files.

ALLEGATION OF TRAVEL ABUSE

The constituent complained about extensive travel by senior Bureau executives, particularly by the former director, during 1982, when the Bureau was in a financial crunch and was forced to reduce its staff and to furlough some employees. In reviewing this complaint, we found senior Bureau officials, including the former director, made trips to foreign countries during fiscal year 1982. The travel, however, was not inconsistent with the Bureau's programs and mission: to collect and publish international statistics and provide technical assistance to foreign governments. Foreign travel for these purposes and to obtain information about statistical procedures in other countries is not uncommon.

During fiscal year 1982, the former Bureau director made several trips to South American countries, the Mideast, Europe, and Canada, as detailed in the following chart.

<u>Destination</u>	<u>Dates</u>	<u>Purpose</u>
Buenos Aires, Argentina, and Montevideo, Uruguay	11/25 - 12/5/81	In Buenos Aires to attend the 43rd session of the International Statistics Institute. In Montevideo to discuss programs of mutual interest.
Ethiopia and Saudi Arabia	3/4 - 3/14/82	In Ethiopia to attend the Second Session of the Joint Conference of the African Planners, Statisticians, and Demographers. In Saudi Arabia to establish and strengthen technical relationships with the Director of the Saudi Central Department of Statistics.
European countries	5/7 - 6/1/82	This trip was in connection with the European Visitor Program and was paid for by the Commission of European Communities. The trip, which was awarded to the former director on the basis of work and interests before his appointment as director, was considered a working vacation.
Ottawa, Canada	6/6 - 6/9/82	This trip was taken to attend the joint regional directors conference with Statistics Canada. In addition to the former director, 20 other Bureau officials attended the conference. Regional directors conferences are a regular feature of Bureau operations.

Other senior Bureau officials also traveled to foreign countries in fiscal year 1982 to attend conferences or to exchange ideas and information with foreign statistical agencies. The deputy director visited London, Lisbon, and Rabat. The former associate director for economic fields visited London, Paris, and Athens, at no cost to the Bureau. And the former assistant director for international programs visited Korea and Japan during the end of fiscal year 1981 and the early part of fiscal year 1982.

Some trips taken in fiscal year 1982 by senior Bureau officials were for both business and personal reasons. The travelers specified the amount of time taken for personal business and did not claim reimbursement for those periods. For example, the former director traveled to Washington State, where he formerly held public office. During this trip, he took time out for personal business and did not claim expenses for those days.

One questionable item of minor cost did surface in our review. The Bureau's former director used \$135 of government funds for a registration fee to attend the Conservative Political Action Conference in 1982. After we brought this matter to his attention, he voluntarily reimbursed the government for the registration fee.

ALLEGATION OF MISUSE OF GOVERNMENT RESOURCES TO PUBLISH BOOK

The constituent complained that Bureau employees were diverted from their normal duties and put to work on ghostwriting a book for the former Bureau director. In reviewing this complaint, we interviewed Bureau employees who worked on the project and examined memoranda prepared on the book project. On the basis of this review, we did not find an abuse of management prerogatives in the development of the book.

In the latter part of 1981, the former Bureau director initiated the idea of preparing a statistical report on the states. The book, tentatively entitled The American States - A Comparison of State Rankings, was intended to focus on the variations and relative rankings among the states for a variety of statistical indicators. The book was to be patterned after an earlier publication by the former director before his employment at the Bureau.

The former director designated the book to be a Census Bureau publication and not a private publication. Actions taken on the book were not secretive. Meetings were held, outlines prepared, and staff assigned to work on the book. However, accounting records were not maintained on the costs. The Bureau successfully sought private-sector financing of the printing, as it had for other publications about the decennial census. However, because it believed the Government Printing Office should provide the necessary services, the Congressional Joint Committee on Printing

denied the Bureau's request for commercial publication of the manuscript. As of April 1984, the Bureau had decided to not publish the manuscript, but rather to use it for internal purposes.

LESSONS LEARNED THAT MAY BE OF VALUE
IN PLANNING THE 1990 CENSUS

The fire in the Bureau's Bedford-Stuyvesant office created a situation in which Bureau management was often led to make decisions without adequate time or information to consider possible alternatives. There is little if any value in rehashing the decisions made by the Bureau concerning the recount since these decisions, for the most part, were unique to the particular circumstances of the situation. With the benefit of hindsight, however, some lessons can be learned, which the Bureau should find useful in planning for the 1990 census.

In this regard, we are focusing attention on three specific areas:

- Problems to be anticipated in the temporary employment of out-of-town personnel.
- The importance of physical security and information back-up.
- The impact of payment methods on productivity and cost.

PROBLEMS TO CONSIDER IN TEMPORARY
EMPLOYMENT OF OUT-OF-TOWN PERSONNEL

The benefits of using out-of-town personnel for temporary work need to be compared to the additional costs and administrative problems which such personnel incur. In deliberating on the use of out-of-towners for future decennial census work, the Bureau should recognize that some of the situations it experienced in this last recount may reoccur.

In the future, if the need arises to bring in out-of-towners to do census work, the Bureau will have to ensure that procedures and controls are adequate to deal with the administrative problems noted in the recount. The cost of these procedures and controls are part of the price paid to bring in temporary personnel.

In considering whether to employ permanent employees or temporary employees, the Bureau should give greater weight to the quality and quantity of production that can be expected. Most of the travel and administrative costs would be approximately equal for either choice. However, we believe the use of permanent employees, if available, should result in higher productivity because these persons are experienced and, on the basis of the Bedford-Stuyvesant results, are more conscientious.

THE IMPORTANCE OF PHYSICAL SECURITY
AND INFORMATION BACKUP

Security is especially important in a decennial census because of the need to safeguard the data from physical damage or loss, as well as to protect the confidentiality of the data collected. Fire, as evidenced in the Bedford-Stuyvesant office, is a particular hazard. Large amounts of paper items were used in the census, including questionnaires, which, when completed, were the basic source of the census results; control registers; maps; manuals; and administrative forms and records. In the Bedford-Stuyvesant office, for example, about 96,000 completed questionnaires were stored at the time of the fire. In the 1980 census, most of the completed questionnaires were retained in the district offices until the enumeration for that area was completed. Thus, completed questionnaires might be retained in temporary offices for several months before being sent to special processing centers. Other factors affected district office security. Many of the temporary decennial census offices, staffed almost entirely by temporary employees, were located in high crime areas.

The Bedford-Stuyvesant office was a prime example of the vulnerability of the records in the 1980 census. However, during the 1980 census period, other offices also suffered significant fire damage. Early in the enumeration period, a fire destroyed or damaged two thirds (or 120,000) of the completed questionnaires in a Massachusetts district office. A fire also destroyed maps in the Bureau's Jeffersonville, Indiana, office. In addition, Bureau field supervisory personnel advised that threats of destruction from disgruntled terminated employees were not uncommon in large urban areas during the enumeration period. Problems of maintaining physical security existed even in the Camden, New Jersey, pretest because of the threats from disgruntled former employees.

The increased automation we recommended in our report, The Census Bureau Needs To Plan Now for a More Automated 1990 Decennial Census (GAO/GGD-83-10, Jan. 11, 1983), could avoid the need for a recount should a calamity occur in a future census. We believe an automated data processing system that provides a backup file of data for returned questionnaires and control registers at a place remote from the data collection location is a distinct possibility for the next decennial census. The Bureau is planning to test this process in its pretests for the 1990 Decennial Census.

Increased automation could also provide better control of the data collected as the multitude of paper questionnaires is subject to misplacement or loss.

IMPACT OF PAYMENT METHODS ON PRODUCTIVITY AND COST

The method or rate of pay can adversely affect the productivity and retention of a temporary workforce and may lead to higher costs. The Bureau's inability to obtain and retain an adequate temporary workforce was a major problem in the 1980 Decennial Census. The Bureau experienced this problem in many district offices. During our visits to 40 district offices, 21 district office managers complained that they could not retain enough competent people. To illustrate the magnitude of the problem, enumerator turnover in four of the five pretests for which data are available ranged from 37 to 74 percent.

In our prior report, Problems in Test Censuses Cause Concern for 1980 Census (GGD/80-62, June 3, 1980), we addressed the Bureau's difficulty in attracting and retaining an adequate temporary workforce for the census. On the basis of information from enumerators who worked on the census pretests, we identified that the major cause of the problem was dissatisfaction with pay. Generally, temporary employees who worked in the 1980 census were paid on a piece-rate basis. To promote productivity and control costs, the Bureau obtained an exemption from the minimum wage provision of the Fair Labor Standards Act for the 1980 census for the piece-rate payment. However, the Bureau sometimes resorted to an hourly rate to retain reliable employees for difficult-to-complete assignments.

Both payment methods have limitations. The piece-rate system is an incentive system which can encourage production. However, it may not foster quality work. Curbstoning was not uncommon in the census. To be effective, piece-rates must be appropriately applied. For example, a higher rate may have to be applied in the latter stages of enumeration, because the easy cases are usually completed first. Consequently, if the rate is not increased, personnel turnover will probably occur. Also, stringent controls, such as the rechecking of completed work, is necessary to ensure work quality.

An hourly rate, as authorized in the recount, ensures a fixed income for employees and tends to reduce turnover. On the other hand, an hourly rate does not promote economy or encourage the quick completion of the work assigned; nor does it ensure quality work. These differences in the effects of the payment methods ought to be carefully considered in future emergencies.

STATUS OF MANAGERSRESPONSIBLE FOR THE RECOUNT

<u>Bureau official at the time of the recount</u>	<u>Status as of November 1984</u>
Bureau Director	Resigned
Deputy Director	Retired
Associate Director for Demographic Fields	Retired
Associate Director for Field Operations	Retired
Senior Demographic Advisor/Acting Chief, Decennial Census Division	Assistant Director for Demographic Censuses (Promotion)
Regional Director - New York	Same position
Regional Director - Philadelphia	Retired
Regional Director - Chicago	Same position
Assistant Regional Director (Census) New York	Assistant Division Chief Field Division (Promotion)