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REPORT BY THE

Comptroller General

OF THE UNITED STATES

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Student Eligibility And Other Problems In Federally Funded And Operated Schools In Puerto Rico

GAO notified the Congress of eligibility problems in the Antilles Consolidated School System. The Congress amended the law but certain eligibility and other problems remain. The Office of Education needs to

- revise its regulations to establish criteria which can be consistently applied,
- obtain better evidence from parents and employing agencies that off-base children meet the new eligibility criteria,
- consider the need for additional legislation to allow tuition students to attend, and
- devise a better means for determining comparability between schools in Puerto Rico and in the District of Columbia as required by law.



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HRD-78-173
JANUARY 5, 1979





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

B-164031(1)

The Honorable Carl D. Perkins
Chairman, Subcommittee on Elementary,
Secondary and Vocational Education
Committee on Education and Labor
House of Representatives

HSE01102

Dear Mr. Chairman:

This report discusses action required to resolve student eligibility and other problems in federally funded and operated schools in Puerto Rico. The review was undertaken at the request of a member of your Subcommittee, Mr. Baltasar Corrada, the Resident Commissioner of Puerto Rico. *CN6 1637*

As you may know, the eligibility problems noted in the report were addressed in legislative changes made by the Education Amendments of 1978. Further action, however, is required.

AGC 550

The Office of Education needs to (1) revise its regulations to establish criteria which can be consistently applied, (2) obtain better evidence from parents and employing agencies that off-base children meet the new eligibility criteria, (3) consider the need for additional legislation to allow tuition students to attend, and (4) devise a better means for determining comparability between schools in Puerto Rico and in the District of Columbia as required by law.

We are making several recommendations to the Secretary of the Department of Health, Education, and Welfare to deal with the eligibility problems, and one in relation to comparability between the schools in the Antilles Consolidated School System and those in Washington, D.C. Officials of the Office of Education and the Navy agree with our recommendations for further action which are set forth on pages 12, 13, and 21 of the report.

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 have provided Mr. Corrada a copy of this report and will be in touch with his office in the near future to arrange for release of the report so that the requirements of section 236 can be set in motion.

Sincerely yours,

A handwritten signature in black ink, reading "Thomas B. Stenta". The signature is written in a cursive style with a large initial "T" and "S".

Comptroller General
of the United States



COMPTROLLER GENERAL'S
REPORT TO THE
SUBCOMMITTEE ON
ELEMENTARY, SECONDARY
AND VOCATIONAL EDUCATION
COMMITTEE ON EDUCATION
AND LABOR
HOUSE OF REPRESENTATIVES

STUDENT ELIGIBILITY AND OTHER
PROBLEMS IN FEDERALLY FUNDED
AND OPERATED SCHOOLS IN
PUERTO RICO

D I G E S T

Expressed congressional intent has been that only those children of federally employed parents who had been temporarily transferred from the United States to Puerto Rico were eligible to attend the Antilles Consolidated School System. (See p. 4.)

The Office of Education, however, permitted the children of locally hired parents to attend the schools if the parents showed they were subject to transfer to an area where English was the principal language of instruction in the schools. The question of whether the children of these parents were eligible to attend Antilles involved about 700 students (about 23 percent of the total school enrollment). (See p. 5.)

In addition, the Office of Education has not required reasonable evidence that the parents are subject to transfer, by policy and practice, and that the children of parents in similar employment situations are treated consistently.

GAO noted also that about 135 tuition students were being permitted to attend Antilles as well as an unknown number who were found to be ineligible several years ago but allowed to continue their enrollment. (See pp. 6 to 10.)

GAO alerted the Congress to these problems, and section 6 of Public Law 81-874 was subsequently amended to allow children of locally hired parents to be considered eligible if the parents were subject to transfer by policy and practice. However,

carrying out this law and other problems remain. (See p. 6.)

The Navy is required to provide that the children in Puerto Rico have an education comparable in kind and quality to that provided in the District of Columbia. The Commissioner of Education is authorized to provide the necessary funding to accomplish this comparability.

In GAO's opinion the type of information the Navy submitted to the Office of Education does not provide a basis for determining whether the education provided at Antilles is comparable in kind and quality to that provided in the District of Columbia. (See pp. 19 and 20.)

The Secretary, Department of Health, Education, and Welfare should have the Commissioner of Education:

- Revise Office of Education regulations to establish uniform criteria for children attending federally funded schools in Puerto Rico.
- Require better evidence that parents of off-base children entering Antilles schools are, in fact, subject by policy and practice to be transferred or reassigned to areas where English is the language of instruction in the schools normally attended by Federal employees' children.
- Determine whether it is advantageous to the Government to continue permitting tuition students to attend Antilles schools. If so, the Office of Education should determine whether additional legislative authority is required for their attendance.
- Decide what kind of information could be used to better compare the education provided at Antilles to that provided in the District of Columbia and require the Navy to submit such information to the Office of Education.

The Office of Education and Navy officials agreed with the recommendations. An Office of Education official said that actions concerning the matters discussed are planned or in progress.

The conference report on the Education Amendments of 1978 said that it was the intention of the conferees that the dependents of Federal employees presently attending section 6 schools be considered as legitimately enrolled. The new eligibility requirements, therefore, would be applied only to students entering the school for the first time.



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ABBREVIATIONS

ACSS Antilles Consolidated School System
CNET Chief of Naval Education and Training
GAO General Accounting Office
HEW Department of Health, Education, and Welfare
LEA local education agency
OE Office of Education

CHAPTER 1

INTRODUCTION

The Resident Commissioner of Puerto Rico, who is also a member of the House Committee on Education and Labor, asked us to review the Antilles Consolidated School System (ACSS) in Puerto Rico.

ACSS, operated by the Department of the Navy, provides free education to children of certain Federal employees in Puerto Rico. Maintenance and operating funds are provided by the Department of Health, Education, and Welfare's (HEW's) Office of Education (OE) under the authority of section 6 of Public Law 81-874 (20 U.S.C. 241). Funds for the construction, repair, and improvement of school facilities in the system have been provided by OE under the authority in section 10 of Public Law 81-815 (20 U.S.C. 640).

At the time of our review, ACSS had schools at the following installations.

--Fort Buchanan

--U.S. Naval Communication Station (formerly Fort Allen)

--Roosevelt Roads Naval Station

--Borinquen Coast Guard Station (formerly Ramey Air Force Base)

Before being amended by the Education Amendments of 1978, section 6 of Public Law 81-874 required OE to arrange for and finance free public education for children residing on Federal property if no State or local tax revenues could be used for their free education or no local educational agency (LEA) could provide suitable free education for them. 1/

1/Section 6, as amended in 1978, states that in any case in which education is already being provided under an arrangement made under section 6, it is to be presumed that no LEA is able to provide the education unless the Commissioner of Education determines otherwise.

With one exception 1/ eligibility for attending section 6 schools in the United States is limited to children residing on Federal property. This includes children whose parents are in the Armed Forces on active duty and who have been denied admittance to public schools. However, in Puerto Rico children residing with a parent employed by the United States but not residing on Federal property (off-base children) are also eligible to attend the schools if certain conditions are met.

Section 6 requires that the educational arrangements be made with either an LEA or the head of a Federal agency which administers the Federal property on which the children reside or has jurisdiction over some of the active duty parents in the Armed Forces.

The Department of the Navy, under arrangements between the Secretary of the Navy and the Commissioner of Education, operates the ACSS schools.

In fiscal year 1978, OE grants for operating and maintaining section 6 schools totaled about \$51.7 million, including about \$7.3 million (about 14 percent) for the ACSS schools. During fiscal years 1951-76, OE reserved \$13.8 million under section 10 of Public Law 81-815 for construction of ACSS facilities.

SCOPE OF REVIEW

In accordance with the request and the later agreement with the requestor's office, we reviewed (1) the condition of ACSS facilities and efforts to improve them and (2) the overall school administration, including management, budget, eligibility of students, and relations between OE and the Navy. We interviewed OE and Navy officials and other interested parties such as parents, teachers, and union representatives. Also, we reviewed legislation, regulations, policies, and procedures applicable to operating ACSS. Our work was conducted at OE headquarters in Washington, D.C., and at the four ACSS sites in Puerto Rico.

1/Under certain conditions, children whose parents are employed on Federal property and who reside with their parents in an area adjacent to the Federal property on which the section 6 school is located are eligible.

CHAPTER 2

STUDENT ELIGIBILITY CRITERIA

SHOULD BE CLARIFIED AND

APPLIED MORE UNIFORMLY

As a result of our review, the Congress amended section 6 of Public Law 81-874 (20 U.S.C. 241) to clarify the criteria under which children of Federal employees not residing on Federal property (off-base children) are eligible to attend section 6 schools in Puerto Rico.

The Office of Education needs to insure that (1) under the new criteria, adequate eligibility evidence for off-base children is obtained from parents and employing agencies and (2) the children of parents in similar employment situations are treated consistently in eligibility determinations.

The number of eligible students directly affects the amount of OE funds needed for (1) maintaining and operating ACSS schools and (2) constructing, repairing, and improving ACSS school facilities. OE's payments to ACSS for maintenance and operations for school year 1977-78 were based on a rate of \$2,262 per pupil and totaled about \$7.3 million. As of June 30, 1978, OE had requests from ACSS totaling about \$11.7 million for constructing and improving school facilities. Most of the proposed new or improved facilities are planned for Fort Buchanan, which has about 90 percent of the off-base students who are affected by the eligibility question.

CURRENT ENROLLMENT

As of September 30, 1977, enrollment at the section 6 schools in Puerto Rico totaled about 3,100 students. Of these, about 1,480 resided on Federal property and about 1,630 did not. Most of the students not residing on Federal property had parents employed by the Federal Government; some had parents who were not so employed and were paying tuition.

Many other children of Federal employees in Puerto Rico were not attending the section 6 schools. The Commonwealth of Puerto Rico's application to OE for impact aid under Public Law 81-874, section 3, for the school year 1976-77

showed that 4,626 children of parents employed on Federal property were not enrolled in the section 6 schools. These children either had not tried to enroll in the section 6 schools or had been determined to be ineligible.

ELIGIBILITY CRITERIA FOR OFF-BASE CHILDREN RECENTLY CHANGED

When initially enacted in June 1950, section 6 contained no provision for permitting children of federally employed parents but not residing on Federal property to attend section 6 schools. Paragraph (c) was added to section 6 in August 1953, permitting such children in Puerto Rico 1/ to attend the schools if the Commissioner of Education determined that (1) the provision of such education was appropriate to carry out the purpose of the law and (2) no LEA could provide suitable free education for such children.

The legislative history showed that the Congress, by amending section 6 to permit off-base children to attend the schools, wanted to serve the educational needs of children of Federal employees who were temporarily transferred from the United States to Puerto Rico. Senate Report No. 714 (83d Congress) on the August 1953 amendment 2/ to section 6 contained the following comments on the purpose of authorizing children who were not residing on Federal property to attend the federally funded schools.

"This amendment is necessary to enable children of Federal employees temporarily stationed in these areas to attend schools which, because they are federally operated, will be more nearly comparable to those in the continental United States which they previously attended and will again attend; for example, the local public schools in Puerto Rico do not conduct their courses in English." (Underscoring supplied.)

The intent expressed in the Senate in 1953 (quoted above) was restated in the House in March 1965 when it considered amending section 10 of Public Law 81-815. House Report No. 164 (89th Congress) stated that

1/This provision, as amended, also applies to Wake Island, Guam, American Samoa, and the Virgin Islands.

2/Public Law 83-248.

"* * * Puerto Rico is the only one of these places where the offbase schools are not suitable for the attendance of children whose families have come from the mainland inasmuch as the offbase schools are overcrowded and their primary language of instruction is Spanish."
(Underscoring supplied.)

In implementing the legislation, OE did not restrict eligibility to children of parents who were hired by the Government and later transferred temporarily from the United States to Puerto Rico. Our review showed that:

- According to applications for school year 1977-78, about 700 off-base students, or about 23 percent of the enrollment at the ACSS schools, were children of parents who were already residing in Puerto Rico when hired by the Federal Government (local hires). During the discussion of the 1965 amendment on the House floor, the amendment sponsor stated that section 6 did not provide for the education of Puerto Rican nationals or children of Puerto Rican nationals employed by the United States.
- About 100 additional off-base students were children of parents employed as teachers, or administrators, or were in other positions in ACSS. According to an OE and an ACSS official, these parents generally are not subject to transfer or reassignment.
- Another 135 off-base students were admitted to ACSS on a tuition basis. Most of these students' parents were employed by private industry. Some had retired from Federal civilian or military service. The majority of these students were attending a kindergarten-through-grade-12 school at Borinquen Coast Guard Station, which had an enrollment of 318 students during August and September 1977. An ACSS official told us that the school was opened to tuition-paying students because an enrollment of at least 300 students was needed to maintain a comprehensive school program.
- The enrollment included a number of children (we could not readily determine how many) who were admitted but later found to be ineligible by OE. In a specific case involving Post Office employees, OE decided in August 1972 that certain ineligible students could continue in the schools to avoid educational disruption. Navy officials applied this decision to all ineligible students enrolled at the close of school year 1971-72.

On March 13, 1978, we provided most of the above information to the Subcommittee on Elementary, Secondary and Vocational Education, House Committee on Education and Labor, for its use in considering proposed legislation to amend and extend the Elementary and Secondary Education Act. The ensuing legislation--the Education Amendments of 1978, Public Law 95-561--amended the eligibility requirements for section 6 schools in Puerto Rico to read as follows:

"* * * In any case in which the Commissioner makes arrangements under this section for the provision of free public education in facilities situated on Federal property in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, he may also make arrangements for providing free public education in such facilities for children residing with a parent employed by the United States in a grade, position, or classification subject by policy and practice to transfer or reassignment to areas where English is the language of instruction in the schools normally attended by children of Federal employees. Dependents of excepted service professional employees of the schools shall be eligible to attend the schools."
(Underscoring supplied.)

The new criteria differ from the original congressional intent expressed in 1953. (See pp. 4 and 5.)

- Eligibility is not restricted to children of parents who are temporarily transferred from the United States to Puerto Rico, but it may also include local hires who are subject to transfer.
- Transfers of parents from Puerto Rico may include places other than the United States if English is the language of instruction in the schools normally attended by Federal employees' children.
- Certain ACSS employees are specifically declared to be eligible.

OE ACTION NEEDED TO IMPLEMENT
NEW ELIGIBILITY CRITERIA

The new statutory criteria are similar to provisions of OE regulations which have been in force for several years. Implementing these regulations has not, in our opinion,

provided reasonable evidence that the parents are subject by policy and practice to be transferred; nor have regulations insured that parents in similar employment situations are treated consistently. Also, if OE intends to continue permitting children to attend ACSS schools on a tuition basis, it should determine whether additional legislation is required.

Approximately 700 children of locally hired parents and about 650 children of parents transferred to Puerto Rico after being hired were determined to be eligible under OE regulations (45 C.F.R. 115.52). The regulations state that such children are eligible if

- the employing Federal agency has a policy of transfer or reassignment of personnel who occupy grades, positions, or classifications the same or similar to that of the parent,
- the parent is subject to that transfer or reassignment policy, and
- the employing agency normally transfers or reassigns such personnel to places where English is the language of instruction in the schools normally attended by Federal employees' children.

These regulations, in force at the time of our review, are still current. The regulations appear to be consistent with the amendments made to the eligibility requirements by the Education Amendments of 1978.

To establish each child's eligibility under these regulations, OE required that the employing Federal agency and the parent certify that the parent was subject to transfer or reassignment. Correspondence from some employing Federal agencies to section 6 school administrators showed that, under their certification policies, all or most of their employees in Puerto Rico could be certified as subject to transfer or reassignment. For example:

- The Veterans Administration Center in San Juan said it would certify any parent who has been transferred to Puerto Rico, at the Government's expense, from an area where English is used in the school. The Center said it would also certify locally hired parents occupying "key" positions, such as nurses, doctors, division chiefs, assistant division chiefs, hospital housekeeper officers (GS-5 and above), personnel management specialists (GS-7 and above), and accountants (GS-7 and above).

- The Department of Agriculture's Soil Conservation Service said it would certify that all of its employees in Puerto Rico, including administrative personnel, were liable to be transferred to the Virgin Islands where English is the language of instruction. The Department's Animal and Plant Health Inspection Service said it would even certify that its GS-3 and GS-4 technicians were subject to transfer, on the basis that they may be temporarily detailed to the United States and could also ask for transfers. The temporary assignments were said to sometimes extend to 1 or more years.
- The Federal Bureau of Investigation said it would certify that clerks as well as supervisors and special agents could be transferred from Puerto Rico. Most of the clerks certified were grades GS-3 to GS-5.
- The General Services Administration said it would certify that all of its employees were subject to transfer because under the merit promotion plan any employee may apply for a position in the United States.
- The Department of Labor's Office of the Solicitor said its policy was to transfer secretarial and clerical personnel as well as attorneys. This policy applied to all grade levels.

Correspondence from some of the other Federal agencies in Puerto Rico indicated differences among agencies as to which employees would be certified as subject to transfer. For example, in contrast to the agencies mentioned previously:

- The Department of Agriculture's Office of Audit said it would certify only its professional employees as being subject to transfer.
- The Social Security Administration said it would certify only those employees who occupy positions of claims representatives or higher.

Individual employer-parent certification forms require different certifications for parents hired locally and for parents transferred to Puerto Rico after being hired. For locally hired parents, both parties certify that the agency normally transfers or reassigns personnel that occupy the grade, position, or classification held by the parent. Parents transferred to Puerto Rico after being hired merely certify along with the employer-agency that the parent

was transferred to Puerto Rico from a place where English is the language of instruction in the schools normally attended by Federal employees' children.

Evidence that employees in similar positions had actually been transferred was not obtained by ACSS as part of the eligibility determinations. An April 26, 1978, letter from an OE official to the ACSS area coordinator shows that OE intends to require some documentation of this nature in the future.

For both types of parents--those hired locally and those transferred to Puerto Rico after being hired--the certification form requires the employer to state the expected date of the parent's transfer from Puerto Rico. Of the 721 certifications submitted for school year 1977-78, however, only 130 (18 percent) specified this date. (For locally hired parents only 8 percent gave a specific date.) In 373 instances this part of the form was left blank. For the remaining 218 instances, the information given was general or indefinite, such as "unknown," "indefinite," "not determined," "open," or "as need arises." The following table provides details.

<u>Responses</u>	<u>Number</u>	<u>Percent</u>
Left blank	373	52
Provided date	130	18
Unknown	69	9
Indefinite	35	5
Not determined	32	4
As need arises	12	2
Open	7	1
Other vague responses	<u>63</u>	<u>9</u>
	<u>721</u>	<u>100</u>

Neither OE nor ACSS has compiled data on the number of parents who actually transferred from Puerto Rico. Data prepared by ACSS in 1976 at the request of the ACSS school council shows, however, that a significant percentage of the children enrolled at ACSS in the early part of the 1976-77 school year had attended ACSS for 3 or more years. The following summary illustrates that data.

Children of	Years attended ACSS school												Total
	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<u>10</u>	<u>11</u>	<u>12</u>	
Active military	583	950	177	58	25	9	9	5	2	2	-	-	1,820
Civilians	<u>335</u>	<u>514</u>	<u>134</u>	<u>125</u>	<u>74</u>	<u>80</u>	<u>68</u>	<u>59</u>	<u>40</u>	<u>35</u>	<u>23</u>	<u>9</u>	<u>1,496</u>
	<u>918</u>	<u>1,464</u>	<u>311</u>	<u>183</u>	<u>99</u>	<u>89</u>	<u>77</u>	<u>64</u>	<u>42</u>	<u>37</u>	<u>23</u>	<u>9</u>	<u>3,316</u>

We determined about 28 percent of the children had attended ACSS for 3 or more years. Almost 43 percent of the civilian children had attended for 3 or more years. This is more than 2-1/2 times the percentage of children of military parents that had attended ACSS 3 or more years. About 21 percent of the civilian students had attended 6 or more years, and a few had attended a full 12-year cycle at ACSS.

The approximately 100 students whose parents were employed by ACSS were admitted under OE regulations which provided that such students are eligible if their parents (1) are employed as teachers, administrators, or supervisors within the system and (2) were hired in the United States or other English-speaking areas.

Excluded from eligibility are parents hired locally, regardless of their job level, and lower level employees (such as bus drivers, custodians, clerks, and secretaries), regardless of where they were hired.

Under OE regulations, the children of parents employed in the higher level positions within ACSS are eligible even though the parents are not subject to transfer back to the United States or to any other area where English is the language of instruction. Under the new statutory criteria these children continue to be eligible.

The 135 tuition students, most of whose parents were not Federal employees, are not authorized to attend ACSS schools under the old or new legislation or under the OE regulations. We found no legal basis for allowing these children to attend ACSS schools provided their parents pay tuition. Neither the law nor OE regulations provide for the continued enrollment of the other unknown number of children who were discovered to be ineligible after they were admitted.

EFFECT OF ELIGIBILITY
ON FUNDING NEEDS

The number of students enrolled in ACSS schools directly affects the amount of funds OE provides for the maintenance and operation of ACSS schools. Section 6 provides that such payments may not exceed the amount per pupil determined to be necessary to provide education comparable to free public education provided for the children in the District of Columbia. For the school year 1977-78, OE authorized ACSS to spend about \$7.3 million for maintenance and operating costs, based on a per-pupil rate of \$2,262. The House Committee on Appropriations 1/ has directed OE to use up to \$360,000 from fiscal year 1978 section 10 funds for purchase of portable classrooms. These portable classrooms are to be used to replace certain Fort Buchanan facilities that were considered inadequate. A contract for the portable classrooms was awarded on September 9, 1978. An OE official informed us that OE had requested completion by December 1978.

In addition, ACSS has requested assistance estimated by OE to cost about \$11.7 million for constructing new or improved facilities at Fort Buchanan and other locations. Funding for these facilities is uncertain. The requests include about:

- \$9.5 million for a new junior-senior high school, repairs and improvements at two existing facilities, and a new administration center at Fort Buchanan.
- \$2.2 million for repairs and improvements at the Roosevelt Roads Naval Station and the Borinquen Coast Guard Station.

As indicated, the largest proposed construction is at Fort Buchanan. Fort Buchanan is the area where most of the off-base children involving eligibility considerations were enrolled.

Of the 700 children of locally hired parents in ACSS schools, about 645 were at Fort Buchanan. About 90 percent of all the off-base children were in Fort Buchanan schools.

Additional information on ACSS school facilities and past efforts to obtain funds for improving them is presented in appendix I.

1/H. Rept. 95-381, 95th Cong., 1st sess. (1978), p. 63.

CONCLUSIONS

Present OE regulations allow agencies to be inconsistent in certifying which of their employees are subject to transfer. Agency certification policies, in some instances, are so liberal that all or most of their employees could qualify. Differences among these policies could result in inconsistent treatment of children of parents in similar employment situations.

Accordingly, OE needs to insure that the eligibility criteria are consistently applied. Planned transfer dates and information on the extent that employees in similar positions have actually been transferred are needed to determine whether parents are subject by policy and practice to transfer or reassignment.

A number of off-base children are being permitted to attend ACSS schools on a tuition basis. OE needs to determine whether this is advantageous to the Government. If it is advantageous, OE should determine whether additional legislation is required in order to allow these students to remain.

RECOMMENDATIONS TO THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

We recommend that the Secretary, HEW, have the Commissioner of Education:

- Revise OE regulations to establish criteria for providing uniformity among employing agencies' certifications of which employees are subject by policy and practice to transfer to areas where English is the language of instruction in the schools normally attended by Federal employees' children.
- Require better evidence that parents of off-base children entering ACSS schools are subject by policy and practice to transfer or reassignment to areas where English is the language of instruction in the schools normally attended by Federal employees' children. This evidence should show that it has normally been the practice of the employing agencies to transfer persons, in positions or grades similar to those of the applicant, to areas where English is the language of instruction.

--Determine whether it is advantageous to the Government to continue permitting tuition students to attend ACSS schools. If so, OE should determine whether additional legislation is required for their attendance.

INFORMAL COMMENTS BY OFFICE OF
EDUCATION AND NAVY OFFICIALS

OE and Navy officials informally advised us that they agreed with our recommendations. An OE official stated that (1) OE regulations were in the process of being changed, (2) better documentation would be required from agency officials to show that parents were, in practice, subject to transfer, and (3) OE would consider whether additional legislative authorization is required in order to continue permitting tuition students to attend ACSS schools.

The conference report on the Education Amendments of 1978 stated that the intention of the conferees was that the dependents of Federal employees presently attending section 6 schools be considered eligible. The new eligibility requirements, therefore, would be applied only to students entering the schools for the first time.

CHAPTER 3

OFFICE OF EDUCATION-NAVY RELATIONS AND OTHER

ADMINISTRATIVE MATTERS

At the request of the Resident Commissioner of Puerto Rico, we obtained information on (1) the relationship between OE and the Navy regarding ACSS, (2) the local level administration established by the Navy, with emphasis on the school board and school council, (3) the budget process, and (4) comparability between ACSS and Washington, D.C., schools. Each of these areas was affected by the 1978 amendments to section 6, which were enacted after we completed our field-work.

ARRANGEMENTS TO OPERATE ACSS

Section 6 requires that the education arrangements be made with either an LEA or the head of a Federal agency which administers the Federal property where the children reside or has jurisdiction over some of the parents on active duty in the Armed Forces.

The OE Commissioner made the required arrangements with the Navy to operate ACSS schools. OE chose the Navy to operate the section 6 schools in Puerto Rico because it administers the Federal property on which students reside. Also, Navy personnel had more children in the school system than any other agency.

Beyond making the arrangement with the Navy, OE limited its role primarily to funding the maintenance and operation of the schools and to providing guidance on financial policy matters. OE officials stated that OE's passive role on other matters at the schools was dictated by the prohibitions and restraints placed on it by the law. Public Law 81-874, as amended in 1953, stated that OE was not to exercise any direction, supervision, or control over the personnel, curriculum, or program of instruction in any school or school system operated under section 6.

House Report No. 703, 83d Cong., 1st sess. (1953), on the 1953 amendments to Public Law 81-874 explained the rationale for these prohibitions, as follows:

"The committee believes that * * * the role of the Office of Education as originally conceived

by the Congress in establishing that Office * * * is one of gathering, analyzing, and disseminating pertinent information regarding schools and school systems, and of otherwise giving technical advice or making Federal grants to educational systems and institutions. In laws affecting the Office of Education, the Congress has taken great care to prohibit the Office from in any manner controlling or supervising the personnel, curriculum, or program of instruction of schools or school systems * * *."

Each year the Navy, as required by section 6 program directives, files a proposal with the Commissioner of Education to provide education, along with a proposed operating budget, for the coming school year. OE officials review the proposal and budget for approval. Review of the budget includes a short field visit to Puerto Rico by a member of the OE regional office in New York.

Section 6, as amended in 1978, requires the Commissioner to insure that funds provided are spent efficiently. This could require a significant alteration from OE's past passive role in ACSS' operation. In addition, the law now requires the operating agency, in this case the Navy, to give OE an accounting of funds at least annually.

The section 6 schools operated by the Navy come under the jurisdiction of the Chief of Naval Education and Training (CNET), Pensacola, Florida. CNET delegated the operation of ACSS to the Commander, U.S. Naval Base, Roosevelt Roads, Puerto Rico, but retained general supervision of the educational program.

NAVY LOCAL LEVEL ORGANIZATION FOR ACSS OPERATIONS

Instructions issued by CNET provided for one individual, the area coordinator, to serve in a capacity similar to that of a local board of education in a U.S. public school system. The instructions also provided for establishing an ACSS school council. Council members, however, were to be appointed by the area coordinator, and the council's recommendations or proposals could not become policy or regulation until approved in writing by the area coordinator.

Some parents and teachers at ACSS told us that the school council was not representative. Also, in testimony before the Congress, the spokesperson for the parents' organization at ACSS termed the area coordinator a "one-man" school board.

Comparisons with other school systems

U.S. public school systems normally have multimembered boards that are either elected or appointed. For example, the school board in Washington, D.C., the area used for comparability for other aspects of ACSS operations, has 11 elected members.

At the time of our review, section 6 schools operated by the Army and the Air Force functioned similarly to those in ACSS. They each had boards which were appointed by the installation commander and were advisory to him.

The 1978 amendments to section 6 require the Commissioner of Education to insure the establishment of an elected school board at not only ACSS but all section 6 schools, including those currently being operated by the Army, Air Force, and Navy. Each board is to have at least three members, and OE is to establish procedures for electing board members by the students' parents. The board is empowered to oversee school expenditures and operations and is subject to audit procedures established by the Commissioner and by other provisions of the act. These are significant changes from the "one-man" school board at ACSS.

ACSS school council representation

CNET instructions that were in force at the time of our review provided that the ACSS school council was to be representative. Council membership, according to CNET instructions, was to include representatives from military departments and Federal civilian agencies served by ACSS. The ACSS schools officer (a naval officer) was required to be included on the council as a coordinating member. The ACSS school superintendent was an ex officio member of the council and was to be present at all meetings, except when his position was being discussed.

The council, less the ACSS superintendent, comprised nine military and four civilian representatives at the start of the 1977-78 school year. Navy officials informed us that they attempted to have parents on the council who were interested in the school program and that this was one of the standards used in the appointment process. Since the school population was about evenly divided between children of military and civilian parents, some civilian parents said that more military representatives were seated on the council than was justified. The table below shows the composition of the council for the 1977-78 school year.

<u>School location</u>	<u>Number of representatives on advisory council</u>		
	<u>Military</u>	<u>Civilian</u>	<u>Total</u>
Fort Buchanan	<u>a/4</u>	<u>b/4</u>	8
U.S. Naval Com- munication Station (Fort Allen)	1 (Navy)	-	1
Roosevelt Roads Naval Station	<u>c/3</u>	-	3
Borinquen Coast Guard Station (Ramey School)	1 (Coast Guard)	-	1
	-	-	-
Total	<u>9</u>	<u>4</u>	<u>13</u>

a/Army (1), Navy (1), Air Force (1), Coast Guard (1)

b/Federal Aviation Administration (1), Veterans Administra-
tion (1), Postal Service (1), Federal Bureau of Inves-
tigation (1)

c/Navy (2), Marines (1)

One way to minimize controversy or complaints about mis-
representation on the school council would be to base the
council's composition proportionately on the number of
students at each school, the number of students with civil-
ian and military parents, and the number of students represent-
ing each employing Federal agency. Another way would be to
allow the parents to periodically select council members.
Section 6 as amended is silent on the school council, but
once the three-member school board is established it would
presumably be within its purview, subject to OE approval, to
determine whether there was any further need for a school
council and, if so, what its composition would be.

BUDGET PROCESS

The ACSS budget was not objective oriented, although
the ACSS superintendent informed us that he planned to ini-
tiate a zero-based budget process for school year 1978-79.

The ACSS administrative office prepared the proposed
budget and submitted it, with the concurrence of the area
coordinator, to CNET for its review and approval. The OE

regional program officer also reviewed and assisted in the budget process at the local level. After CNET approved the proposal, it was submitted for approval to the OE headquarters office in Washington, D.C. There it was reviewed in conjunction with recommendations received from the OE regional program officer.

The following table shows by major expense category the actual expenditures for school years 1974-75 and 1975-76, the estimated expenditures for school year 1976-77, and the budgeted expenditures for 1977-78.

Major expense categories	School years			
	1974-75 (actual)	1975-76 (actual)	1976-77 (estimated)	1977-78 (budgeted)
Administration	\$ 188,549	\$ 213,997	\$ 207,442	\$ 275,074
Instruction	4,305,452	4,440,497	4,710,783	4,781,892
Auxiliary services	207,290	235,476	254,744	225,886
Pupil transportation	562,665	507,201	600,134	611,095
Operation of plant	488,057	469,182	572,507	525,983
Maintenance	304,940	269,085	314,245	382,298
Fixed charges	393,744	389,782	460,307	464,813
Total current expense	<u>\$6,450,697</u>	<u>\$6,525,220</u>	<u>\$7,120,162</u>	<u>\$7,267,041</u>

CNET instructions authorized the ACSS superintendent, upon approval of the area coordinator, to transfer to other categories up to 10 percent of the funds in any major expense category. The OE senior program officer, and some parents and teachers, expressed concern that transfers might be occurring between the instruction category, where 10 percent would involve a significant amount, and other categories which they considered to be of a lower priority. Comparison of the actual expenditures and obligations with the amounts budgeted for fiscal year 1977, the latest year for which actual data was available at the time of our review, showed no basis for this concern.

A management consultant's October 30, 1976, survey report on ACSS stated that its budget process was primarily one of negotiating and bargaining, rather than one of setting objectives and then planning and controlling to achieve the

objectives. According to the report, emphasis appeared to be on justifying ACSS' per-pupil expenditures at the level spent in Washington, D.C., the "practicable" maximum established by subsection 6(e) of Public Law 81-874. The report stated that the initial 1977 budget estimates were greater than this limit and were reduced on advice from the OE senior program officer.

Line personnel, such as principals, have had little input into budget preparation. One principal informed us that the principals did not understand the budget and that he had little input into it.

As stated previously, the 1978 amendments to section 6 require the Navy to furnish OE at least an annual accounting of funds.

COMPARABILITY BETWEEN ACSS AND WASHINGTON, D.C., SCHOOLS

In accordance with section 6, the Navy is required to take whatever action is necessary to provide the children in Puerto Rico with an education comparable to that provided in the District of Columbia. The Commissioner of Education is authorized to provide funding necessary to accomplish this comparability.

In determining comparability OE instructions state that both the kind and quality of education are to be considered. In its annual letter of proposal to OE, the Navy is required by OE to provide comparability information in the following areas:

1. Average daily attendance.
2. Current expenses.
3. Per pupil costs.
4. Percentages of total expenses for administration, instruction, auxiliary services--other and transportation, plant operation, plant maintenance and fixed charges.
5. Data on grade levels maintained, percentage of pupils transported, pupil-teacher ratios; highest, lowest, and average teacher salaries paid, and whether summer school is maintained and, if so, whether it is free.

The Navy's letter of proposal for ACSS for the 1977-78 school year provided only part of the information required by OE. The Navy's proposal provided data on items 1, 2, 3, and 5 but did not break down expenses for the Washington, D.C., schools as required by item 4. As a result, comparison could not be made in this area. In addition, the type of information required by OE would not, in our opinion, provide a basis for determining whether the education provided at ACSS is comparable in kind and quality to that provided in the District of Columbia.

The area coordinator of ACSS and the OE director of the Division of School Assistance for Federally Affected Areas told us that they do not know if the education at ACSS is comparable to that provided in the District of Columbia. The director stated that an attempt is made to keep per-pupil costs in line with those in the District of Columbia on the assumption that this provides comparability. He indicated also that quality of education was difficult to measure.

The superintendent of ACSS schools later informed us that the area coordinator told him to do a special project on comparability. The project included a visit to Washington, D.C., to gather data and to devise some means of establishing the required comparability between ACSS and the District of Columbia.

Prior to the Education Amendments of 1978, OE instructions required the Navy to furnish data on the quality and type of education provided by ACSS. The Education Amendments of 1978 made this requirement a part of section 6. If OE continues to obtain only the information of the type previously obtained under OE instructions, the data will not, in our opinion, provide a good basis for determining whether the education provided at ACSS is comparable in kind and quality to that provided in the District of Columbia.

CONCLUSIONS

The Education Amendments of 1978 should help alleviate some of the parents' and teachers' concerns at ACSS regarding (1) accounting for funds and (2) the makeup of the school board and advisory council. OE still needs to insure that the education provided by ACSS is comparable in kind and quality to that provided in the District of Columbia.

RECOMMENDATIONS TO THE SECRETARY
OF HEALTH, EDUCATION, AND WELFARE

We recommend that the Secretary, HEW, have the Commissioner of Education:

- Decide what kind of information could be used to better compare the education provided at ACSS to that provided in the District of Columbia.
- Require that the Navy submit such information to OE pursuant to the 1978 amendments of section 6.

INFORMAL COMMENTS BY OFFICE OF
EDUCATION AND NAVY OFFICIALS

OE and Navy officials told us informally that they agreed with our recommendations. They cited several comparability factors which might be considered, such as curriculum, the number of national merit scholars, and scores on national tests.

HISTORY OF THE ANTILLES SCHOOLFACILITY PROBLEM

In the mid-1960s student enrollment at Fort Buchanan rose sharply. As a result ACSS requested funds from OE to construct a new school facility under section 10 of Public Law 81-815. ACSS used wooden Army barracks, built in 1940-41, while awaiting OE approval and construction.

The construction application for a new junior-senior high school at Fort Buchanan was filed in June 1966. Approval was delayed while OE considered the following problems:

- Expected major highway construction adjacent to the proposed site for this new facility.
- Possible air pollution problems due to the proximity of a cement plant.
- Concern as to whether the U.S. Navy activities then located at San Juan might be transferred to the Navy Station at Roosevelt Roads, thereby possibly either reducing or negating the need for new construction.

After OE determined these matters were not deterrents to constructing a school at Fort Buchanan, it approved the plans and specifications for the project in October 1969.

However, according to OE officials the project had not been funded as of October 11, 1978, because of

- a Presidentially ordered, 1-year freeze on construction and
- Office of Management and Budget restraints on any requests for funds along with a general lack of congressional funding for school construction under Public Law 81-815 during this period.

Meanwhile, ACSS had been having numerous problems with the Army barracks. An April 1973 safety report showed that only 2 of the 25 wooden barracks being used were without deficiencies. Termite infestation, defective boards, poor electrical wiring, lack of handrails on steps, and other deficiencies were commonly cited. In June 1973 the commanding officer of Fort Buchanan notified the school superintendent he intended to demolish the buildings. The superintendent responded that, without these buildings, the school would have to run on double shifts each day. Demolition was delayed for 2 years.

In September 1975 the commanding officer informed the superintendent that a recent inspection of the middle school buildings at Fort Buchanan confirmed that there was serious structural deterioration. He said some buildings were already unsafe and others were rapidly becoming unsafe. He suggested that, in view of the scheduled future demolitions, construction be started immediately to replace the middle school with concrete block structures.

A December 1975 field survey, made by OE and others as part of OE's overall indepth study of section 10 facilities, also reported on the unsafe conditions at the middle school. The report stated that almost all of the buildings were in an advanced state of structural deterioration. The existence of termite infestation, poor wiring, lack of handrails and other deficiencies, as reported by the Army safety inspection, was confirmed. The report added that the Chief of Naval Education and Training, Atlantic Area, who was part of the survey team, considered the facilities the most deplorable he had ever seen.

In March 1976 the area coordinator notified OE of the facility problems and suggested new construction for the long term. For the short term, he suggested that OE repair existing buildings or purchase prefabricated buildings. None of the options were immediately implemented, and the Army, as an interim measure, allowed use of the buildings for another year. (The following two pictures illustrate the poor condition of these buildings.)



(PHOTO COURTESY OF OFFICE OF EDUCATION)

A BUILDING USED TO HOUSE MIDDLE SCHOOL STUDENTS AT FORT BUCHANAN BEFORE SCHOOL YEAR 1977-78.



(PHOTO COURTESY OF OFFICE OF EDUCATION)

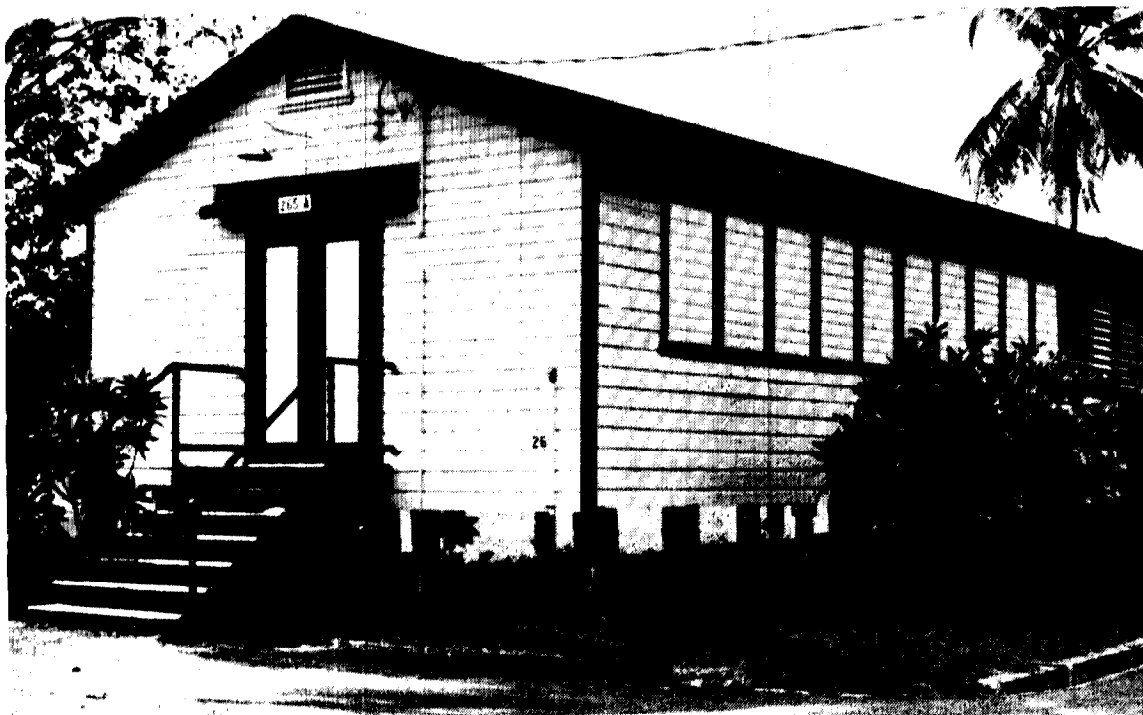
ANOTHER BUILDING USED FOR FORT BUCHANAN MIDDLE SCHOOL STUDENTS BEFORE SCHOOL YEAR 1977-78.

The buildings were demolished between the end of school year 1976-77 and the start of school year 1977-78. For the 1977-78 school year, the Army provided temporary quarters which were generally considered by parents, teachers, and administrators to be an improvement. These facilities are in seven locations and provide less space than that which was available previously.

As a result, the middle school (grades 5 to 8) no longer has shop facilities. Also, the middle school central library was eliminated--its books have been distributed to individual classrooms.

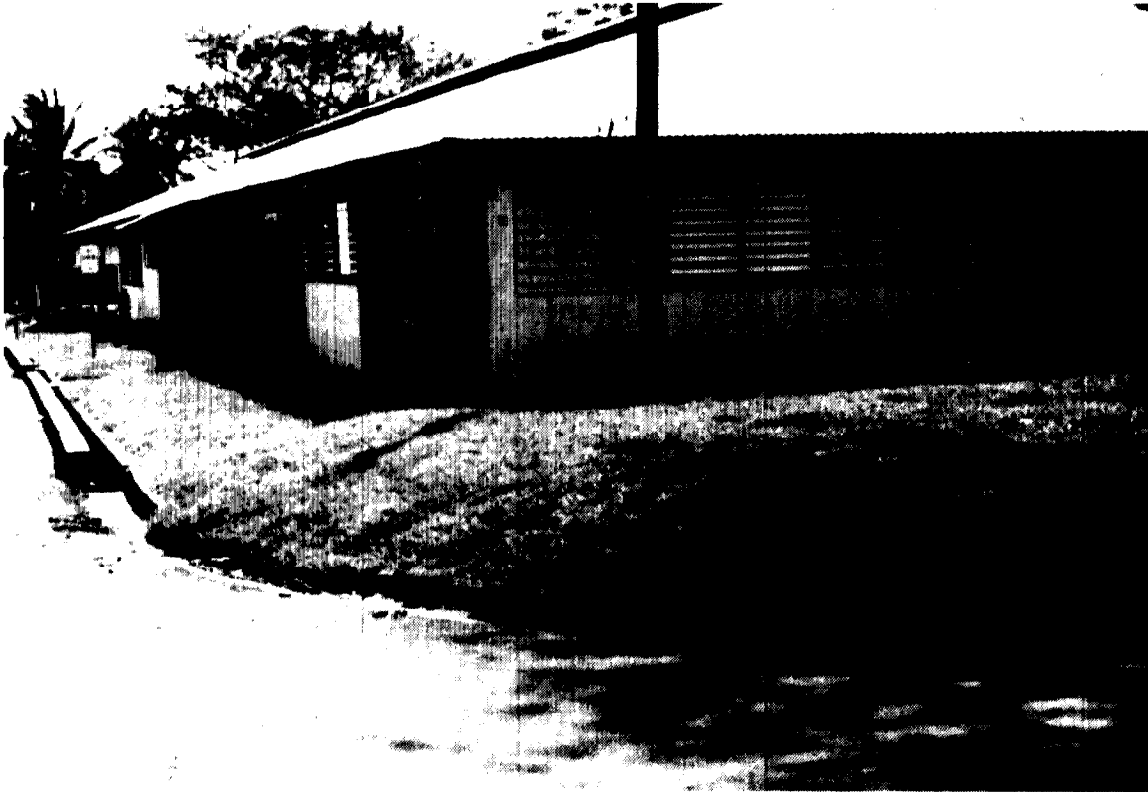
Further the fifth grade has been placed in the elementary school and is causing overcrowding there, too, according to the superintendent. ACSS plans to obtain a trailer-type temporary building to ease the situation.

The sixth grade is in barracks-type buildings, designed like the buildings demolished; however, these have been rehabilitated. (See photo below.) The sixth graders are bused to the elementary school for lunch.



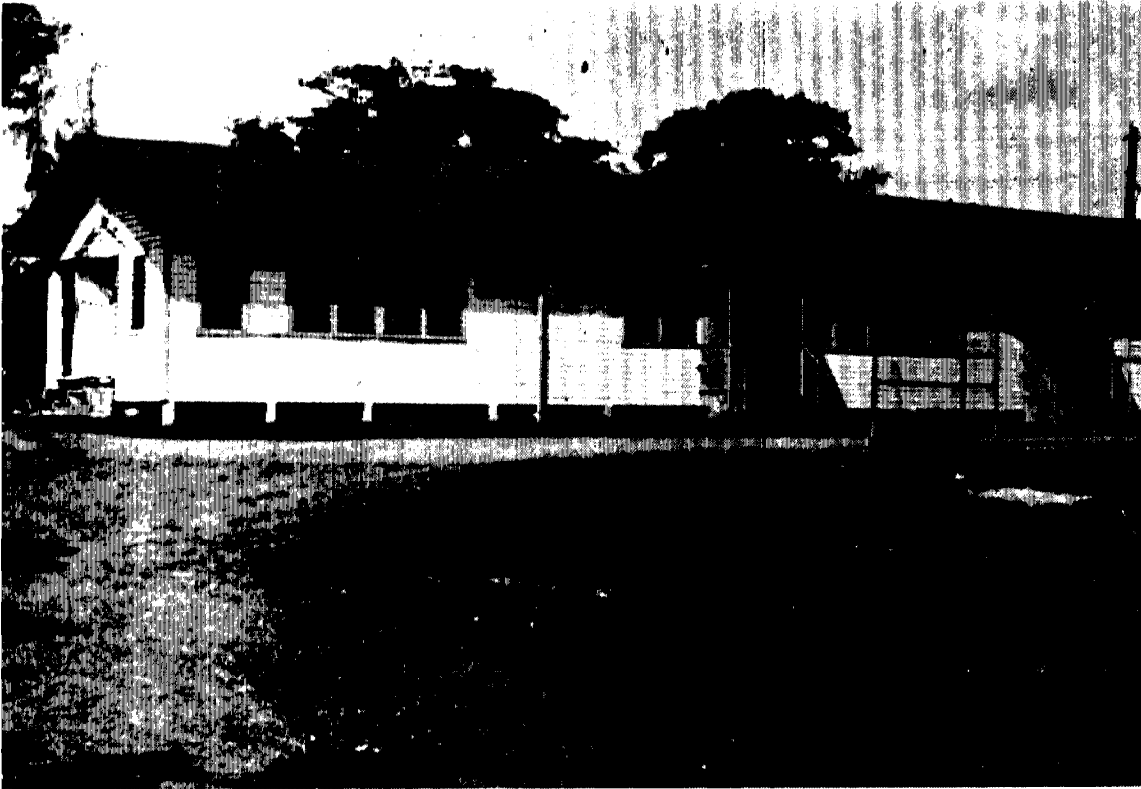
REHABILITATED BUILDING USED FOR SIXTH GRADE STUDENTS AT FORT BUCHANAN DURING SCHOOL YEAR 1977-78.

The seventh and eighth grades are in the U.S. Army Reserve building (see photo below) and two adjacent buildings. These buildings are alongside the main road through the fort. Truck traffic has been diverted to an alternate route (through the golf course), and a 15-mile-per-hour speed limit has been set throughout the school area. Because of the need to have the windows next to the street open for ventilation, however, street noises filter into the classrooms.



U.S. ARMY RESERVE BUILDING AT FORT BUCHANAN WHICH HOUSED PART OF THE SEVENTH AND EIGHTH GRADES DURING SCHOOL YEAR 1977-78. .

The seventh and eighth grades did not have a nurse for the 1977-78 school year but were to be cared for by the nurse assigned to the high school. They also share the high school cafeteria. The barracks building pictured on the next page is used as a band and art room.



BUILDING USED AS A BAND AND ART ROOM AT FORT BUCHANAN DURING SCHOOL YEAR 1977-78.

The Resident Commissioner of Puerto Rico and parents at Fort Buchanan sought and gained special authorization in the House Report No. 95-381 on the 1978 House Appropriation Act for up to \$360,000 for the purchase of portable classrooms for the Fort Buchanan school. The portable classroom buildings are expected to be similar to those pictured on the following page.



PORTABLE CLASSROOM BUILDINGS USED AT FORT ALLEN DURING SCHOOL YEAR 1977-78.

A contract for the portable classrooms was awarded on September 9, 1978. An OE official informed us that OE had requested that the buildings be in place by December 1978. As of October 26, 1978, funding for the proposed new junior-senior high school at Fort Buchanan was still uncertain.

(104076)

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