

REPORT BY THE
Comptroller General
OF THE UNITED STATES

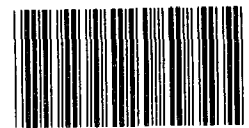
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Selected Federal Accounts: Past Outlays And GAO Recommendations

This report was prepared in response to a request from Chairman Gaylord Nelson, Senate Select Committee on Small Business. GAO looked at recent growth in the 10 largest appropriation accounts in each of the 12 cabinet-level departments between fiscal years 1975 and 1978 to provide indicators of where the growth in Federal spending has been.

Total waste and inefficiency cannot be quantified, but GAO has made many recommendations to improve government operations and reduce costs. This report summarizes information from many GAO reports, including some GAO recommendations on which adequate corrective action has not been taken.



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

B-161740

The Honorable Gaylord Nelson
Chairman, Select Committee on
Small Business
United States Senate

6-9-80
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Dear Mr. Chairman:

This is in response to your February 14, 1979, request (see app. I) expressing the public's growing concern about Government waste and inefficiency, and emphasizing that the public feels it is not getting its money's worth in services for the tax dollars it pays. Specifically, you requested that we examine the 10 largest spending programs in each of the 12 cabinet-level departments, track expenditure growth in these programs for several years, and estimate the dollar value of waste and inefficient expenditures in each of these 120 programs. In addition, you requested that we suggest legislative remedies and other ways to reduce and eliminate waste.

In our opinion, it is impossible to respond with any accuracy to your request that we quantify the loss of Federal dollars attributed to program mismanagement. However, we have analyzed recent growth in the 10 largest Federal appropriation accounts in each of the cabinet-level departments. We used appropriation accounts rather than programs because program data is not readily available. As agreed with your office, we have

- tracked the growth in these accounts for 4 years from fiscal years 1975 to 1978 (see app. II),
- researched published GAO reports and provided examples of waste and inefficiency in as many of the 120 accounts as possible (see app. III), and
- provided examples of GAO recommendations on which no action or inadequate action has been taken (see pp. 6-10).

SELECTION OF ACCOUNTS

Accounts were selected on the basis of actual fiscal year 1978 net outlays as presented in the Budget Appendix. This detailed listing of accounts is provided in appendix II.

We found that the accounts ranged from a low of \$10 million (the 10th largest account in the Department of State) to a high of \$81.2 billion (the largest account in the Department of Health, Education, and Welfare--the Federal Old Age and Survivors Insurance Trust Fund). In fact, this single account in HEW is larger than the total of the 10 largest accounts in each of the other 11 cabinet-level agencies.

GROWTH IN EXPENDITURES

We found that one-fifth of the 120 accounts selected had grown more than 50 percent from fiscal year 1975 (or base year) to fiscal year 1978, based on constant fiscal year 1975 dollars. Six of these high growth accounts were established for new program activities created in fiscal year 1975 or later; rapid growth in these newer accounts can usually be expected.

**ACCOUNTS CATEGORIZED BY POSITIVE OR NEGATIVE GROWTH RATES
FISCAL YEAR 1975 (OR BASE YEAR) TO FISCAL YEAR 1978
OUTLAYS IN CONSTANT FISCAL YEAR 1975 DOLLARS (NOTE A)**

AGENCY	50% OR OVER	10% TO 49.9%	-10% TO 9.9%	-50% TO -9.9%	-50% OR UNDER	NEGATIVE OUTLAYS BASE YEAR C	NO OUTLAYS BEFORE FY 1978 D	TOTAL
AGRICULTURE	2	3	2		1	2		10
COMMERCE	3	2	2	2		1		10
DEFENSE		3	5	2				10
ENERGY	1	2	1	1			5	10
HEALTH, EDUCATION, & WELFARE	1	6	3					10
HOUSING & URBAN DEVELOPMENT	3	2		1	2	2		10
INTERIOR	1	7	1				1	10
JUSTICE	1	6	2	1				10
LABOR	2	5		2			1	10
STATE	5	5						10
TRANSPORTATION	4	2	3	1				10
TREASURY		2	4	3			1	10
TOTALS	23B/	45	23	13	3	5	8	120E/
PERCENT OF TOTALS	19.2	37.5	19.2	10.8	2.5	4.2	6.7	100%

A/ THE GROSS NATIONAL PRODUCT IMPLICIT PRICE DEFLATOR INDEX WAS USED IN CALCULATING CONSTANT FISCAL YEAR 1975 DOLLARS.

B/ SIX OF THESE 23 ACCOUNTS WERE ESTABLISHED FOR NEW PROGRAM ACTIVITIES WITH OUTLAYS OCCURRING FOR THE FIRST TIME IN FISCAL YEAR 1975 OR LATER.

C/ IN THESE ACCOUNTS OFFSETTING COLLECTIONS EXCEEDED OUTLAYS, CAUSING NEGATIVE OUTLAYS. GROWTH RATES, THEREFORE, WERE NOT CALCULATED.

D/ PROGRAM ACTIVITIES IN 7 OF THESE 8 ACCOUNTS WERE RESTRUCTURED IN FISCAL YEAR 1978 AND HISTORICAL OUTLAY NUMBERS ARE NOT AVAILABLE IN THE PRESIDENT'S BUDGET OR IN THE OFFICE OF MANAGEMENT AND BUDGET DATE BASE, HISTORICAL OUTLAYS BY AGENCY. THE EIGHTH ACCOUNT WAS CREATED TO FUND NEW PROGRAM ACTIVITIES IN FISCAL YEAR 1978.

E/ CALCULATED PERCENT GROWTH IS NOT COMPARABLE IN 10 ACCOUNTS WHERE OUTLAY DATA ARE NOT AVAILABLE FOR ALL FOUR FISCAL YEARS. PROGRAM ACTIVITIES IN THESE 10 ACCOUNTS WERE NEWLY ESTABLISHED OR RESTRUCTURED. SEE APPENDIX II FOR LIST OF ACCOUNTS.

We did not analyze the reasons for increases or decreases in the accounts but only quantified the change in outlays. The largest percentage growth in accounts created to fund programs established before fiscal year 1975 occurred in Labor's Temporary Employment Assistance account, Housing and Urban Development's New Communities Fund account, and Agriculture's Price Support and Related Programs account.

Only three accounts had decreases of at least 50 percent. These were Agriculture's Funds for Strengthening Markets, Income, and Supply; Housing and Urban Development's Federal Housing Administration Fund, and Urban Renewal Programs account.

The following qualifications and limitations should be considered in using financial data presented in this report:

- Year-to-year comparison of budget data is risky because of changes in the content of accounts which leads to the comparison of unlike items. We have attempted to identify all such changes and provide restructured comparable data. However, the potential for error in this area is great.
- Addition of the individual accounts presented in this report will lead to double counting because of the effect of certain transfers between accounts. Accounts in which we have identified interfund transfers have been footnoted in appendix II.
- The outlay figures provided are from the Federal budget and are reported net; they do not fully reflect Federal spending. This practice leads to negative outlay numbers in accounts where off-setting collections and receipts exceed outlays.
- Off-budget accounts have not been included in this analysis.
- Estimated figures presented for fiscal years 1979 and 1980 should not be used as a measure of program growth because they include proposed program changes Congress may not accept and have historically been at variance with actual figures (see our report "Federal Budget Outlay Estimates: A Growing Problem," PAD-79-20, Feb. 9, 1979).

For detailed information on these limitations see appendix IV.

It is doubtful that we, or anyone else, will ever be able to measure total waste in major Federal programs with any precision. When people talk about "waste" in Government programs, they often mean different things. An entire program can be viewed by some as a waste of Government funds, or a program that many consider highly desirable may be poorly designed or managed. Waste also results from the continuation of programs after they have outlived their usefulness.

Although we cannot quantify waste and inefficiency, we have identified a number of GAO reports that identify examples of waste and inefficiency in the selected accounts. Many of these reports deal with activities in one account. Several, however, apply to the entire agency. For each report we have listed the title, identifying code, date of publication, and briefly summarized its conclusions and recommendations for corrective actions (see app. III). Recommendations may relate to more than one program activity and more than one account. We have not followed up on the current status of the recommendations or included actions taken on the recommendations in appendix III, except in the case of the examples beginning on page 6 of this report. We have identified many recent GAO reports relating to the selected accounts, but our list is not necessarily inclusive.

A total of \$8.2 billion in measurable savings was attributable to our work throughout the Government in fiscal years 1977 and 1978. Many of our reports identify areas with great potential for savings through improved management or elimination of waste and inefficiency. In one such report, the agency fully acted upon our recommendations and realized a savings of \$318 million. In the report entitled "Secure Voice Telephone Systems--How the Department of Defense Can Save Millions" (LCD-77-105, Dec. 30, 1977), we recommended a common narrowband secure voice technique for all Government nontactical worldwide use, rather than the disparate narrowband and wideband systems being planned for civil and military agencies respectively. In response, the Department of Defense proposed a hybrid system, but the Congress rejected the proposal and Defense complied with our recommendations.

Agencies do not always act on our recommendations. Every year we publish two summaries--one on civil agencies and the other on defense--highlighting GAO audit and review work deserving special congressional attention. These publications summarize important GAO conclusions and open legislative recommendations made during this period and in previous years on which satisfactory department or agency actions have not been

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taken and which should be considered during the appropriation process. They describe agency views and the actions, or lack of actions, taken and identify the related appropriation accounts which fund the activity.

The summary following this page is a selected list of GAO reports to Congress that contain recommendations not fully acted upon by 10 of the cabinet-level departments. Included is a brief synopsis of the conclusions and open recommendations, as well as the most current action, if any, taken by the agency.

GAO REPORTS TO CONGRESS CONTAINING RECOMMENDATIONS
NOT FULLY ACTED UPON

Agency	Account	Report title and number	Nature of problem	Potential savings	Actions required	Current status of actions
<u>Agriculture</u> Food and Nutrition Service	Food Stamp Program 12-3505-0-1-604	"Food Stamp Work Requirements—Ineffective Paperwork or Effective Tool" CED-78-60 April 24, 1978	Poor Management	Not Quantified	Better information and monitoring are needed to identify causes of problems in administering food stamp work requirements and stronger action is needed to correct problems.	No action taken to date. Also, the job search requirement added by the Food Stamp Act of 1977 has not been implemented.
<u>Agriculture</u> Food and Nutrition Service	Child Nutrition Programs 12-3539-0-1-604	"The National School Lunch Program—Is It Working?" PAD-77-6 July 26, 1977	Poor Management	Not Quantified	Agriculture should require a formal, systematic evaluation of the National School Lunch Program's performance in meeting legislative objectives.	As of March 1979, Agriculture has taken no action. The Senate Committee on Agriculture, Nutrition, and Forestry introduced Senate Resolution 90 (March 1979) which, if passed, would force Agriculture to implement GAO's recommendations.
<u>Commerce</u> National Oceanic and Atmospheric Administration	Operations, Research, and Facilities 13-1450-0-1-306	"Need for Improving Management of U.S. Oceanographic Assets" CED-78-125 June 16, 1978	Poor Management	Not Quantified	A single manager or a government-wide fleet allocation council should be designated to provide centralized management and to insure efficient use of vessels.	No action taken to date.
<u>Defense</u> Military Personnel	Military Personnel, Air Force 57-3500-0-1-051	"Opportunities To Streamline the Air Force Headquarters Structure in the Pacific" FPCD-79-27 February 8, 1979	Duplication of Effort Within Agency	\$16 million	Staff layering and duplication of the Pacific Air Forces should be reduced by consolidating and/or eliminating unnecessary staff.	The Air Force disagreed with our recommendations and does not plan to take any action.

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**GAO REPORTS TO CONGRESS CONTAINING RECOMMENDATIONS
NOT FULLY ACTED UPON — Continued**

Agency	Account	Report title and number	Nature of problem	Potential savings	Actions required	Current status of actions
<u>Defense</u> Procurement	Agency-wide	"Analysis of Department of Defense Unobligated Budget Authority" PAD-78-34 January 13, 1978	Poor Management	Not Quantified	Obligational authority in DOD's procurement programs, in excess of program funding requirements, should be systematically identified and obligational projections should be closely monitored.	On March 30, 1978, DOD replied that their internal reporting system and reporting to the Congress identifies excess program funds. DOD did not respond to our recommendation to provide close monitoring of obligational projections.
<u>Defense</u> Research, Development, Test, and Evaluation	Research, Development, Test, and Evaluation, Navy 17-1319-0-1-051	"Is the AV-8B Advanced Harrier Aircraft Ready for Full Scale Development?" PSAD-79-22 January 30, 1979	Poor Management	\$1.2 billion	Full-scale development should not be authorized until the AV-8B is selected as the new Marine Corps light attack aircraft. Test and evaluation should be done quickly with existing assets.	DOD agreed not to go into full-scale development without a deployment decision which considers all alternatives. DOD has not as yet explored alternatives.
<u>Energy</u> Energy Programs	Strategic Petroleum Reserve 89-0218-0-1-274	"Various Aspects of the Oil Purchase Policy Being Followed for the Strategic Petroleum Reserve" EMD-79-1 October 6, 1978	Procurement Policy	Not Quantified	Energy should purchase all suitable royalty oil for storage in the strategic petroleum reserve.	DOE felt that the difficulties of purchasing royalty oil outweighed the potential savings. No action has been taken by DOE on GAO's recommendations.

GAO REPORTS TO CONGRESS CONTAINING RECOMMENDATIONS
NOT FULLY ACTED UPON – Continued

Agency	Account	Report title and number	Nature of problem	Potential savings	Actions required	Current status of actions
<u>Health, Education and Welfare</u> Health Care Financing Administration	Grants to States for Medicaid 75-0512-0-1-551	"Attainable Benefits of the Medicaid Management Information System Are Not Being Realized HRD-78-151 September 26, 1978	Poor Management	Not Quantified	HEW should update the system design and program regulation guide, and develop and implement a functional cost-reporting system for claim processing.	To date, no corrective actions have been taken.
<u>Health, Education and Welfare</u> Social Security Administration	Assistance Payments Program 75-0412-0-1-604	"Improvements Needed in AFDC's Program for Recovering Overpayments" HRD-78-117 May 25, 1978	Poor Management	\$850 million (1976)	Regulations should be revised to establish uniform and comprehensive overpayment recovery policies. SSA and States should establish a mechanism for monitoring recovery efforts.	HEW has said they intend to take action and work toward implementing our recommendations, but have not taken any corrective actions yet.
<u>Housing and Urban Development</u> Management and Administration	Salaries and Expenses, Department of Housing and Urban Development 86-0413-0-1-999	"Large Savings Possible in Mortgage Insurance Premium Payment System" FGMSD-77-12 August 24, 1977	Poor Management	Not Quantified	Large savings are possible if HUD develops a simplified billing system and corrects its master billing files to reduce salary costs by reducing error. Also, HUD should evaluate the need to continue the program.	Although HUD was in general agreement with our recommendations, the program has remained unchanged.

**GAO REPORTS TO CONGRESS CONTAINING RECOMMENDATIONS
NOT FULLY ACTED UPON – Continued**

Agency	Account	Report title and number	Nature of problem	Potential savings	Actions required	Current status
<u>Interior</u> Geological Survey	Surveys, Investigations, and Research 14-0804-0-1-306	"Georgia Embayment—Illustrating Again the Need for More Data Before Selecting and Leasing Outer Continental Shelf Lands" EMD-79-22 March 19, 1979	Poor Management	Not Quantified	Interior should conduct a systematic program to identify amounts of potential, available resources for production.	No action
<u>Transportation</u> Federal Highway Administration	Federal-Aid Highways (Trust Fund) 20-8102-0-7-401	"Solving Corrosion Problems of Bridge Surfaces Could Save Billions" PSAD-79-10 January 19, 1979	Poor Management	Not Quantified	DOT should (1) find cost effective solutions quickly to avoid using billions of dollars for complete replacement of bridge decks, and (2) establish a longterm evaluation system for bridge deck protective systems.	On March 19, 1979, the committee held hearings and reported to take action on this matter.
<u>Transportation</u> Coast Guard	Operating Expenses 69-0201-0-1-403	"If Defense and Civil Agencies Work More Closely Together, More Efficient Search/Rescue and Coastal Law Enforcement Could Follow" LCD-76-456 May 26, 1977	Management Coordination with other Federal Agencies	Not Quantified	DOT and DOD should determine jointly total requirements for both peacetime and wartime needs and begin joint effective use of search and rescue aircraft and related resources.	The Coast Guard with GAO's prior report to submit an effective search and rescue study by August 1979.

**GAO REPORTS TO CONGRESS CONTAINING RECOMMENDATIONS
NOT FULLY ACTED UPON – Continued**

Agency	Account	Report title and number	Nature of problem	Potential savings	Actions required	Current status of actions
Treasury U.S. Customs Service	Salaries and Expenses 20-0602-0-1-751	"Import Duties and Taxes: Improved Collection, Accounting, and Cash Management Needed" FGMSD-78-50 August 21, 1978	Poor Management	Not Quantified	Customs could increase interest income and reduce collection costs if they would develop methods to reduce delays in collecting duties, reduce processing delays, and levy interest charges on importers who elect to defer taxes or are delinquent in paying duties.	The U.S. Customs Service has no immediate plans to reduce the time a Customs' broker or importer could defer payment of estimated duties on imported items.

Agencies also fail to implement fully recommendations from their own internal auditors. In our report "More Effective Action Is Needed on Auditors' Findings--Millions Can Be Collected or Saved" (FGMSD-79-3, Oct. 25, 1978), we describe ways for Federal agencies to achieve greater collections and savings by more effectively resolving internal agency auditors' findings. This report shows that departments and agencies have a backlog of over \$4.3 billion in unresolved audit findings, and that failure to take appropriate action costs the Government hundreds of millions of dollars a year.

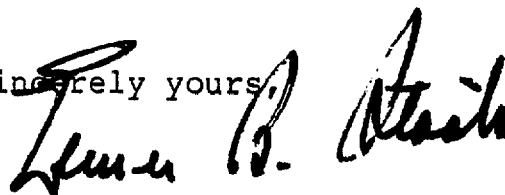
In our opinion, there is further potential for substantial savings throughout the Federal Government by improving the design and management of Federal programs and activities.

We have informally discussed the financial data presented in appendix II with Office of Management and Budget officials to reduce the possibility of data errors such as comparing unlike accounts. OMB responded that it is close to impossible to produce completely comparable data for year to year comparisons, but that the data provided in this report identifies and adjusts for discontinuities to the maximum extent practicable.

As agreed with your office, we plan no further distribution of this material until 15 days from the issuance date. At that time, we will send copies to selected Senate and House committees and the Director, Office of Management and Budget.

We will be happy to provide any additional information that you may require on matters covered in this report, especially actions needed to implement the GAO recommendations that still remain open.

Sincerely yours,



Comptroller General
of the United States

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United States Senate

SELECT COMMITTEE ON SMALL BUSINESS

WASHINGTON, D.C. 20510

February 14, 1979

Honorable Elmer Staats
 U. S. Comptroller General
 General Accounting Office
 441 G Street, N. W.
 Washington, D. C. 20458

Dear Mr. Staats:

In the last 10 years the Federal budget has increased by 167 percent and the President's proposed FY 1980 budget calls for record spending totalling \$531.6 billion. As Federal outlays have grown, so has the public's concern about government waste and inefficiency. To be frank, the public is concerned that it is not getting its moneys-worth in services received for the tax dollars it pays.

In that connection, I would like the General Accounting Office to conduct an audit of the major federal spending programs. In particular, it would be deeply appreciated if GAO would make the following determinations:

First, GAO ought to determine what are the 10 largest federal spending programs in each of the 12 cabinet-level departments and also how much expenditures for each of those programs has grown in the last 10 years;

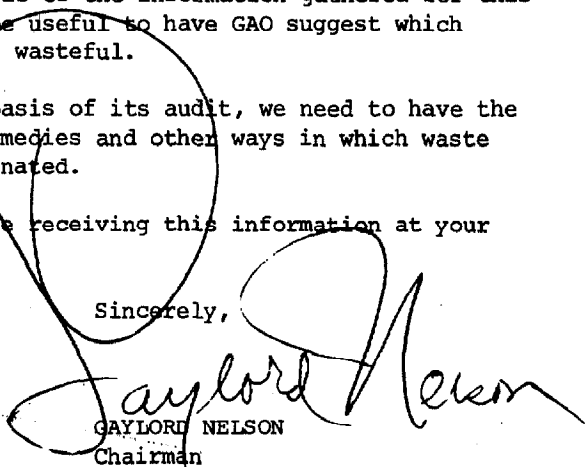
Second, an estimate is needed on the dollar value of waste, or inefficient expenditure of taxpayers dollars, in each of these 120 programs. We need to have examples of gross waste and mismanagement as it relates to these programs;

Third, on the basis of the information gathered for this second request, it would be useful to have GAO suggest which Federal Department is most wasteful.

Finally, on the basis of its audit, we need to have the GAO suggest legislative remedies and other ways in which waste could be reduced and eliminated.

I would appreciate receiving this information at your very earliest convenience.

Sincerely,


 GAYLORD NELSON
 Chairman

CABINET LEVEL DEPARTMENTSTOP TEN ACCOUNTS BASED ON FISCAL 1978 ACTUAL OUTLAYS

This appendix tracks growth in the 10 largest Federal spending accounts in each of the 12 cabinet-level departments. The percent change in actual spending from fiscal year 1975 (or base year) through fiscal year 1978 was calculated using the following formula:

$$\frac{\text{FY 78 outlays minus FY 75 outlays (or base year)}}{\text{FY 75 outlays (or base year)}} = \begin{array}{l} \text{percent} \\ \text{change} \\ \text{in} \\ \text{outlays} \end{array}$$

The percent change in spending in constant dollars was calculated in the same manner as above except that outlays were converted to 1975 dollars using the Gross National Product (GNP) Implicit Price Deflator index adjusted to a fiscal year basis.

In accounts where outlay data did not exist in fiscal year 1975, the first available spending figure was used as the base year to calculate the percent change.

The percent change in outlays was not calculated for accounts with negative outlays. Negative outlay numbers occur in accounts with offsetting collections which exceed outlays.

In cases where increases greater than double occurred, the table shows greater than 100 percent (>100%) rather than the actual percentage computation.

The following numbers used in this calculation were derived from quarterly calendar year GNP Implicit Price Deflator numbers:

1975	122.53
1976	130.67
1977	139.51
1978	149.04

Years referred to are fiscal years unless otherwise noted. Estimates for fiscal years 1979 and 1980 were taken from the President's 1980 Budget.

DEPARTMENT OF AGRICULTURE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u>	<u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
		<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
- - - - - (in millions) - - - - -									
	Commodity Credit Corporation Price Support and Related Programs 12-4336-0-3-351	\$ 575	\$1,014	\$3,809	\$5,623	\$5,008	\$2,638	>100%	>100%
	Food and Nutrition Service Food Stamp Program 12-3505-0-1-604	4,599	5,632	5,399	5,499	6,321	6,877	20	-2
	Food and Nutrition Service Child Nutrition Programs 12-3539-0-1-604	1,452	1,802	2,635	2,527	2,669	2,665	74	43
	Foreign Assistance Programs Expenses PL 480 (note a) 12-2274-0-1-151	778	1,090	1,169	923	806	719	19	-2
	Forest Service Forest Management, Protection, and Utilization 12-1100-0-1-302	527	562	725	782	907	753	48	22
	Farmers Home Administration Agriculture Credit Insurance Fund 12-4140-0-3-351	-133	296	393	653	-383	187	-	-

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Farmers Home Administration Rural Housing Insurance Fund 12-4141-0-3-371	-898	1	89	449	215	361	-	-
Food and Nutrition Service Special Supplemental Food Program (WIC) 12-3510-0-1-604	b/	143	245	371	539	730	>100	>100
Science and Education Administration Agricultural Research 12-1400-0-1-352	225	239	287	310	323	310	38	13
Food Safety and Quality Service Funds for Strengthening Markets, Income, and Supply (note b) 12-5209-0-2-604	469	286	42	273	320	298	-42	-52

a/Offsetting collections relating to this account are recorded in the Commodity Credit Corporation in account number 12-4336-0-3-351.

b/In fiscal year 1975, pilot program activities in the WIC account (12-3510-0-1-604) were funded within account number 12-5209-0-2-604 entitled Funds for Strengthening Markets, Income, and Supply. The amount involved could not be determined. Therefore, fiscal year 1975 data is not available for the WIC account and comparability of data in account number 12-5209-0-2-604 is adversely affected.

DEPARTMENT OF COMMERCE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
- - - - - (in millions) - - - - -								
Economic Development Administration Local Public Works Program 13-2052-0-1-452	\$ -	\$ -	a/\$585	\$3,057	\$2,051	\$319	>100%	>100%
National Oceanic and Atmospheric Administration Operations, Research, and Facilities 13-1450-0-1-306	427	502	510	637	671	708	49	23
Economic Development Administration Economic Development Assistance Program 13-2050-0-1-452	235	258	297	330	350	502	40	15
Maritime Administration Operating-Differential Subsidies 13-1709-0-1-403	243	301	344	303	293	307	25	2
Maritime Administration Ship Construction 13-1708-0-1-403	241	203	219	157	162	218	-35	-46

Economic Development Administration Drought Assistance Program 13-2053-0-1-453	-	-	a/15	133	17	5	>100	>100
Patent and Trademark Office Salaries and Expenses 13-1006-0-1-376	71	84	87	92	96	96	30	7
Science and Technical Research Scientific and Technical Research Services 13-0500-0-1-376	71	67	71	73	79	96	3	-15
Bureau of the Census Periodic Censuses and Programs 13-0450-0-1-376	25	26	40	68	162	520	>100	>100
Maritime Administration Federal Ship Financing Fund 13-4301-0-3-403	-14	-23	-31	66	42	-53	-	-

a/New account in fiscal year 1977.

DEPARTMENT OF DEFENSE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

Bureau Account Title Account Number	Outlays				Est. 1980 a/1980	Percent change FY 1975 to FY 1978	Percent change constant dollars FY 1975 to FY 1978
	Actual 1975	Actual 1976	Actual 1977	Actual 1978			
-- -- -- -- (in millions) -- -- -- --							
Operation and Maintenance Operation and Maintenance, Navy 17-1804-0-1-051	\$7,317	\$7,948	\$9,021	\$10,320	\$11,158	\$12,121	41%
Military Personnel Military Personnel, Army 21-2010-0-1-051	8,150	8,326	8,696	9,198	9,545	9,594	13
Retired Military Pay Retired Pay, Defense 97-0030-0-1-051	6,242	7,296	8,216	9,171	10,281	11,435	47
Operation and Maintenance Operation and Maintenance, Air Force 57-3400-0-1-051	7,445	7,594	8,034	8,541	8,983	9,730	15
Operation and Maintenance Operation and Maintenance, Army 21-2020-0-1-051	6,638	6,969	7,590	8,476	9,128	9,651	28
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Military Personnel									
Military Personnel, Air Force									
57-3500-0-1-051	7,478	7,298	7,269	7,526	7,820	7,822	1		-17
Military Personnel									
Military Personnel, Navy									
17-1453-0-1-051	5,865	5,831	6,021	6,385	6,705	6,792	9		-11
Procurement									
Aircraft Procurement, Air Force									
57-3010-0-1-051	2,211	3,323	3,586	3,989	4,587	5,417	80		48
Research, Development, Test, and Evaluation									
Research, Development, Test, and Evaluation, Navy									
17-1319-0-1-051	3,021	3,215	3,481	3,825	4,221	4,430	27		4
Research, Development, Test, and Evaluation									
Research, Development, Test, and Evaluation, Air Force									
57-3600-0-1-051	3,308	3,338	3,618	3,626	4,188	4,766	10		-10

a/Allowances for civilian and military pay increases for the 1980 budget estimates have not been distributed by account. This \$2.2 billion allowance affects a number of accounts including military personnel; operation and maintenance; and research, development, test, and evaluation accounts.

DEPARTMENT OF ENERGY (note a)
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
----- (in millions) -----								
Atomic Energy Defense Activities Atomic Energy Defense Activities- Operating Expenses 89-0220-0-1-053	b/\$1,219	c/\$1,298	\$1,619	\$1,670	\$2,039	\$2,320	37%	13%
Energy Programs Energy Supply, Research and Development-Operating Expenses 89-0224-0-1-271	d/	d/	d/	1,327	2,050	2,195	-	-
Energy Programs Strategic Petroleum Reserve 89-0218-0-1-274	e/	e/	e/	897	2,367	1,961	-	-
Energy Programs Fossil Fuel-Operating Expenses 89-0213-0-1-271	d/	d/	d/	645	721	700	-	-
Atomic Energy Defense Activities Atomic Energy Defense Activities- Plant and Capital Equipment 89-0221-0-1-053	b/287	c/267	316	401	470	648	40	15

DEPARTMENT OF ENERGY--NOTES A THROUGH G

a/In fiscal year 1977, proposals were made to establish a Department of Energy by consolidating a number of organizations including the Energy Research and Development Administration, Federal Energy Administration, Energy Resources Council, Federal Power Commission, and the Bureau of Mines and Power Administrations from the Department of Interior. Outlays for the Department of Energy are first reported in the President's fiscal year 1979 Budget. The fiscal year 1980 Budget proposes a new account structure which separates activities that are currently funded within one account. Similar changes were made in prior years. Because the activities in accounts changed, outlays for fiscal years 1975, 1976, and 1977 are not always available in the President's Budget. In some cases, comparable numbers were obtained from the Office of Management and Budget data base, Historical Outlays by Agency.

The following table provides historical data on Department of Energy accounts at a higher level of aggregation:

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>
	- - - - - (in millions) - - - - -					
Atomic energy defense activities	\$1,506	\$1,565	\$1,936	\$2,070	\$2,509	\$2,968
General science and basic research activities	374	299	324	355	419	453
Energy activities except Power Administrations	1,011	1,963	2,860	3,696	5,802	5,396
Power administrations	295	-47	98	165	216	76

b/Fiscal year 1975 outlay numbers appear in the fiscal year 1977 Budget under the Energy Research and Development Administration.

c/Fiscal year 1976 outlay numbers appear in the fiscal year 1978 Budget under the Energy Research and Development Administration.

d/Activities in these accounts were funded within the Energy Research and Development Administration before fiscal year 1978. Other activities were included in these accounts and outlay numbers for fiscal years 1975, 1976, and 1977 are not available in the President's Budget or in the Office of Management and Budget's data base, Historical Outlays by Agency on a comparable basis (i.e., at the account level).

e/Activities in these accounts were funded within the Federal Energy Administration before fiscal year 1978. Because other activities were included in the accounts existing before fiscal year 1978, total outlay numbers for this program activity are not available in the President's Budget or the Office of Management and Budget's data base, Historical Outlays by Agency on a comparable basis (i.e., at the account level).

f/Activities in this account were distributed among several Energy accounts before fiscal year 1978 and outlay numbers are not available in the President's Budget. Outlay numbers for fiscal years 1975, 1976, and 1977 came from the Office of Management and Budget data base, Historical Outlays by Agency, within accounts entitled Energy Information Administration and Departmental Administration.

g/Activities in this account were funded within the Energy Research and Development Administration and the Federal Energy Administration before fiscal year 1978. Because other activities were included in these accounts, outlay numbers for fiscal years 1975, 1976, and 1977 came from the Office of Management and Budget data base, Historical Outlays by Agency.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent</u> <u>change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
	-(in millions)-							
Social Security Administration Federal Old Age and Survivors Insurance Trust Fund 20-8006-0-7-601	\$56,676	\$64,296	\$73,479	\$81,205	\$89,653	\$101,041	43%	18%
Health Care Financing Administration Federal Hospital Insurance Trust Fund 20-8005-0-7-551	10,612	12,579	15,207	17,862	20,378	21,989	68	38
Social Security Administration Federal Disability Insurance Trust Fund 20-8007-0-7-601	7,982	9,606	11,590	12,655	14,056	15,636	59	30
Health Care Financing Administration Grants to States for Medicaid (note a) 75-0512-0-1-551	6,840	8,568	9,876	b/10,680	11,751	12,354	56	28
Health Care Financing Administration Federal Supplemental Medical Insurance Trust Fund 20-8004-0-7-551	4,170	5,200	6,342	7,350	8,771	10,091	76	45
Health Care Financing Administration Payments to Health Care Trust Funds (notes a and e) 75-0580-0-1-551	2,860	3,598	5,997	c/7,243	7,761	7,900	>100	>100
Social Security Administration Assistance Payments Program (note a) 75-0412-0-1-604	5,121	5,849	6,351	d/6,639	6,702	6,749	30	7

Social Security Administration Supplemental Security Income 75-0406-0-1-604	4,779	5,058	5,297	5,855	5,558	6,340	23	1
Office of Education Elementary and Secondary Education 75-0279-0-1-501	2,277	2,167	2,352	2,815	3,034	3,447	24	2
Human Development Services Grants to States for Social and Child Welfare Services (notes a and f) 75-1634-0-1-506	2,048	2,258	2,551	b/2,809	2,965	3,020	37	13

a/Changes were made in the account structure between fiscal years 1975 and 1978. Outlay data in these years has been adjusted to be comparable to the current structure. Comparable numbers were obtained from the Office of Management and Budget data base, Historical Outlays by Agency.

b/Before fiscal year 1978, activities in these accounts were funded within account number 75-0581-0-1-999 entitled Public Assistance, Social and Rehabilitation Service (SRS).

c/Before fiscal year 1978, activities in this account were funded within account number 75-0404-0-1-999 entitled Payments to Social Security Trust Funds, Social Security Administration (SSA), and account number 75-0581-0-1-999 entitled Public Assistance, SRS.

d/Before fiscal year 1978, activities in this account were funded within account number 75-0581-0-1-999 entitled Public Assistance, SRS, and account number 75-0501-0-1-506 entitled Program Administration, SRS.

e/Outlays from this account are intergovernmental transfers to account number 20-8005-0-7-551 entitled Federal Hospital Insurance Trust Fund and account number 20-8004-0-7-551 entitled Federal Supplementary Medical Insurance Trust Fund. Therefore, when adding individual accounts, these outlays must be eliminated to avoid double counting.

f/There are \$543 million outlays for 1979 in the Treasury Department for this program.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent</u> <u>change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
----- (in millions) -----								
Housing Programs Subsidized Housing Programs 86-0139-0-1-604	a/\$2,087	\$2,282	\$2,443	\$2,920	\$3,588	\$4,404	40%	15%
Community Planning and Development Community Development Grants 86-0162-0-1-451	38	983	2,089	2,464	2,875	3,272	>100	>100
Housing Programs Payments for Operation of Low Income Housing Projects 86-0163-0-1-604	a/	178	506	691	652	720	>100	>100
Community Planning and Development Urban Renewal Programs 86-4034-0-3-451	1,347	1,188	850	376	280	265	-72	-78
Government National Mortgage Association Emergency Mortgage Purchase Assistance 86-4207-0-3-371	b/	b/	-224	360	165	126	-	-
Housing Programs Federal Housing Administration Fund 86-4070-0-3-371	1,088	1,191	492	357	111	34	-67	-73

Management and Administration Salaries and Expenses, Department of Housing and Urban Development 86-0143-0-1-999	140	177	187	215	263	291	54	26
Housing Programs Housing for the Elderly or Handicapped Fund 86-4115-0-3-371	c/-15	c/-15	4	176	476	700	-	-
New Communities Development Corporation New Communities Fund 86-4237-0-3-451	7	14	87	97	43	35	>100	>100
Community Planning and Development Comprehensive Planning Grants 86-0104-0-1-451	97	94	77	67	59	56	-31	-43

a/In fiscal year 1975, activities in account number 86-0163-0-1-604 were funded within account number 86-0139-0-1-604. Because other activities were included in the latter account, outlay numbers for fiscal year 1975 are not available in the former account and comparability of data in account number 86-0139-0-1-604 is adversely affected.

b/In fiscal years 1975 and 1976, activities in this account were funded within account number 86-4205-0-3-401 entitled Special Assistance Functions Fund. Because other activities were included in that account, outlay numbers for fiscal years 1975 and 1976 are not available.

c/For fiscal year 1975, \$-13 million of the \$-15 million outlay figure were recorded off budget and all of the 1976 outlays were recorded off budget under terms of law. The 1978 HUD Appropriation Act returned the program on budget.

APPENDIX II

APPENDIX II

DEPARTMENT OF INTERIOR
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

Bureau Account Title Account Number	Outlays						Percent change FY 1975 to FY 1978	Percent change constant dollars FY 1975 to FY 1978
	Actual 1975	Actual 1976	Actual 1977	Actual 1978	Est. 1979	Est. 1980		
----- (in millions) -----								
Bureau of Indian Affairs Operation of Indian Programs 14-2100-0-1-999	\$469	\$527	\$630	\$644	\$724	\$696	37%	13%
Heritage Conservation and Recreation Service Land and Water Conservation Fund 14-5005-0-2-303	284	276	344	632	543	486	>100	83
Geological Survey Surveys, Investigations, and Research 14-0804-0-1-306	227	286	306	362	400	432	60	31
National Park Service Operation of the National Park System 14-1036-0-1-303	224	248	290	331	390	372	48	21
Bureau of Reclamation Construction and Rehabilitation 14-5061-0-2-301	262	318	454	324	231	254	24	2
Bureau of Land Management Miscellaneous Permanent Appropriations (note a) 14-9921-0-2-999	b/179	175	139	290	311	358	62	33

N
8

Bureau of Land Management Management of Land and Resources 14-1109-0-1-302	160	181	303	275	337	266	72	41
Bureau of Indian Affairs Miscellaneous Trust Funds 14-9973-0-7-999	c/149	165	252	256	280	290	72	41
United States Fish and Wildlife Service Resource Management 14-1611-0-1-303	99	115	135	167	200	203	69	38
Geological Survey Exploration of National Petroleum Reserve in Alaska 14-0805-0-1-271	d/	d/	d/	142	221	83	-	-

a/The Office of Management and Budget has stated that this is an aggregation of accounts--not a single account. However, because it appears in the Fiscal Year 1980 Budget Appendix under a single account number, we included it as one account.

b/In fiscal year 1975, these activities were funded in account number 14-9998-0-2-999 entitled Permanent Appropriations.

c/In fiscal year 1975, these activities were funded in account number 14-9998-0-7-999 entitled Miscellaneous Trust Funds.

d/Jurisdiction of the National Petroleum Reserve in Alaska was transferred from the Department of the Navy to the Department of Interior on June 1, 1977. Because other activities were included in the Navy account, outlay numbers for fiscal years 1975, 1976, and 1977 are not available.

DEPARTMENT OF JUSTICE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

Bureau Account Title Account Number	Outlays						Percent change FY 1975 to FY 1978	Percent change constant dollars FY 1975 to FY 1978
	Actual 1975	Actual 1976	Actual 1977	Actual 1978	Est. 1979	Est. 1980		
----- (in millions) -----								
Law Enforcement Assistance Administration Salaries and Expenses (note a) 15-0400-0-1-754	\$853	\$921	\$846	\$724	\$724	\$591	-15%	-30%
Federal Bureau of Investigation Salaries and Expenses 15-0200-0-1-751	439	469	520	552	578	575	26	3
Immigration and Naturalization Service Salaries and Expenses 15-1217-0-1-751	179	201	243	275	301	297	54	26
Federal Prison System Salaries and Expenses, Bureau of Prisons 15-1060-0-1-753	168	184	217	263	310	327	57	29
Legal Activities Salaries and Expenses, United States Attorneys and Marshals 15-0322-0-1-752	133	146	164	184	204	221	38	14

Drug Enforcement Administration Salaries and Expenses 15-1100-0-1-751	132	146	167	178	190	193	35	11
Legal Activities Salaries and Expenses, General Legal Activities 15-0128-0-1-752	60	63	67	80	88	96	33	10
Federal Prison System Buildings and Facilities 15-1003-0-1-753	31	31	24	46	57	50	48	23
Legal Activities Salaries and Expenses, Antitrust Division 15-0319-0-1-752	18	21	26	36	46	47	100	67
General Administration Salaries and Expenses 15-0129-0-1-751	21	23	20	26	29	25	24	0

a/This account is proposed in the 1980 Budget to be replaced by a new major account (Law Enforcement Assistance) and a much smaller account (Research and Statistics).

DEPARTMENT OF LABOR
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

Bureau Account Title Account Number	Outlays				Percent change FY 1975 to FY 1978	Percent change constant dollars FY 1975 to FY 1978		
	Actual 1975	Actual 1976	Actual 1977	Actual 1978				
Employment and Training Administration Unemployment Trust Fund 20-8042-0-7-999	\$13,211	\$17,920	\$14,103	\$11,169	\$11,000	\$13,100	-16%	-30%
Employment and Training Administration Temporary Employment Assistance 16-0173-0-1-504	319	1,887	2,340	4,769	3,181	2,571	>100	>100
Employment and Training Administration Employment and Training Assistance 16-0174-0-1-504	2,803	3,158	3,291	4,764	7,110	6,992	70	40
Employment and Training Administration Federal Unemployment Benefits and Allowances 16-0326-0-1-603	749	1,892	833	1,165	820	950	56	28
Employment and Training Administration Advances to Unemployment Trust Fund and Other Funds (note a) 16-0327-0-1-600	785	7,883	4,338	1,110	73	206	41	16
Employment Standards Administration Special Benefits 16-1521-0-1-600	192	241	298	191	231	307	-1	-18

Occupational Safety and Health
Administration

Salaries and Expenses 16-0400-0-1-554	91	109	127	148	162	172	63	34
Employment and Training Administration Community Service Employment for Older Americans 16-0175-0-1-504	9	46	72	134	210	219	>100	>100
Employment Standards Administration Black Lung Disability Trust Fund 20-8144-0-7-601	-	-	-	b/112	314	455	-	-
Employment Standards Administration Salaries and Expenses, Wage and Hour Division 16-0105-0-1-505	72	84	98	107	165	161	49	22

a/Outlays from this account are intergovernmental transfers to account number 20-8042-0-7-999 entitled Unemployment Trust Fund; account number 20-8144-0-7-601 entitled Black Lung Disability Trust Fund; and account number 16-0326-0-7-603 entitled Federal Unemployment Benefits and Allowances. Therefore, when adding individual accounts, these outlays must be eliminated to avoid double counting.

b/This new account will eventually replace the Department of Health, Education, and Welfare account number 75-0409-0-1-601 entitled Special Benefits for Disabled Coal Miners. All new beneficiaries will be funded from the new account and financed by an excise tax on mined coal tonnage and reimbursements from mine operators. During the first half of fiscal year 1978, the Special Benefits Fund, account number 16-1521-0-1-600, financed benefits and administration costs of the black lung program.

DEPARTMENT OF STATE
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent</u> <u>change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
- - - - - (in millions) - - - - -								
Administration of Foreign Affairs Salaries and Expenses 19-0113-0-1-153	\$379	\$367	\$543	\$655	\$607	\$697	73%	42%
International Organizations and Conferences Contributions to International Organizations 19-1126-0-1-553	204	216	323	332	371	439	63	34
Administration of Foreign Affairs Payment to Foreign Service Retirement and Disability Fund (note a) 19-0540-0-1-153	29	38	94	107	139	156	>100	>100
Administration of Foreign Affairs Foreign Service Retirement and Disability Fund 19-8186-0-7-602	55	67	84	94	113	128	71	40
Other Migration and Refugee Assistance 19-1143-0-1-151	32	12	26	62	92	155	94	59
Administration of Foreign Affairs Acquisition, Operation, and Maintenance of Buildings Abroad 19-0535-0-1-153	22	34	31	44	91	120	100	64

International Organizations and
Conferences

Contributions for International Peacekeeping Activities 19-1124-0-1-153	6	59	27	27	67	70	>100	>100
Administration of Foreign Affairs Acquisition, Operation, and Maintenance of Buildings Abroad (Special Foreign Currency Program) 19-0538-0-1-153	8	7	9	14	10	20	75	50
Other U.S. Emergency Refugee and Migration Assistance Fund 11-0040-0-1-151	-	b/	10	13	18	18	30	22
International Organizations and Conferences Missions to International Organizations 19-1127-0-1-153	6	8	11	10	13	14	67	33

a/Outlays from this account are intergovernmental transfers to account number 19-8186-0-7-602 entitled Foreign Service Retirement and Disability Fund. Therefore, when adding individual accounts, these outlays must be eliminated to avoid double counting.

b/New account in fiscal year 1976.

DEPARTMENT OF TRANSPORTATION
TOP 10 ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u> <u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>						<u>Percent change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>
	<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>	<u>Est.</u> <u>1980</u>		
	---(in millions)---							
Federal Highway Administration Federal-Aid Highways (Trust Fund) 29-8102-0-7-401	\$4,692	\$6,377	\$5,973	\$5,876	\$6,570	\$6,930	25%	3%
Urban Mass Transportation Administration Urban Mass Transportation Fund 69-1119-0-1-401 (note a)	753	1,322	1,709	2,028	2,250	2,455	>100	>100
Federal Aviation Administration (FAA) Operations 69-1301-0-1-402	b/1,395	b/1,552	1,476	1,622	1,717	1,787	16	-4
Coast Guard Operating Expenses 69-0201-0-1-403	652	707	828	898	968	1,016	38	13
Federal Railroad Administration Grants to National Railroad Passenger Corporation 69-0704-0-1-401	299	354	730	716	779	634	>100	97
Federal Aviation Administration Grants-in-Aid for Airports 69-8106-0-7-402	292	269	335	562	565	570	93	58

Fund	69-8104-0-7-402	69-8107-0-7-402	69-0123-0-1-401	Coast Guard Retired Pay 69-0241-0-1-403
Federal Aviation Administration Operations (Airport and Airway Trust Fund)	223	204	-	105
Federal Aviation Administration Facilities and Equipment	275	211	204	156
Federal Railroad Administration Northeast Corridor Improvement Program	250	197	d/82	140
	293	220	381	198
	10	-5	>100	49
	4	-22	>100	22

a/Before fiscal year 1977, these activities are shown in the budget in account number 69-4119-0-3-401.

b/Prior to fiscal year 1977, FAA operations were virtually all financed from Federal funds. Starting with fiscal year 1977, the Airport and Airways Trust Fund began financing some of these operations.

c/In fiscal years 1975 and 1976, activities in this trust fund were funded from the Federal Aviation Administration's Operations account number 69-1301-0-1-402. Other activities were included in this account and total outlay numbers for this program activity were not available in the President's Budget or in the Office of Management and Budget's data base, Historical Outlays by Agency on a comparable basis (i.e., at the account level). In addition, comparability of data in account number 69-1301-0-1-402 is adversely affected.

d/New account in fiscal year 1977.

DEPARTMENT OF THE TREASURY
TOP TEN ACCOUNTS BASED ON FY 78 ACTUAL OUTLAYS

<u>Bureau</u>	<u>Account Title</u> <u>Account Number</u>	<u>Outlays</u>					<u>Percent change</u> <u>FY 1975 to</u> <u>FY 1978</u>	<u>Percent change</u> <u>constant dollars</u> <u>FY 1975 to</u> <u>FY 1978</u>	
		<u>Actual</u> <u>1975</u>	<u>Actual</u> <u>1976</u>	<u>Actual</u> <u>1977</u>	<u>Actual</u> <u>1978</u>	<u>Est.</u> <u>1979</u>			<u>Est.</u> <u>1980</u>
----- (in millions) -----									
	Interest on the Public Debt								
	Interest on the Public Debt								
30	20-0550-0-1-901	\$32,665	\$37,063	\$41,900	\$48,695	\$59,800	\$65,700	49%	23%
	Office of Revenue Sharing								
	Payments to State and Local								
	Government Fiscal Assistance								
	Trust Fund (note a)								
	20-2111-0-1-851	6,205	6,355	6,655	6,855	6,855	6,855	11	-9
	Office of Revenue Sharing								
	State and Local Government Fiscal								
	Assistance Trust Fund								
	20-8111-0-7-851	6,138	6,243	6,760	6,823	6,852	6,863	11	-9
	Office of Revenue Sharing								
	Antirecession Financial Assistance								
	Fund								
	20-0108-0-1-852	-	-	b/1,699	1,329	2	0	-22	-27
	Internal Revenue Service								
	Payment Where Credit Exceeds								
	Liability for Tax								
	20-0906-0-1-604	-	c/808	d/901	881	841	1,747	9	-4
	Internal Revenue Service								
	Examinations and Appeals (note e)								
	20-0913-0-1-803	828	854	884	718	776	787	-13	-29

Internal Revenue Service Taxpayer Service and Returns Processing (note e) 20-0912-0-1-803	731	784	857	662	750	771	-9	-26
Internal Revenue Service Investigations and Collections 20-0914-0-1-803	e/	e/	e/	436	475	475	-	-
United States Customs Service Salaries and Expenses 20-0602-0-1-751	299	334	349	391	442	442	31	7
Internal Revenue Service Refunding Internal Revenue Collections Interest 20-0904-0-1-902	236	295	318	317	321	326	34	11

a/Outlays from this account are intergovernmental transfers to the account number 20-8111-0-7-851 entitled State and Local Government Fiscal Assistance Trust Fund. Therefore, when adding individual accounts, these outlays must be eliminated to avoid double counting.

b/New account beginning July 1, 1976.

c/New account number, 20-0903-0-1-604, in fiscal year 1976.

d/In the fiscal year 1979 Budget, these transactions were treated as refunds or off-setting receipts rather than outlays. They have subsequently been reclassified as outlays and are treated this way in the Office of Management and Budget's data base, Historical Outlays by Agency.

e/Before fiscal year 1978, activities in account number 20-0914-0-1-803 were funded within two Internal Revenue Service accounts, number 20-0912-0-1-803 entitled Accounts, Collection and Taxpayer Service, and number 20-0913-0-1-803 entitled Compliance. Because other activities were included in these accounts prior to fiscal year 1978, outlay numbers for fiscal years 1975, 1976, and 1977 are not available for account number 20-0914-0-1-803. Comparability of data in the other accounts is adversely affected.

SELECTED GAO REPORTS PROVIDING EXAMPLESOF WASTE AND INEFFICIENCY

The following material is presented in alphabetical order by Department. Reports are listed under the bureau, account name, and account number to which they apply. Agency-wide reports are listed first. Bureau is used to designate principal subordinate organizational units or other organizational/budget entities within an agency. Reports were selected from the:

- Summaries of Conclusions and Recommendations on the Operations of Civil Departments and Agencies (HRD-77-33, Jan. 17, 1977; HRD-78-23, Jan. 26, 1978; and OIM-79-02, Jan. 22, 1979).
- Summaries of Conclusions and Recommendations of Department of Defense Operations (PSAD-77-02, Jan. 13, 1977; PSAD-78-46, Jan. 24, 1978; and OIM-79-01, Jan. 22, 1979).
- General Accounting Office Publications (Dec. 31, 1977, and 1978, and June 30, 1978) and
- Monthly List of GAO Reports (January through May 1979).

Each division of GAO was contacted and given the opportunity to recommend additions or corrections to the data. Copies of GAO reports will be furnished upon request.

DEPARTMENT OF AGRICULTUREBureauAccount TitleAccount NumberFood and Nutrition ServiceFood Stamp Program12-3505-0-1-604

1. "Regulation of Retailers Authorized to Accept Food Stamps Should Be Strengthened"
CED-78-183, December 28, 1978
Conclusions and Recommendations
Many retailers are authorized to accept food stamps even though they only sell a minimal amount of staple items, which weakens the program objectives. Food stamp redemption controls need strengthening. Agriculture should direct the Food and Nutrition Service to improve monitoring of retailers, wholesalers, and control of redemptions, and to conduct more timely and effective reviews of violations of the program regulations.
2. "Problems Persist in the Puerto Rico Food Stamp Program, the Nation's Largest"
CED-78-84, April 27, 1978
Conclusions and Recommendations
Puerto Rico's food stamp program has experienced serious program management deficiencies. Corrective actions are needed to improve the computer system to more effectively and efficiently serve its participants through the improved program service and accountability.
3. "Food Stamp Work Requirements--Ineffective Paperwork or Effective Tool?"
CED-78-60, April 24, 1978
Conclusions and Recommendations
Food stamp work requirements should, if properly carried out, reduce the number of people receiving benefits. Yet, they are not, because most personnel administering work requirements see it more as paperwork than as a tool to reduce program size, and so do not enforce those that are able to work. Better information and monitoring is needed to improve the effectiveness of the work requirements in food stamp programs. Also, a greater effort to correct problems, and determine why required

DEPARTMENT OF AGRICULTURE (cont.)Food Stamp Program (cont.)

procedures are not followed and what action is necessary to insure procedures are implemented is needed for work requirements in the food stamp program.

4. "The Food Stamp Program: Overissued Benefits Not Recovered and Fraud Not Punished"

CED-77-112, July 18, 1977

CED-77-112a, August 31, 1977

Conclusions and Recommendations

Agriculture and States are doing little to identify and recover overissued benefits and punish people where fraud is detected with food stamps. Agriculture should take measures to insure that States are identifying and attempting to recover overissued food stamps, and to prosecute those people who engage in food stamp fraud.

5. "Food Stamp Receipts: Who's Watching the Money?"

CED-77-76, June 15, 1977

Conclusions and Recommendations

The effort to correct major weaknesses in the monitoring system of food stamps has been inadequate. Misuse and mishandling of over \$34 million in food stamp receipts went undetected because of the ineffective monitoring of agents who sold food stamps. Agriculture and States need to more accurately monitor food stamp coupon inventories and agent accountability reports because of the large potential for fraud and misuse.

Food and Nutrition ServiceChild Nutrition Programs

12-3539-0-1-604

1. "Federal Domestic Food Assistance Programs: A Time for Assessment and Changes"

CED-78-113, June 13, 1978

Conclusions and Recommendations

Many domestic food programs have benefits which overlap one another. Agriculture, along with other agencies, needs to determine and reduce where possible the extent of benefit overlaps and gaps among the programs which could aid in reducing excessively paid benefits. Also, Agriculture should consider

DEPARTMENT OF AGRICULTURE (cont.)Child Nutrition Programs (cont.)

ways of improving both administrative effectiveness of food programs and the nutritional status of eligible Americans.

2. "The Summer Feeding Program for Children: Reforms Begun, Many More Urgently Needed"
CED-78-90, March 31, 1978
Conclusions and Recommendations

There have been many program abuses with the summer feeding program for children. Some of the abuses deal with insufficient quantities of food, staffing and funding shortages, and inadequate efforts in approving sponsors and sites. Agriculture needs to strengthen and better enforce some of its program regulations to improve control of program abuses.

3. "How Good Are School Lunches?"
CED-78-22, February 3, 1978
Conclusions and Recommendations

School lunch programs are not complying with the type A lunch program requirements. The sample lunches tested fell short of the 1/3 recommended dietary allowances the program specified. Agriculture should develop instructions for testing alternate meal patterns and revise current procedures to achieve compliance with meal standards. Congress should revise the program legislation to allow more flexibility in providing administrative funds to meet the needs of the States and, along with Agriculture, consider various alternatives dealing with problems resulting from inadequate facilities at feeding sites.

4. "The National School Lunch Program--Is It Working?"
PAD-77-6; July 26, 1977
Conclusions and Recommendations

The school lunch program provides adequately for large scale feeding, but it could be more effective and efficient. Agriculture should require a formal, systematic evaluation of the program's performance in meeting legislative objectives.

DEPARTMENT OF AGRICULTURE (cont.)Child Nutrition Programs (cont.)

5. "The Summer Feeding Program--How To Feed the Children and Stop Program Abuses"

CED-77-59, April 15, 1977

Conclusions and Recommendations

Many criminal and administrative abuses have occurred in the Summer Feeding Program; i.e., food waste due to inadequate storage, failure to follow meal patterns/nutritional standards, bribes to sponsors from vendors supplying meals, etc. The more serious abuses in the program were caused by private nonprofit sponsors. To alleviate some of this waste and abuse, Agriculture should revise (or aid in changing) legislation for the program so as to allow only school and public agencies to be sponsors and to provide more efficient administrative practices.

6. "Problems in Administration of the Summer Feeding Program for Children"

RED-75-336, February 14, 1975

Conclusions and Recommendations

The summer feeding program has had major difficulties in reaching eligible children and in operations at feeding sites. This was largely due to State agencies recruiting efforts geared at sponsors from previous years. Procedures for estimating program costs were inadequate to permit effective use of allocated funds and maximize sponsor participation. State agencies should do more to recruit sponsors in low coverage areas to increase the number of eligible children participating in the summer feeding programs and refine estimating procedures to help make sure funds are used as efficiently as possible.

DEPARTMENT OF COMMERCE

The following reports and recommendations apply to the entire agency and not a specific account.

1. "Additional Large Scale Computer System Not Needed by the Bureau of Census."

FGMSD-79-5, December 13, 1978

Conclusions and Recommendations

The Bureau of Census study, which justified a non-competitive acquisition of a \$13 million plus large scale computer system, was inadequate and resulted in overstating certain workload requirements. We indicated that another large-scale computer system is not needed at this time and recommended that the Bureau study its requirements, objectives and management policies and actions needed to meet its needs through 1982, and properly plan and acquire the capabilities needed for the 1980's.

2. "Inadequacies in Data Processing Planning in the Department of Commerce"

FGMSD-78-27, May 1, 1978

Conclusions and Recommendations

Commerce has inadequate management control over data processing activities and systems, because it lacks a formal plan and process for coordinating them with its missions and goals. This has resulted in duplications, long acquisition delays, excessive system costs, and possible adverse impact on its missions. We recommended that Commerce establish a formal planning, monitoring, and evaluation process that will provide management involvement and accountability at all levels for the direction, coordination, and control of ADP activities and resources.

Bureau

Account Title

Account Number

Economic Development Administration

Local Public Works Programs

13-2052-0-1-452

1. "Changes Proposed for the Funding of Public Works Projects Would Expedite Economic Development and Job Opportunities"

CED-77-86, July 7, 1977

DEPARTMENT OF COMMERCE (cont.)Local Public Works Programs (cont.)Conclusions and Recommendations

Economic development and job opportunities have been postponed or lost in public works programs, because of delays in getting construction started after projects have been approved. The Public Works and Economic Development Act of 1965 should be amended. The amendment would authorize a two-grant system for public works projects--one for project design and one for project construction. This would aid in expediting economic development and providing greater job opportunities.

National Oceanic and Atmospheric Administration
Operations, Research, and Facilities
13-1450-0-1-306

1. "Need for Improving Management of U.S. Oceanographic Assets"

CED-78-125, June 16, 1978

Conclusions and Recommendations

The fragmentation and highly decentralized management operations of ocean research/survey vessels has contributed to the inefficient use of this fleet. Congress should designate a single manager or a Government-wide Fleet Allocation Council until there is a comprehensive national ocean policy established. This should result in a centralized management for ocean policies and insure that vessels are used as efficiently as possible.

2. "Duplicative Responsibilities for Routine Weather Briefings for Pilots"

CED-77-41, March 9, 1977

Conclusions and Recommendations

The Weather Service's resources could be redirected to more productive functions if duplicative pilot weather briefings were stopped. Commerce needs to reevaluate the Weather Service's need for maintaining duplicative weather briefings to pilots. Also, Commerce should consider reducing the Service's role in briefings and leaving it up to the FAA to continue such service.

DEPARTMENT OF COMMERCE (cont.)Economic Development AdministrationEconomic Development Assistance Programs13-2050-0-1-452

1. "Legislation Needed To Establish Specific Loan Guarantee Limits for the Economic Development Administration"
FGMSD-78-62, January 5, 1979
Conclusions and Recommendations

We recommended that the Congress strengthen its control over the EDA by limiting the total amount of all loans as well as the amount of individual guarantees.

DEPARTMENT OF DEFENSE

The following report and its recommendations apply to the entire agency and not a specific account.

1. "Secure Voice Telephone Systems--How Department of Defense Can Save Millions"

LCD-77-105, December 30, 1977

Conclusions and Recommendations

DOD can save about \$300 million by using the narrow-band alternative to protect nontactical telephone conversation, rather than the wideband alternative. We recommended that steps be taken to see that there is a common narrowband secure voice technique for all Government nontactical use worldwide.

Bureau

Account Title

Account Number

Military Personnel

Military Personnel, Army

21-2010-0-1-051

Military Personnel, Air Force

57-3500-0-1-051

Military Personnel, Navy

17-1453-0-1-051

1. "The Department of Defense Should Adopt New Clothing Allowances"

FPCD-79-42, April 20, 1979

Conclusions and Recommendations

An alternative to the present method of paying clothing allowances to military personnel could save the Government \$10 million in the first year and still reimburse personnel for the full replacement cost of uniforms as they wear out. The Secretary of Defense should (1) adopt the alternative clothing allowances, (2) revise special clothing allowances for chief petty officers and (3) indicate in DOD's clothing regulation that it is for replacement clothing only. We also recommended that the Senate Committee on Appropriations adjust the current DOD appropriation to reflect the savings.

2. "AWOL in the Military: A Serious and Costly Problem"

FPCD-78-52, March 30, 1979

Conclusions and Recommendations

DEPARTMENT OF DEFENSE (cont.)

Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

During the year ended June 30, 1977, the military services reported 608,000 AWOLS exceeding 24 hours, which we estimated cost the Government over \$1 billion. The AWOL problem is likely to get worse. The Congress and the Secretary of Defense should develop a more credible approach for dealing with AWOL encompassing recruit quality, military justice training, jobs, punishment for the offense, and separation of offenders.

3. "High Cost of Military Attrition Can Be Reduced"

FPCD 79-28, February 16, 1979

Conclusions and Recommendations

Military attrition costs have increased rapidly, because of service people who are separating before completing their enlistments and are eligible for lifetime VA and other benefits. DOD attrition rates and costs would be reduced if the law was revised so that members must complete their tenure of enlistment, unless discharged for a service connected disability, before being eligible to qualify for VA benefits.

4. "Military and Civilian Managers of Defense Manpower; Improvements Possible in Their Experience, Training, and Rewards-Volume I"

FPCD-79-1, February 16, 1979

Conclusions and Recommendations

Traditional officer assignment practices and existing civilian career programs hinder the development of manpower and personnel management expertise. The Secretary of Defense should make sure that all the services establish viable career fields and programs for officers and civilians working in manpower and in personnel management.

5. "Opportunities To Streamline the Air Force Headquarters Structure in the Pacific"

FPCD-79-27, February 8, 1979

Conclusions and Recommendations

Staff layering and duplication should be reduced in the Pacific where feasible; \$416 million could be saved annually if the Pacific Air Forces would further reduce excessive duplication and layering

DEPARTMENT OF DEFENSE (cont.)

Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

of its headquarters staff. These reductions could be made and still retain the capability required by the Air Force and the Secretary of Defense.

6. "DOD 'Total Force Management'--Fact or Rhetoric?"
FPCD-78-82, January 24, 1979

Conclusions and Recommendations

DOD could reduce military manpower costs without sacrificing readiness. Total force management, whereby all available manpower is used, could provide a cost-effective solution. A total force policy should be developed with the services along with guidance to help manage and determine the composition of the work force.

7. "Transfer of Army Pacific Support Functions Resulted in Unwarranted Personnel Costs"
FPCD-78-80, January 2, 1979

Conclusions and Recommendations

Budget adjustments resulting from transfer of support functions in the Pacific area have caused recurring increased personnel costs of at least \$25 million, and possibly \$40 million, in the Defense budget which we do not believe are justified. The Committee on Appropriations should ask the Secretary of Defense to show why future Defense budgets should not be reduced by at least \$25 million.

8. "Fundamental Changes Needed To Improve the Independence and Efficiency of the Military Justice System"
FPCD-78-16, October 31, 1978

Conclusions and Recommendations

The military justice system presents obstacles to the impartial delivery of justice, because commanders who approve the trial of the accused are also required by law to administer the justice system. Convening authorities detail key participants in court proceedings, control funds for witnesses, and budget the cost of military justice support staff and facilities. Problems with the defense and trial counsel organizations in the services further contribute to the perception of military justice as uneven, unfair, and of low priority. We recommended certain changes, including diminishing the role of the

DEPARTMENT OF DEFENSE (cont.)

Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

convening authority in administering the system to alleviate or correct some of the problems within existing organization structures. However, organizational changes are needed for long range improvements.

9. "The Army Can Improve Peacetime Use of Deployable Enlisted Personnel"

FPCD-78-66, September 7, 1978

Conclusions and Recommendations

The Army does not make the most effective and productive use of its garrisoned deployable personnel for meeting peacetime needs. DOD should develop plans and guidelines that will determine the extent of the Army's peacetime needs and make the most effective use of deployable personnel while maintaining or enhancing individual skill proficiency and unit combat capability. Also, cost-effective records on individuals skill qualifications, training, and experience needed to maintain skill proficiency should be developed.

10. "Department of Defense Is Overcompensating Its Foreign Employees"

FPCD-78-64, August 2, 1978

Conclusions and Recommendations

Although legislation states that foreign nationals should be paid wages according to local prevailing rates, employees are still overpaid. Even though DOD faces many constraints, it needs to develop wage setting techniques which would bring compensation down to local prevailing rates. DOD should continue to explore ways in which more cost-effective and better qualified employees can be hired in foreign installations--whether foreign national or American.

11. "Military Services Policy of Advancing Leave to Enlisted Personnel"

FPCD-78-30, May 24, 1978

Conclusions and Recommendations

The policies and practices of advancing leave to military personnel have resulted in an unsatisfied debt to the Government because of the high attrition rate among first-term enlisted personnel. DOD

DEPARTMENT OF DEFENSE (cont.)Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

should initiate a program to allow leave administrators an increased understanding of advanced leave policies and to inform enlistees of their leave rights and consequences for misuse of advance leave.

12. "Eliminate Administrative Discharges in Lieu of Court-Martial: Guidance for Plea Agreements in Military Courts Is Needed"

FPCD-77-47, April 28, 1978

Conclusions and Recommendations

The services over use the discharge in lieu of court-martial option as an expedient way to get rid of problem people. The administrative discharge system should not be used to dispose of alleged criminal offenders; this practice has become more common. We recommended that the Secretary of Defense revise the directive on administrative discharges to eliminate discharges in lieu of court-martial and direct the services to dispose of criminal charges in a manner consistent with the Uniform Code of Military Justice and the Manual for Courts-Martial. We also recommended that the President provide policy guidance, procedures, rules, standards, and format on the use of plea agreements in military courts.

13. "Possible Savings in Department of Defense Personnel Costs in Italy"

FPCD-78-9, March 1, 1978

Conclusions and Recommendations

Significant savings appear possible in Italian national personnel costs. We recommended that the Secretary of Defense determine whether all Italian nationals should be covered under a single health insurance program, develop plans for hiring more Americans, and determine the cost effectiveness of providing subsidized dining facilities at all military installations.

14. "Management and Use of Army Enlisted Personnel: What Needs To Be Done"

FPCD-78-6, February 16, 1978

Conclusions and Recommendations

The Army needs a centralized workable management

DEPARTMENT OF DEFENSE (cont.)

Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

system so as to manage and use its personnel as effectively as possible. There have been problems in maintaining a good inventory of personnel with skills to match the Army's needs. The Army should designate a single authority to guide officials and develop techniques to improve the management and use of Army personnel. This would aid in reducing costs and increasing personnel effectiveness.

15. "Opportunities Exist for Substantial Savings in Administration of Military Skill Training Programs"

FPCD-78-13, February 14, 1978

Conclusions and Recommendations

The Department of Defense could save millions of dollars a year by requiring

- the services to increase the number of courses now conducted for less than 40 class hours a week to a full 40-hour class week by eliminating or scheduling separately non-skill training activities,
- the Army to establish a more economical and supportable criterion for instructor staffing, and
- the services to use the least costly method of staff training activities as instructed by the Congress.

16. "Development and Use of Military Service's Staffing Standards: More Direction, Emphasis, and Consistency Needed"

FPCD-77-72, October 18, 1977

Conclusions and Recommendations

With the exception of the Air Force, the services have made little progress in developing or using work force standards for determining staffing requirements. This has limited the Office of the Secretary of Defense's ability to evaluate personnel budget requests. DOD should provide adequate leadership in developing a staffing standards program.

DEPARTMENT OF DEFENSE (cont.)

Military Personnel, Army
Military Personnel, Air Force
Military Personnel, Navy (cont.)

17. "Pacific Fleet Headquarters Efficiency Can Be Improved Through Consolidations"

FPCD-76-98, February 4, 1977

Conclusions and Recommendations

The Navy's Pacific fleet is not operating as efficiently and effectively as possible. Pacific fleet headquarters can increase its efficiency through consolidating and streamlining those commands which perform similar types of work.

18. "Millions Being Spent To Apprehend Military Deserters Most of Whom Are Discharged as Unqualified for Retention"

FPCD-77-16, January 31, 1977

Conclusions and Recommendations

During 1975 and 1976, the military spent more than \$58 million to apprehend and process about 84,000 deserters--only to discharge most of them shortly after their return. DOD should reexamine its policies and find less costly practices of apprehending deserters during peacetime in an all volunteer force. We suggested DOD (1) stop apprehension of deserters unless the individual is wanted for other offenses, such as security matters and (2) not routinely undertake aggressive apprehension efforts until it becomes clear that voluntary return is improbable.

Retired Military Personnel

Retired Pay, Defense

97-0030-0-1-051

1. "The 20-Year Military Retirement System Needs Reform"

FPCD-77-81, March 13, 1979

Conclusions and Recommendations

The early military retirement system is an ineffective and inefficient means for attracting personnel. All personnel are eligible to retire under the same criteria whether in positions requiring youth and vigor, such as combat-related occupations, or not. DOD should redesign the retirement system on length-of-service criterion based on the type and length of duty performed.

DEPARTMENT OF DEFENSE (cont.)Retired Pay, Defense (cont.)

2. "DOD Should Incorporate the Retirement System Into an Economically Efficient Compensation System"

FPCD-76-43, March 4, 1976

Conclusions and Recommendations

Military retirement costs are increasing sharply. Significant savings might be possible if DOD would adopt a contributory retirement system for military personnel.

Operation and MaintenanceOperation and Maintenance, Air Force

57-3400-0-1-051

1. "Air Force Continues To Repair Parts When Serviceable Parts Are Available"

LCD-77-202, June 7, 1977

Conclusions and Recommendations

The Air Force unnecessarily spends millions of dollars to repair parts when more than sufficient quantities of serviceable parts are available to meet current needs. The Air Force needs to develop several procedural and data system changes to alleviate these excess expenses.

ProcurementAircraft Procurement, Air Force

57-3010-0-1-051

1. "Target Price of a McDonnell-Douglas Contract Was Overstated, Resulting in \$1.7 Million Excess Cost to the Government"

PSAD-79-23, January 26, 1979

Conclusions and Recommendations

Because the contractor did not use current, accurate and complete cost or pricing data, a \$1.7 million excess cost to the Government will result. Action should be taken by Defense to determine whether the Government is entitled to a price reduction.

2. "Issues Concerning Air Force KC-10A Advanced Tanker/Cargo Aircraft"

PSAD-79-8, January 5, 1979

Conclusions and Recommendations

The Air Force has yet to conduct a cost effectiveness program on the relative merits of the KC-10A and the KC-135 (modified) tanker/cargo aircraft, although

DEPARTMENT OF DEFENSE (cont.)RDTE, NavyRDTE, Air Force (cont.)

missiles, which have moved from low to high priority programs, will be determined more by the outcome of the SALT discussions than by military need. Since the planned use for cruise missiles has changed and the military need continues to be uncertain for certain versions, DOD should reevaluate the need for cruise missiles based on the threat, each service's requirement, and the operational effectiveness of each program.

4. "Status of the CAPTOR Ocean Warfare Mining System"

PSAD-77-44, March 15, 1977

Conclusions and Recommendations

Navy's desire to maintain the CAPTOR program schedule and stay within approved funding levels influenced decisions to cut back the development effort. This resulted in a system which entered into production before major technical problems were resolved and operational effectiveness demonstrated. Planned follow-on testing will not provide statistical assurances as to the system's long-term reliability.

5. "Need To Prevent Department of Defense From Paying Some Costs for Aircraft Engines That Contractors Should Pay"

PSAD-77-57, February 28, 1977

Conclusions and Recommendations

Two aircraft engine manufacturers charged some costs for product support of commercial engines to independent research and development causing costs to be allocated to Government contracts rather than pay them with company funds as required. We believe such allocations are inappropriate and recommend that revisions to the Armed Services Procurement Regulation be made to clearly define independent research and development in order to exclude such costs.

6. "Does the Department of Defense Have More Test Capacity Than It Needs"

PSAD-76-75, March 1, 1976

Conclusions and Recommendations

Duplication exists among Defense test ranges and facilities in ordinance, propulsion, and underwater

DEPARTMENT OF DEFENSE (cont.)RDTE, NavyRDTE, Air Force (cont.)

sound equipment. The test capacity is considered greater than the projected workload in ordinance and engine testing. DOD should examine test facility workload and capacity to determine if it would be desirable to consolidate the workload at fewer facilities.

DEPARTMENT OF ENERGYBureauAccount TitleAccount NumberAtomic Energy Defense ActivitiesAtomic Energy Defense Activities, Operating Expenses89-0220-0-1-053

1. "The Nuclear Weapons Joint Flight Test Program Needs Stronger Management Control"

PSAD-78-98, May 30, 1978

Conclusions and Recommendations

DOE and DOD are not realizing maximum benefits from the program because management controls are not clearly defined. The Secretaries of DOD and DOE should enter into a new agreement which assigns responsibilities and priorities for scheduling and timely performance of tests.

Energy ProgramsEnergy Supply, Research and Development-
Operating Expenses89-0224-0-1-271

1. "The Magnitude of the Federal Solar Energy Program and the Effects of Different Levels of Funding"

EMD-78-27, February 2, 1978

Conclusions and Recommendations

There was concern that funds for some technologies and applications were difficult to justify. DOE should submit information showing the relationship between funding levels and the contribution which various technologies can make in meeting national energy needs. This information is useful in evaluating changes in funding levels for each technology.

2. "Management and Funding Aspects of Three Non nuclear Energy Research, Development, and Demonstration Sub-programs"

EMD-77-24, February 25, 1977

Conclusions and Recommendations

The extent that research, development, and demonstration funds were used for management support services among the three subprograms varied. The amounts of these funds were not disclosed in the agency's budget justification documents or accounting records. The Energy Research and Development Agency should separately identify in the budget

DEPARTMENT OF ENERGY (cont.)Energy Supply, Research and Development-
Operating Expenses (cont.)

accounting records each subprogram's research, development, and demonstration funds used for management support services. The amount of such funds also should be visible in the agency's annual budget submission to the Congress.

Energy ProgramsStrategic Petroleum Reserve89-0218-0-1-274

1. "The Department of Energy Has Failed to Obtain Sufficient Data on Regional Demand and Imports of Refined Petroleum Products to Create a Strategic Petroleum Reserve"

EMD-79-14, March 20, 1979

Conclusions and Recommendations

DOE has failed to annually develop and evaluate product demand and import data for each of its regions to determine whether regional product storage is needed to offset the impact of a supply interruption. DOE should expand its list of petroleum products for which it collects import and demand data and gather this data annually by region.

2. "Various Aspects of the Oil Purchase Policy Being Followed for the Strategic Petroleum Reserve"

EMD-79-1, October 6, 1978

Conclusions and Recommendations

DOE should purchase all suitable royalty oil not sold to refiners for the strategic petroleum reserve. Substantial cost savings would result.

3. "Questionable Suitability of Certain Salt Caverns and Mines for the Strategic Petroleum Reserve"

EMD-78-65, August 14, 1978

Conclusions and Recommendations

Some salt caverns acquired by DOE do not meet structural design standards for oil storage suitability. DOE should study the alternatives and delay further oil storage development at the salt mines until a solution has been developed to the problems of using the salt mine for oil storage.

DEPARTMENT OF ENERGY (cont.)Energy ProgramsFossil Fuel-Operating Expenses89-0213-0-1-271

1. "Fossil Energy Research, Development, and Demonstration: Opportunities for Change"
EMD-78-57, September 18, 1978
Conclusions and Recommendations
DOE lacked some of the necessary tools to properly manage fossil energy RD&D programs and should develop a system of formal program priorities to allocate resources among different technologies and approaches.

2. "First Federal Attempt To Demonstrate a Synthetic Fossil Energy Technology--A Failure"
EMD-77-59, August 17, 1977
Conclusions and Recommendations
The project was plagued by technical and managerial problems, despite a \$10 million cost overrun. The project was then terminated. In future demonstration efforts, DOE should more timely identify and correct problems.

Energy ProgramsEnergy Conservation89-0215-0-1-272

1. "The Federal Government Must Develop an Overall Energy Conservation Plan Which Establishes Specific Goals, Provides for Measuring Progress Toward Those Goals, and Contains Standby Initiatives Which Can Be Put Into Effect if Sufficient Progress Is Not Being Made"
EMD-79-34, February 13, 1979
Conclusions and Recommendations
There is a lack of specific planning and direction from the Government in the energy conservation area as well as an absence of an aggressive, coordinated effort by the Government to conserve energy in its operations and facilities. These problems should be addressed and corrective action taken. Also, there is a need for the Government to develop an overall energy conservation plan.

2. "Transportation Energy Conservation in the Federal Government"
EMD-79-3, January 25, 1979
Conclusions and Recommendations
In our opinion, DOE has not developed, implemented,

DEPARTMENT OF ENERGY (cont.)Energy Conservation (cont.)

or promoted a transportation energy conservation program within the Federal Government. DOE should take a more active leadership role in the transportation area by issuing guidance, requiring agency plans and goals, investigating and promoting known transportation energy conservation opportunities, and developing a better means of monitoring and evaluating agency conservation activities.

3. "More Use Should Be Made of Energy-Saving Products in Federal Buildings"

EMD-79-11, January 23, 1979

Conclusions and Recommendations

There are energy saving technologies available which could be retrofitted to Government buildings to aid in the energy conservation program. DOE should develop policies and procedures that will assist agencies to more effectively use currently available energy-saving products.

4. "The Department of Energy's Development of a 10-Year Plan for Energy Conservation in Federal Buildings"

EMD-78-89, July 20, 1978

Conclusions and Recommendations

Although required by 1975 legislation, as of June 1978, DOE still had no document which can be called a 10-year plan for energy conservation in Federal buildings. DOE should develop such a plan.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

The following reports and recommendations apply to more than one account in the agency.

1. "Home Health Care Services--Tighter Fiscal Controls Needed"
HRD-79-17, May 15, 1979
Conclusions and Recommendations
The cost of home health care services under Medicare has spiraled in recent years. Only recently has HEW taken positive action to limit reimbursement for excessive home health costs. HEW should, however, take several other actions through limitations and/or guidelines to tighten Medicare reimbursements.
2. "Actions Needed To Stop Excess Medicare Payments for Blood and Blood Products"
HRD-78-172, February 26, 1979
Conclusions and Recommendations
Billing and replacement practices of blood banks and hospitals, and preventing the use of blood replacement credits to reduce blood fees has caused substantial overpayments for blood and blood products. HEW should direct the Health Care Financing Administration to clarify Medicare blood billings instructions, improve monitoring of blood bank replacements and hospital billing practices, and initiate appropriate recovery actions to aid in reducing these unnecessary Medicare overpayments.
3. "Social Security Administration Should Improve Its Recovery of Overpayments Made to Retirement, Survivors, and Disability Insurance Beneficiaries"
HRD-79-31, January 17, 1979
Conclusions and Recommendations
Social Security has identified overpayments to individuals who continued to receive benefits despite the fact that they are no longer eligible for benefits. This occurs because the responsible personnel are neither technically proficient in recovery nor providing necessary guidance to those attempting the actual recovery work. We recommended greater managerial attention to overpayment recovery, an examination and evaluation of specific recovery procedures, and refinement of current overpayment data to identify areas needing improvement and to better utilize recovery personnel.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)

4. "Investigation of Medicare and Medicaid Fraud and Abuse Needs Improvement"

HRD-77-19, May 23, 1977

Conclusions and Recommendations

Limited reviews of Medicare and Medicaid investigations showed a wide variance in HEW's emphasis on investigation of suspected fraud and abuse. We recommended that HEW:

- strengthen the monitoring of investigations,
- establish statistical sampling procedures that will better detect fraudulent billing practices,
- reduce investigation paperwork by referring complaints to contractors rather than the regional office, and
- develop investigative priorities.

5. "Tighter Controls Needed Over Payments for Laboratory Services Under Medicare and Medicaid"

HRD-76-121, August 4, 1976

Conclusions and Recommendations

Medicare and Medicaid often pay substantially more for laboratory services than the prices charged by independent laboratories. HEW should limit amounts allowed for laboratory services to the lowest levels at which such services are widely and consistently available in a locality.

6. "Need to Reduce Administratively Necessary Hospital Days"

HRD-76-142, June 29, 1976

Conclusions and Recommendations

Medicare and Medicaid programs pay for thousands of days of inpatient hospital care unnecessarily where lower cost facilities would be more appropriate. Therefore, HEW should (a) require a report on the number of and specific reasons for administratively necessary days of hospital care, (b) establish criteria for determining which days should be paid for by Medicare and Medicaid, and (c) evaluate how to reduce days through more prompt placement in lower cost facilities.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)BureauAccount TitleAccount NumberSocial Security AdministrationFederal Old-Age and Survivors Insurance Trust Fund20-8006-0-7-601

1. "Liberal Deposit Requirements of States' Social Security Contributions Adversely Affected Trust Funds"

HRD-79-14, December 18, 1978

Conclusions and Recommendations

If the SSA does not require States to make more frequent deposits, the trust fund could lose \$1 billion in interest income between 1980 and 1984. HEW should consider requiring semimonthly deposits by the States.

Social Security AdministrationFederal Disability Insurance Trust Fund20-8007-0-7-601

1. "Problems and Progress in Holding Timelier Hearings for Disability Claimants"

HRD-76-173, October 1, 1976

Conclusions and Recommendations

Individuals denied claims for social security disability benefits often wait many months before being provided an appeal hearing. We recommended that HEW assure the same disability criteria is applied by State agencies and judges and establish stricter criteria for Social Security district offices to follow in informally remanding cases to State agencies.

Health Care Financing AdministrationGrants To States for Medicaid75-0512-0-1-551

1. "Problems in Auditing Medicaid Nursing Home Chains"

HRD-78-158, January 9, 1979

Conclusions and Recommendations

Ineffective auditing of Medicaid payments to nursing home chains has resulted in homes being overpaid. HEW should

--provide for exchange of audit results among affected Medicare intermediaries and State Medicaid agencies and

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Grants To States for Medicaid (cont.)

--establish procedures to designate who has audit responsibility for each nursing home chain headquarters.

2. "Attainable Benefits of the Medicaid Management Information System Are Not Being Realized"

HRD-78-151, September 26, 1978

Conclusions and Recommendations

Medicaid management information systems, used by the States to process and pay bills for health care services provided to recipients, do not meet requirements of the law, implementing regulations, or HEW's administrative requirements. We recommended that HEW update the general systems design, develop and implement a functional cost-reporting system for Medicaid claims and develop written approval procedures for use by HEW personnel in approving State information systems.

3. "Savings Available by Contracting for Medicaid Supplies and Services"

HRD-78-60, July 6, 1978

Conclusions and Recommendations

Medicaid could realize considerable savings if the States used competitive bidded or negotiated contracts to purchase medical supplies and services for Medicaid recipients. We recommended that the Health Care Financing Administration publish regulations encouraging greater use of competitive bids or competitive negotiations to obtain supplies and services.

4. "Further Improvements Needed in Investigations of Medicaid Fraud and Abuse in Illinois"

HRD-78-46, March 10, 1978

Conclusions and Recommendations

The Medicaid Fraud and Abuse Unit was established in May 1975 for evaluating States' programs as a result of a GAO report stating that HEW should better coordinate its Medicare and Medicaid fraud and abuse reviews. We identified some problems with the operation of this unit. We recommended that HEW require that

--information on terminated providers be exchanged between Medicare and Medicaid and

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Grants To States for Medicaid (cont.)

--each HEW regional office review State efforts to control fraud and abuse.

5. "Problems in Carrying Out Medicaid Recovery Programs From Third Parties"

HRD-77-73, May 2, 1977

Conclusions and Recommendations

We believe that much of the data reported by States on their third party recovery programs is meaningless. HEW should require the States to develop a third party recovery program that would provide uniform and quantitative data which could result in savings of over \$300 million a year.

Social Security Administration

Assistance Payments Program

75-0412-0-1-604

1. "Need To Improve the Administrative Efficiency of the AFDC Program"

HRD-78-159, September 5, 1978

Conclusions and Recommendations

An inappropriate basis for determining staffing as well as organizational needs has resulted in inefficient utilization of staff, reduced clientele service, and excess administrative costs. (This review applied only to Contra Costa County, California.) We recommended that HEW develop systems analysis-operational research techniques to identify deficiencies in overall productivity and to insure efficient and effective administration of the AFDC program, as well as other human care programs.

2. "Improvements Needed in AFDC's Program for Recovering Overpayments"

HRD-78-117, May 25, 1978

Conclusions and Recommendations

Over \$850 million in 1976 was erroneously paid to recipients in the AFDC program. States have considerable latitude in requiring recovery of overpayments: some require either involuntary or voluntary repayment and others just waive repayment. HEW does not require States to maintain records of overpayments or the disposition of those accounts. HEW should set uniform overpayment

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Assistance Payments Program (cont.)

recovery policies, require States to maintain adequate records, and have the SSA assist States in monitoring and evaluating recovery efforts.

3. "Legislation Needed To Improve Program for Reducing Erroneous Welfare Payments"

HRD-76-164, August 1, 1977

Conclusions and Recommendations

Efforts are needed to identify those actions which are effective in reducing program costs and showing true savings. HEW should make improvements in the quality control program by recommending that States use cost-effective error reduction techniques and proper reporting results. Also, legislation is needed to provide States an incentive to reduce error rates.

4. "Children in Foster Care Institutions--Steps Government Can Take To Improve Their Care"

HRD-77-40, February 22, 1977

Conclusions and Recommendations

HEW must define what services will be provided by child care institutions funded by AFDC and develop guidelines for States to use in setting and determining reasonable rates for foster care costs. This will provide greater control over services provided and prevent overlapping of services with other programs.

Social Security AdministrationSupplemental Security Income Program

75-0406-0-1-604

1. "Erroneous Supplemental Security Income Payments Result From Problems in Processing Changes in Recipient's Circumstances"

HRD-79-4, February 16, 1979

Conclusions and Recommendations

Erroneous SSI payments are being made because of inadequate filing systems and processing procedures, and because controls are inadequate to insure that changes in beneficiary eligibility are being processed promptly and accurately. HEW and SSA need to provide stronger direction to improve field office processing practices and computer controls to insure that changes are properly processed.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Supplemental Security Income Program (cont.)

2. "Social Security Should Improve Its Collection Of Overpayments to Supplemental Security Income Recipients"
HRD-79-21, January 16, 1979
Conclusions and Recommendations
SSA needs to improve its overpayment collection process if it is to achieve uniformity and objectivity, reduce its unresolved backlog of over 1.2 million cases, and collect the maximum possible amount of Supplemental Security Income overpayments--which total \$462.4 million.
3. "Improvement Needed To Insure Accuracy of Retroactive SSI Benefits"
HRD-79-26, December 11, 1978
Conclusions and Recommendations
Retroactive SSI payments have incurred a larger error rate than normal monthly payments. This is due to SSA's failure to obtain accurate information which affects the claimants eligibility or the amount of payment. Many times over or underpayment errors could be reduced if SSA expanded its prepayment review process so that more prepayment reviews are made before issuance of a check. This is especially true for large prepayments. Also, analyses of errors is important to reduce future retroactive payment error rates.
4. "Supplemental Security Income Quality Assurance System: an Assessment of Its Problems and Potential for Reducing Erroneous Payments"
HRD-77-126, May 23, 1978
Conclusions and Recommendations
The quality assurance system does not provide sufficient data for corrective action recommendations and SSA does not have a formal corrective action system. SSA needs to improve uniformity, accuracy, and reliability of the quality assurance system review process for SSI and establish a formal corrective action system.
5. "Review of Social Security's Activities Related To Assessing the Continued Medical Eligibility of Disabled Supplemental Security Income Recipients"
HRD-78-97, April 18, 1978

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Supplemental Security Income Program (cont.)Conclusions and Recommendations

Payments are being made to many SSI recipients who do not have sufficient medical evidence to support a disability decision, who are not disabled as defined by State criteria, and who are no longer disabled. SSA should incorporate into the SSI quality assurance system a reexamination of all disability cases to assure their continued disability.

6. "Supplemental Security Income Overpayments to Medicaid Nursing Home Residents Can Be Reduced"

HRD-77-131, August 23, 1977

Conclusions and Recommendations

SSI overpayments are being made to nursing home recipients because the homes are not reporting their admissions. SSA needs to provide forms and procedures to nursing homes which require them to report admission of SSI recipients. This will reduce SSI payments.

Office of EducationElementary and Secondary Education

75-0279-0-1-501

1. "Better Information Needed for Oversight and Evaluation of Selected Elementary and Secondary Education Programs"
PAD-78-35, May 30, 1978

Conclusions and Recommendations

More uniformity is needed in education programs and budgetary presentations for oversight and evaluation of educational programs. We recommended that HEW coordinate with OMB and interested congressional committees to develop a basic program activity list and cross-references between other program identification description, fiscal data, student eligibility and participation, assessment of needs, and program evaluation information.

2. "Problems and Needed Improvements in Evaluating Education Programs"

HRD-76-165, September 8, 1977

Conclusions and Recommendations

About \$42 million was spent at State and local levels in 1974 for elementary and secondary education program evaluation. We found problems in

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE (cont.)Elementary and Secondary Education (cont.)

the conduct and use of these evaluations and recommended that congressional and agency officials reach agreement on objectives, evaluations, acceptable evaluation data, and measures for each program.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENTBureauAccount TitleAccount NumberHousing ProgramsSubsidized Housing Programs86-0139-0-1-604

1. "Major Changes Are Needed in the New Leased-Housing Program"

CED-77-19, January 28, 1977

Conclusions and Recommendations

There have been problems with HUD's shopping or rent reduction incentive payments to in-place tenants because the majority who were benefiting were those who had done the least to earn the incentive payment. HUD should do away with shopping or rent reduction incentive payments for in-place tenants to insure that people shop around. This will reduce HUD's program operating costs.

Community Planning and DevelopmentCommunity Development Grants86-0162-0-1-451

1. "Environmental Reviews Done By Communities: Are They Needed? Are They Adequate?"

CED-77-123, September 1, 1977

Conclusions and Recommendations

Communities receiving community development block grants are doing environmental reviews for projects which have few, if any, effects on the environment. HUD should make more effort to identify and exempt those projects which do not need environmental review and expand the realm of review and monitoring procedures for communities.

Housing ProgramsFederal Housing Administration Fund86-4070-0-3-371

1. "Millions of Dollars in Delinquent Mortgage Insurance Premiums Should Be Collected by the Department of Housing and Urban Development"

FGMSD-77-33, September 8, 1977

Conclusions and Recommendations

HUD is losing millions of dollars annually because of delinquent mortgage insurance premiums. Policy

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (cont.)Federal Housing Administration Fund (cont.)

management guidance is needed to insure that all the premiums are collected efficiently from lending institutions. HUD should amend agency regulations to insure prompt collection of premiums and to increase the effectiveness of internal control, insuring prompt entry of all mortgage transactions.

2. "Large Savings Possible in Mortgage Insurance Premium Payment System"

FGMSD-77-12, August 24, 1977

Conclusions and Recommendations

Large savings are possible by eliminating, reducing, or simplifying DOD's program of paying its employees' mortgage insurance premiums to HUD. HUD should develop a simplified billing system, correct its master billing files--thus reducing errors and salary costs, and evaluate the need for continuation of the program.

3. "Need To Take Prompt and Aggressive Action To Collect Millions of Dollars of Delinquent Mortgage Insurance Premiums"

FGMSD-75-54, May 5, 1976

Conclusions and Recommendations

The Government is incurring unnecessary costs because of HUD's inadequate accounting system for mortgage insurance premiums and the related billing and collection procedures. HUD should take actions to improve the accounting system and to collect the delinquent mortgage insurance premiums. This will avoid unnecessary costs of maintaining and operating the fund.

Management and Administration

Salaries and Expenses

86-0143-0-1-999

1. "Department of Housing and Urban Development Reorganization Plan: Some Accomplishments But More Needed"

FPCD-78-33, April 10, 1978

Conclusions and Recommendations

HUD's reorganization plan was to modify the field structure and improve management. Even though the reorganization plan was still in the implementation phase, HUD was behind schedule and was not doing anything to downgrade or reduce

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (cont.)Salaries and Expenses (cont.)

field offices and staff. HUD should downgrade and reduce field offices to reduce overhead where workload does not justify the staff. This could improve the efficiency of HUD's field office structure.

2. "Organization of HUD Needs To Be Streamlined"
FPCD-77-56, June 16, 1977

Conclusions and Recommendations

Streamlining regional and field offices could improve HUD's delivery of services to the public and reduce costs. HUD should submit a reorganization plan for congressional approval.

DEPARTMENT OF INTERIOR

The following reports and recommendations apply to one or more bureaus and not just a specific account.

1. "Inadequacies in Data Processing Planning in the Department of the Interior"

FGMSD-78-41, June 23, 1978

Conclusions and Recommendations

Interior has inadequate management control over data processing activities and systems, resulting in underuse, duplication, and lost opportunities for savings. Interior should establish a permanent and effective planning framework, structure, and process to reduce the problems and weaknesses in management control of data processing activities and systems.

2. "Need for Competitive Procurement of ADP Resources at National Park Service"

FGMSD-77-68, August 9, 1977

Conclusions and Recommendations

The National Park Service continues to use a vendor as a major source of computer services rather than using competitive procurement or excess computer services in other departments. We recommended that the Park Service use departmental computer centers with existing excess capacity for most of its current workload and execute a fully competitive procurement for the remaining requirements through the General Services Administration's multiple award schedule contract under the Teleprocessing Services Program. If a dedicated facility contract does have significant benefits for the Park Service, the proper studies and plans should be prepared.

Bureau

Account Title

Account Number

Bureau of Indian Affairs

Operation of Indian Programs

14-2100-0-1-999

1. "More Federal Efforts Needed To Improve Indians' Standard of Living Through Business Development"

CED-78-50, February 15, 1978

Conclusions and Recommendations

There are deficiencies in the grant, loan, and technical assistance programs. We recommended that the Bureau of Indian Affairs conduct an economic

DEPARTMENT OF INTERIOR (cont.)Operation of Indian Programs (cont.)

feasibility study to identify reservations likely to support self-sustaining economic development and to correct deficiencies in accounting and computer controls.

2. "Bureau of Indian Affairs Not Operating Boarding Schools Efficiently"
CED-78-56, February 15, 1978
Conclusions and Recommendations
We recommended that the Bureau of Indian Affairs follow established eligibility criteria and admission procedures and consolidate boarding schools to alleviate the underutilization of off-reservation boarding schools.

3. "The Bureau of Indian Affairs Needs To Determine How Well Its Indian Training Program Is Working and Assist Tribes in Their Training Efforts"
CED-78-46, February 13, 1978
Conclusions and Recommendations
The Bureau of Indian Affairs does not have a system for determining the effectiveness of the Indian Action Team Program and does not require appropriate record keeping from the Indian contractors. We recommended that the Bureau of Indian Affairs develop measures of effectiveness and modify contracts to require adequate reporting.

Geological SurveySurveys, Investigations, and Research14-0804-0-1-306

1. "Georgia Embayment--Illustrating Again the Need for More Data Before Selecting and Leasing Outer Continental Shelf Lands"
EMD-79-22, March 19, 1979
Conclusions and Recommendations
Only limited data was available to assess the potential for gas and oil resources before leasing. If more information had been available, Georgia Embayment may not have been put up for lease. We recommended that a systematic plan be developed for exploring Outer Continental Shelf lands.

DEPARTMENT OF INTERIOR (cont.)Surveys, Investigations, and Research (cont.)

2. "Lower Cook Inlet: Another Example of More Data Needed for Appraising Outer Continental Shelf Oil and Gas Resources"

EMD-78-48, June 8, 1978

Conclusions and Recommendations

Although land was leased on the basis of minimal geological information and despite apparent low promise of resources, Interior has not made significant efforts to obtain geologic information through stratigraphic drilling. We recommended that Interior direct a geological exploration program to appraise Outer Continental Shelf oil and gas resources.

3. "Need To Develop a Systematic Exploration Plan for Resources on the Outer Continental Shelf"

EMD-77-19, March 7, 1977 and EMD-77-51, June 28, 1977

Conclusions and Recommendations

Resource potential of Outer Continental Shelf areas are determined on a minimum of geologic information and on educated guesses. This leads to speculative bidding, tying up of industry capital, and doubt that the fair market value of the area is received. We recommended that Interior direct a geological exploration program to appraise the resource potential of Outer Continental Shelf areas.

Bureau of ReclamationConstruction and Rehabilitation

14-5061-0-2-301

1. "Actions Needed To Increase the Safety of Dams Built by the Bureau of Reclamation and the Corps of Engineers"

CED-77-85, June 3, 1977

Conclusions and Recommendations

The Bureau used questionable design practices, did not use an independent review process, took too many risks, did not always implement the designer's intent, and did not heed a lesson on reservoir filling identified 10 years earlier. Also, there was no effective emergency preparedness plan. We recommended that the Bureau adopt procedures to rectify these problems.

DEPARTMENT OF INTERIOR (cont.)Construction and Rehabilitation (cont.)

2. "Bureau of Reclamation's Procedures and Practices for Computing Authorized Cost Ceilings and Project Cost Estimates Need Improvement"

RED-76-49, November 17, 1975

Conclusions and Recommendations

The Bureau used procedures that allowed costs not subject to inflation to increase the authorized cost ceiling unnecessarily. It was estimated that, because of misapplication of Bureau procedures, the authorized cost ceiling on 2 projects would be exceeded by a total of \$66.9 million. We recommended that the Bureau change its procedures to prevent costs not subject to inflation from increasing authorized cost ceilings and establish an independent internal review process.

DEPARTMENT OF JUSTICEBureauAccount TitleAccount NumberLaw Enforcement Assistance AdministrationSalaries and Expenses15-0400-0-1-754

1. "Evaluation Needs of Crime Control Planners, Decision-makers, and Policymakers Are Not Being Met"

GGD-77-72, July 14, 1978

Conclusions and Recommendations

Evaluation activities of LEAA and the States have been inadequate in meeting planning, decision-making, and policymaking needs of many users concerned with the intergovernmental block-grant crime control program. LEAA should place greater emphasis upon building evaluation into programs and projects and exercise greater leadership.

Bureau of PrisonsSalaries and Expenses15-1060-0-1-753

1. "Correctional Institutions Can Do More To Improve the Employability of Offenders"

GGD-79-13, February 6, 1979

Conclusions and Recommendations

Existing Federal programs can more effectively aid offender employability if

--Federal correctional institutions better manage and organize their programs and

--a portion of Federal education and training assistance to the States is used to help improve program management and organization in State correctional institutions.

2. "Housing Federal Prisoners in Non-Federal Facilities Is Becoming More Difficult"

GGD-77-92, February 23, 1978

Conclusions and Recommendations

We recommended that the Attorney General determine the most economical, long-range solution to the housing of Federal prisoners for each major metropolitan problem area. Because the Bureau's past contracting practices with local jails and

DEPARTMENT OF JUSTICE (cont.)Salaries and Expenses (cont.)

halfway houses did not follow Federal Procurement Regulations, we recommended that the Attorney General insure that those regulations are followed.

3. "Managers Need Comprehensive Systems for Assessing Effectiveness and Operation of Inmate Grievance Mechanisms"

GGD-78-3, October 17, 1977

Conclusions and Recommendations

The Bureau of Prisons and most States have implemented inmate grievance mechanisms without comprehensive management information systems which tell them how well their mechanisms are operating. We recommended that the Bureau of Prisons develop a model management information system that would be adaptable to the State systems.

Legal Activities

Salaries and Expenses, U.S. Attorneys and Marshals
15-0322-0-1-752

1. "U.S. Marshals Service--Actions Needed to Enhance Effectiveness"

GGD-76-77, July 27, 1976

Conclusions and Recommendations

Fees charged to private litigants are not kept current, causing costs to exceed revenues by \$16 million since 1968. Congress should require the Attorney General to identify the current cost of the serving process so fees can be revised to approximate the cost of providing the services.

DEPARTMENT OF LABORBureauAccount TitleAccount NumberEmployment and Training AdministrationUnemployment Trust Fund20-8042-0-7-999

1. "More Effective Federal and State Cash Management Would Increase Interest Income of Unemployment Trust Fund"
FGMSD-79-20, April 17, 1979
Conclusions and Recommendations
Ineffective monitoring and guidance of cash has caused Federal and State Governments to lose millions of dollars in interest income on Unemployment Trust Fund deposits. Labor should establish an effective system for monitoring State cash management and banking arrangements to increase Trust Fund interest earnings.

2. "Unemployment Insurance: Need To Reduce Unequal Treatment of Claimants and Improve Benefit Payment Controls and Tax Collections"
HRD-78-1, April 5, 1978
Conclusions and Recommendations
There are no uniform standards to determine who is eligible and how much one can receive from Unemployment Insurance Benefits. Control of benefit overpayments is weak. Labor should encourage implementing programs to detect and control overpayments. Congress should establish uniform eligibility standards and methods for determining unemployment benefit amounts so all claimants are treated on an equal basis.

3. "Worker Adjustment Assistance Under the Trade Act of 1974: Problems in Assisting Auto Workers"
HRD-77-152, January 11, 1978
Conclusions and Recommendations
Many payments under the Worker Adjustment Assistance Program were not received until after the worker was back on the job and benefits were not always distributed equally because of the problems in identifying eligible workers. Labor should provide guidance as to who is eligible and Congress should amend the Trade Act of 1974 so that supplemental unemployment benefits could be treated as other earned income.

DEPARTMENT OF LABOR (cont.)Employment and Training AdministrationEmployment and Training Assistance16-0174-0-1-504

1. "More Effective Management Is Needed To Improve the Quality of the Summer Youth Employment Program"
HRD-79-45, February 20, 1979

"Poor Administration of the 1977 Summer Program for Economically Disadvantaged Youth in New York City"
HRD-78-123, July 26, 1978

"Information on the Summer Youth Employment Program"
HRD-77-121, June 27, 1977

Conclusions and Recommendations

The Summer Youth Program's objective is to provide disadvantaged youth meaningful work tasks and training to enhance future work eligibility. Because of poor planning and administration by Labor and local program operators many youths have been prevented from being exposed to useful and sufficient work. Labor needs to (1) provide specific guidance to sponsors on how to assess job quality, (2) determine whether sponsors are and have been providing meaningful work, and (3) develop procedures to insure that those youth in most need of employment and training are being reached and given the opportunity to participate in the Summer Youth Program.

2. "Job Training Programs Need More Effective Management"
HRD-78-96, July 7, 1978

Conclusions and Recommendations

CETA programs are designed to provide unemployed people with skills needed to find jobs. There are many factors which may affect the success of a program. These factors include the motivation and capabilities of an individual, economic conditions, and factors within the sponsor's control involving inadequate training programs and related services. To improve the success of such programs, Labor should consider improving management shortcomings in operations and monitoring and evaluating CETA's training activities. By insuring that sponsors are offering training in areas that match job openings and that Labor and sponsors can assess participants' employment needs and capabilities, there is greater assurance of a positive success rate of CETA program

DEPARTMENT OF LABOR (cont.)Employment and Training Assistance (cont.)

participants. This could also demonstrate that large amounts of Federal dollars are being spent effectively in the program.

3. "Questionable Need for Some Department of Labor Training Programs"

HRD-78-4, April 10, 1978

Conclusions and Recommendations

Due to employment opportunities declining in the construction industry, two CETA programs--Apprenticeship Outreach Program (AOP) and On-The-Job Training Programs--which are construction related, need to be reassessed to justify a need for continued job training funding in this area. There has also been insufficient oversight and evaluation of programs, resulting in numerous problems in these CETA programs. Labor should replace the AOP with less costly alternatives and terminate or redirect On-The-Job Training Programs that are not achieving their objectives. This would enable funding to go to programs which would induce successful levels of achievement.

4. "Stronger Controls Needed Over the Migrant and Seasonal Farmworker's Association Programs in North Carolina"

HRD-77-84, September 8, 1977

Conclusions and Recommendations

In 1975 the association's administrative costs exceeded the 20 percent limit imposed by Labor's regulations and expenditures were misclassified. The Secretary of Labor should provide technical assistance to the association to assure that administrative costs are properly classified, weaknesses in administrative controls over vocational training programs are corrected, and corrective action regarding administrative costs that exceed the 20 percent limit are taken.

5. "More Benefits To Jobless Can Be Attained in Public Service Employment"

HRD-77-53, April 7, 1977

Conclusions and Recommendations

The following factors have been found to lessen the benefits of CETA programs

--participants are not coming from unemployment

DEPARTMENT OF LABOR (cont.)Employment and Training Assistance (cont.)

rolls, but predecessor programs,

--few people have obtained permanent unsubsidized jobs, and

--those in the most need are not being hired.

Congress should (1) limit the time enrollees can remain in the program to encourage participants to seek other available employment when economic conditions warrant and (2) extend preferential treatment to members of low-income families for all public service employment jobs.

Employment Standards AdministrationSpecial Benefits

16-1521-0-1-600

1. "Improvements Still Needed in Administering the Department of Labor's Compensation Benefits for Injured Federal Employees"

HRD-78-119, September 28, 1978

Conclusions and Recommendations

The Office of Worker Compensation Programs has been awarding benefits without adequately establishing a causal relationship between the disability or death and the beneficiary's employment. Even though other factors have contributed to improper determination of benefits, Labor should improve its monitoring system and instruct its employees responsible for making claim determinations to only approve benefits to claimants with adequate medical and other evidence that the employee's injury or death was work related.

2. "To Provide Proper Compensation for Hearing Impairments, the Labor Department Should Change Its Criteria"

HRD-78-67, June 1, 1978

Conclusions and Recommendations

Criteria for hearing impairments has been inadequately established and has resulted in considerable overcompensation in many cases. Labor should use a more justifiable basis to award compensation for hearing impairment. A formula for determining hearing impairment should be adopted and testing procedures should be used which would exclude

DEPARTMENT OF LABOR (cont.)Special Benefits (cont.)

temporary hearing loss and exaggerated responses in establishing the degree of hearing impairment to be compensated.

3. "Program To Pay Black Lung Benefits To Coal Miners and Their Survivors--Improvements Are Needed"

HRD-77-77, July 11, 1977

Conclusions and Recommendations

Labor's Black Lung Compensation Program has encountered several management problems which have resulted in a slow adjudication rate and increased claim backlogs. For Labor to effectively manage its Black Lung Compensation Program, it should review its processing system to reduce delays between processing steps, establish a timeliness criteria for completing the informal hearing process, establish an effective program to respond promptly to claimant inquiries, and to allocate adequate resources and staff to effectively manage the program.

DEPARTMENT OF STATEBureauAccount TitleAccount NumberAdministration of Foreign AffairsSalaries and Expenses19-0113-0-1-153

1. "State Department Should Improve Foreign National Pay Setting"

FPCD-78-81, January 8, 1979

Conclusions and Recommendations

State Department posts overseas are paying their foreign national employees more than they should. The Secretary of State should more closely monitor overseas wage setting to insure that missions have salary schedules which reflect private sector average pay and replace civil service retirement with prevailing local plans.

2. "Consular Services Abroad Can Be Improved; Process of Evaluating Need for Posts Questioned"

ID-77-52, December 29, 1977

Conclusions and Recommendations

Opportunities exist for reducing the number of consular offices, improving the effectiveness and efficiency of nonimmigrant visa operations, improving consular services to U.S. citizens detained abroad, and improving consular treaties. The Secretary of State should direct that more specific criteria be developed for determining the need for constituent posts, screening of applicants for nonimmigrant visas be improved, more prompt attention to and better records be kept for U.S. citizens detained abroad, and consular treaties be reviewed.

3. "Holiday Administration Overseas: Improvement Needed To Achieve More Equitable Treatment of Employees"

ID-78-7, December 12, 1977 and ID-75-42, March 17, 1975

Conclusions and Recommendations

As reported in our report (ID-75-42), the degree to which holidays were being observed at diplomatic and consular posts overseas appeared to be inappropriate. We recommended that the State Department develop uniform guidelines for observing holidays in foreign areas. State could also implement the guidelines developed by the Civil

DEPARTMENT OF STATE (cont.)Salaries and Expenses (cont.)

Service Commission and reduce the number of lost work days.

Administration of Foreign Affairs
Acquisition, Operation, and Maintenance
of Buildings Abroad
19-0535-0-1-153

1. "The Department of State Can Improve Its Traffic Management Practices and Realize Large Savings"
LCD-78-248, January 12, 1979
Conclusions and Recommendations

The State Department should arrange for GSA to perform packing, crating, and related services for goods shipped overseas. Also, State should have furniture manufacturers ship to the nearest GSA export depot and take advantage of section 22 rates on shipments rather than use more expensive modes of shipping.

2. "The Department of State Has Continuing Problems in Managing Real Estate Overseas"
ID-78-16, July 12, 1978
Conclusions and Recommendations

The overseas construction program is not effective because of a lack of reliable, long-range planning; poor cost estimating; external pressures; and insufficient technical personnel. We recommended that a comprehensive set of plans, criteria, and controls be adopted to correct identified problems.

DEPARTMENT OF TRANSPORTATIONBureauAccount TitleAccount NumberFederal Highway AdministrationFederal-Aid Highways (Trust Fund)20-8102-0-7-401

1. "Solving Corrosion Problems of Bridge Surfaces Could Save Billions"

PSAD-79-10, January 19, 1979

Conclusions and Recommendations

Bridge surfaces have been deteriorating at a much faster rate than they should. This is due largely to salt used to melt snow on the roadways. Transportation should use cost-effective systems to prevent deterioration on uncontaminated bridges and to stop further deterioration on already contaminated bridges.

2. "Improving and Maintaining Federal-Aid Roads--Department of Transportation Action Needed"

CED-77-31, February 2, 1977

Conclusions and Recommendations

Due to a reduction in highway revenue growth, States have a deteriorating financial picture and have reduced their budgets and staffing in highway maintenance. To properly maintain highways, the Highway Administration should prescribe highway maintenance standards and guidelines for States to follow. States should use highway funds on improvement projects to protect the old systems rather than on new projects.

Urban Mass Transportation AdministrationUrban Mass Transportation Fund69-1119-0-1-401

1. "Need for More Federal Leadership in Administering Non-urbanized Area Public Transit Activities"

CED-78-134, July 3, 1978

Conclusions and Recommendations

UMTA has no separate policy, procedures, personnel, grant delivery system, or organizational entity relative to transit assistance for small urban or rural areas and does not manage its nonurbanized areas program as a separate program. UMTA should

DEPARTMENT OF TRANSPORTATION (cont.)Urban Mass Transportation Fund (cont.)

establish more specific policies and procedures for nonurbanized areas to insure that nonurban programs are managed as effectively as possible.

2. "Need To Improve Effectiveness of Grants To Develop and Purchase Rapid Rail Transit Cars"

RED-76-75, March 10, 1976

Conclusions and Recommendations

UMTA approved a \$142 million grant for new cars for New York's rapid transit system without sufficient information on the reliability of the cars and approved automatic train control equipment not planned for immediate future use. The Administrator of UMTA should require grantees to provide evidence that new equipment will meet reliability requirements and justify the need for and use of new technology not to be used in the immediate future.

Federal Aviation AdministrationOperations

69-1301-0-1-402

1. "Second-Career Training for Air Traffic Controllers Should Be Discontinued"

CED-78-131, June 29, 1978

Conclusions and Recommendations

Most air traffic controllers that are removed from duty are using other Federal programs rather than the FAA's second career program. Also, FAA is not counseling or making an effort to find these people employment in the Federal Government. The FAA should discontinue its second career training program and assist controllers in finding reemployment within the FAA.

2. "Effective Fuel Conservation Programs Could Save Millions of Gallons of Aviation Fuel"

CED-77-98, August 15, 1977

Conclusions and Recommendations

Effective fuel conservation programs could contribute to energy conservation. The FAA should establish a monitoring system for its fuel conservation programs requiring airlines to take ground delays instead of using up excess fuel.

DEPARTMENT OF TRANSPORTATION (cont.)Operations (cont.)

3. "Improved Controls Needed Over Private Pilot Licensing"
RED-76-65, February 26, 1976
Conclusions and Recommendations
Private pilot flight tests and reviews are conducted by non-FAA personnel. FAA did not have an effective system for determining whether the tests and reviews complied with FAA standards. FAA should obtain information on the content of flight tests and reviews and on pilot's performance appraisals. This information should be used to evaluate the quality of the tests and reviews and whether they are compatible with FAA requirements and standards.

Coast GuardOperating Expenses69-0201-0-1-403

1. "The 140-Foot Harbor Tugboat: Does the Coast Guard Need It on the East Coast?"
PSAD-79-17, January 15, 1979
Conclusions and Recommendations
To procure 140-foot harbor tugboat vessels for east coast operations would be a wasteful investment and lead to excessive operating expenses. The Coast Guard should consider the mission on the east coast and reevaluate its plans to replace existing vessels with the 140-foot crafts.
2. "Coast Guard Response to Oil Spills: Trying To Do Too Much With Too Little"
CED-78-111, May 16, 1978
Conclusions and Recommendations
The Coast Guard has done a fairly adequate job in responding, cleaning up, removing, and investigating oil spills; yet it could be more effective in oil spill incidences. The Coast Guard should be more responsive and more quickly prepared to assume responsibility for an oil spill.
3. "If Defense and Civil Agencies Work More Closely Together More Efficient Search/Rescue and Coastal Law Enforcement Could Follow"
LCD-76-456, May 26, 1977
Conclusions and Recommendations
Greater adherence to the National Search and Rescue Plan would result in more effective search and

DEPARTMENT OF TRANSPORTATION (cont.)Operating Expenses (cont.)

rescue operations and savings. The Coast Guard and DOD should determine jointly the total search and rescue aircraft requirements for both peacetime and wartime needs and begin joint effective use of search and rescue aircraft.

4. "Increased Attention Needed To Insure that Bridges Do Not Create Navigation Hazards"

CED-76-103, August 25, 1976

Conclusions and Recommendations

The Coast Guard's procedures to insure that bridges are safe and free of obstructions to navigation are weak. The Coast Guard should strengthen its inspection procedures and controls for pier protection systems and environmental assessments. This would provide greater assurance of decreasing waterway safety hazards.

Federal Railroad AdministrationGrants to the National RailroadPassenger Corporation

69-0704-0-1-401

1. "Amtraks's Subsidy Needs Cannot Be Reduced Without Reducing Service"

CED-78-86, May 11, 1978

Conclusions and Recommendations

Amtrak can improve its operating efficiency, but it cannot reduce its operating costs or its subsidy needs without substantially reducing its route size. This is largely due to labor and maintenance costs and losses. Congress should require that Amtrak provide better information that explains its operating and capital plans and whether the social benefits of maintaining its present route system justifies the cost of operating it.

2. "Should Amtrak Develop High-Speed Corridor Service Outside the Northeast?"

CED-78-67, April 5, 1978

Conclusions and Recommendations

Additional corridor service outside the northeast would not be likely to produce benefits commensurate with its costs. Increased ridership and decreased deficits will not result from expansion unless one of the other transportation modes is

DEPARTMENT OF TRANSPORTATION (cont.)Grants to the National Railroad
Passenger Corporation (cont.)

disrupted. Congress has a number of choices for providing funds to Amtrak including (1) provide enough funds to continue at existing levels; (2) provide no funds at all so Amtrak must stand on its own; (3) provide additional funds so Amtrak can improve its services.

3. "Amtrak's Incentive Contracts With Railroads--Considerable Cost, Few Benefits"

CED-77-67, June 8, 1977

Conclusions and Recommendations

Amtrak's incentive contracts with railroads to provide better service, reduce costs, and increase efficiency have only increased the financial burden on Amtrak and the taxpayer. We recommended that Amtrak structure incentives more realistically and make them contingent on actual performance. Also, Amtrak should assess penalties when incentive contract standards are not met.

DEPARTMENT OF TREASURYBureauAccount TitleAccount NumberInternal Revenue ServiceInvestigations and Collections20-0914-0-1-803

1. "IRS Can Improve Its Programs To Collect Taxes Withheld by Employees"

GGD-78-14, February 21, 1978

Conclusions and Recommendations

The foremost delinquency problem facing the IRS is the collection of employment taxes--income tax withheld and social security tax. The IRS should provide its district offices with taxpayer's delinquency histories and Congress should enact legislation to provide a civil penalty for those who claim fictitious tax payments thereby delaying collection efforts.

United States Customs ServiceSalaries and Expenses20-0602-0-1-751

1. "Reductions Needed in the Number of Customs Regions and Districts--Organizational Alternatives"

FPCD-78-74, October 10, 1978

Conclusions and Recommendations

There is a need to reduce the number of customs regions and districts in order to improve operational efficiency and coordination. This would enable the U.S. Customs Service to reduce administrative overhead and provide greater uniformity in managing geographic problem areas.

2. "Import Duties and Taxes: Improved Collection, Accounting, and Cash Management Needed"

FGMSD-78-50, August 21, 1978

Conclusions and Recommendations

Delays in collections allowed by Customs procedures have cost the Government millions in interest costs. Treasury should consider developing methods to reduce delays in collecting duties, reduce processing delays, and levy interest charges on importers who elect to defer taxes or are delinquent in paying duties.

LIMITATIONS AND QUALIFICATIONS ON
FINANCIAL DATA PRESENTED IN THIS REPORT

A realistic evaluation of the financial data provided in this report requires an understanding of several factors which limit its use. Issues relating to restructuring of account contents, interfund transactions, net versus gross presentation of outlays, off-budget accounts and estimating accuracy must be considered before basing conclusions on this data.

PROBLEMS IN YEAR TO YEAR COMPARISONS
OF OUTLAYS IN PROGRAM ACTIVITIES

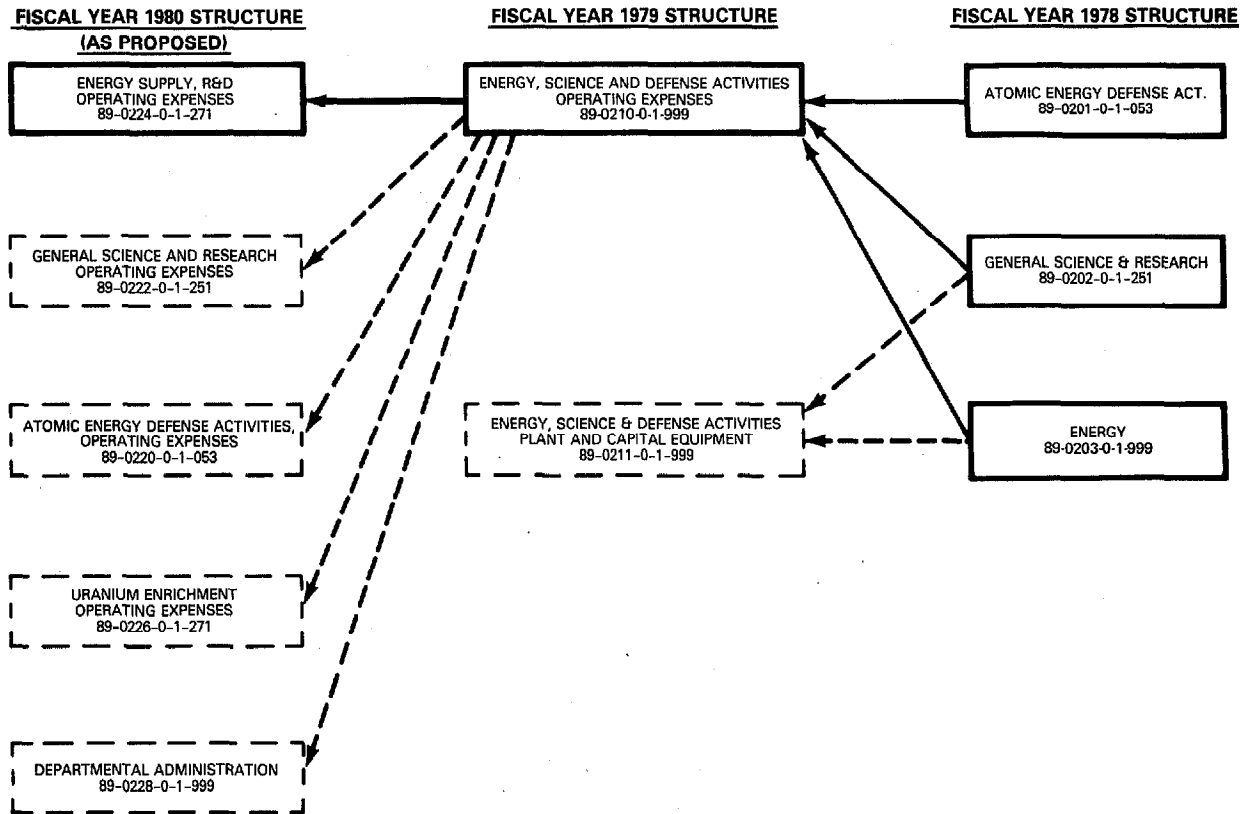
Analyzing and comparing spending in Federal activities from year to year is complicated because of the way appropriation accounts are structured in the budget document and the way changes in the content of these accounts are made.

In obtaining financial data in response to this request we had to respond in terms of appropriation accounts rather than programs. Within the current structure, a large appropriation account may contain more than one program. Conversely, one program may span two or more accounts in one or more departments or agencies. As a result, outlay totals are not always available for individual programs.

Restructuring the contents of accounts interrupts the continuity of year to year outlay totals at the account level. In many cases, historical budget data for accounts whose contents have been changed is not readily available; spending totals within the new structure are not comparable to totals in accounts existing in prior years.

The proposed fiscal year 1980 Department of Energy account entitled Energy Supply, Research and Development-Operating Expenses is an example of the difficulties encountered in tracing historical outlays in restructured accounts. The fiscal year 1980 account structure divided the activities of the Energy, Science and Defense Activities-Operating Expenses account into five separate accounts, one of which is Energy Supply, Research and Development-Operating Expenses. Previously, the fiscal year 1979 account had been restructured from activities contained within three separate accounts. The following illustration displays these shifts.

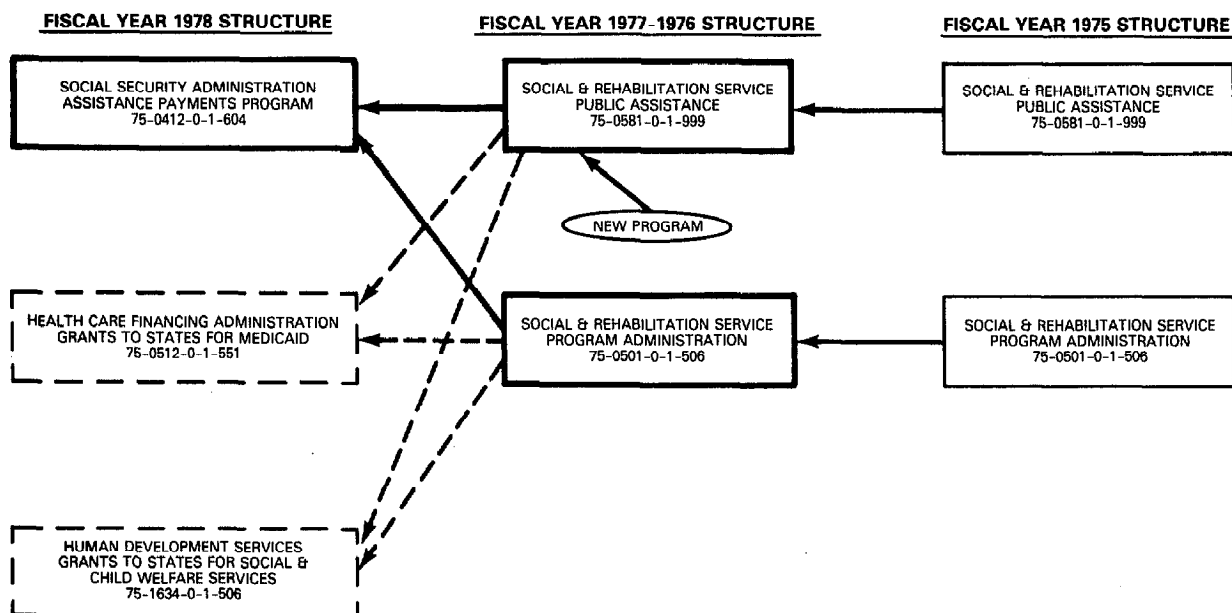
RESTRUCTURING OF DEPARTMENT OF ENERGY'S ACCOUNT ENTITLED ENERGY SUPPLY, RESEARCH AND DEVELOPMENT, OPERATING EXPENSES



Before fiscal year 1978, activities were funded in accounts in the Department of Defense and the Energy Research and Development Administration.

Another example from the Department of Health, Education, and Welfare shows similar difficulties in tracing historical outlays. In fiscal year 1978, the Social Security Administration's Assistance Payments Program was funded in a new account. In fiscal years 1975, 1976, and 1977, this program was contained in the Social and Rehabilitation Service's Public Assistance account, while program administration was funded in a separate account as illustrated in the following chart.

RESTRUCTURING OF DEPARTMENT OF HEALTH, EDUCATION, & WELFARE'S ACCOUNT ENTITLED
ASSISTANCE PAYMENTS PROGRAM



Activities in the Public Assistance and Program Administration accounts were split into three separate accounts in different subfunctional areas in fiscal year 1978. Outlay data was reconstructed to allow historical comparison because changes were made in functional areas.

Appropriation account content

For several decades the Office of Management and Budget has used the functional approach to summarize budget spending and to discuss the President's programs in the budget document. This approach summarizes budget authority and outlays according to end purposes or national needs without regard to agency or other bureaucratic jurisdiction.

The historical data tables for budget outlays, which compare changes in spending over time, are presented in functional terms. To insure year to year continuity of functional area data, the Office of Management and Budget reconstructs historical budget data when the activities within an appropriation account are split into two or more subfunctions. This information is available in the Office of Management and Budget data base entitled Historical Outlays by Agency. Our publication, "Terms Used in the Budgetary Process" defines 'program' as, "an organized set of activities directed toward

a common purpose, objective, or goal, undertaken or proposed by an agency in order to carry out the responsibilities assigned to it." Unfortunately, the term program has many usages; there is no standardized meaning in the legislative process.

Although there are currently about 1,300 appropriation accounts, we have estimated that these accounts could be subdivided into at least 2,000 individual activities that could be called programs. In our May 23, 1979, testimony on congressional oversight reform legislation before the Subcommittee on the Legislative Process, House Committee on Rules, we discussed the difficulties in reviewing entities within accounts and pointed out the need for a program inventory to determine what entities fall within each subfunction.

Concerns have been raised that the data requirements and the review of entities that reach below the account level might leave the Congress overwhelmed with work and forced to focus on too great a level of detail. We do not believe this need be the case. With more complete budget information available at this level, committees could group programs for review and focus their efforts where they will be most productive. We believe that to maintain the necessary information linkage between the reauthorization and review process and the budget process, information on Federal spending is required at a sub-account level. It is only at this level that year to year spending in individual program activities can be compared and program growth realistically measured.

INTERFUND TRANSACTIONS

To add the outlay numbers for the 120 accounts in any given year requires elimination of certain outlays to avoid double counting. Substantial amounts are transferred from one account to another when transfers are made between certain general fund and trust fund accounts. For example, outlays in the Department of Health, Education, and Welfare's Payments to Health Care Trust Funds account are also reflected in the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund. These account level transactions are eliminated by deductions at the agency, functional, or total budget level but can be misleading when viewed on an individual account basis. Cases in which inter-fund transfers were identified are footnoted in appendix II.

NET VERSUS GROSS OUTLAYS

The outlay figures in the budget documents are reported net and do not fully reflect Federal spending. Spending

totals do not include outlays from off-budget Federal entities nor outlays from business-type revenues, currently recorded as offsetting collections and receipts. We stated in our report entitled "Federal Budget Outlay Estimates: A Growing Problem" (PAD-79-20, Feb. 9, 1979) that economic activity is affected by all funds the Government spends, and not just those included in the net outlay figures. Rational decisionmaking requires full information on Federal activity.

In fiscal year 1978, the effect of looking at net rather than gross numbers decreased Federal outlays by \$88 billion. These items represent 20 percent of total fiscal year 1978 net outlays. Exclusions grew by \$11.6 billion between fiscal years 1977 and 1978. The following chart shows the individual items making up the difference between net and gross outlays.

Net to Gross Outlays

Fiscal Year 1978

(dollars in billions)

Net Federal outlays	\$450.8
Offsetting receipts from the public	15.9
Offsetting collections from non-Federal sources--on-budget	40.4
Offsetting collections from non-Federal sources--off-budget	21.4
Net outlays from off-budget Federal entities	<u>10.3</u>
Gross Federal outlays	a/ <u>\$538.9</u>

a/Numbers do not add because of rounding.

OFF-BUDGET ACCOUNTS

Off-budget accounts were not included in our selection of 120 accounts. However, significant Federal spending is recorded off-budget. For example, the two largest off-budget spending accounts which relate to the 12 cabinet-level departments are the Department of Treasury's Federal Financing Bank and the Department of Agriculture's Rural Telephone Bank. Outlays in these accounts from fiscal year 1975 through the fiscal year 1980 estimate follow.

Largest Off-Budget Accounts Relating to Cabinet Departments

	<u>1975</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u> <u>Est.</u>	<u>1980</u> <u>Est.</u>
- - - - (in millions of dollars) - - - -						
Federal Financing						
Bank (note a)	6,355	5,863	8,201	10,614	11,477	11,288
Rural Telephone						
Bank	110	93	59	113	124	143

a/In fiscal year 1978, the Federal Financing Bank fund was the Department of Treasury's second largest spending account.

ESTIMATING PROBLEMS

Budget estimate data which we have included for fiscal years 1979 and 1980 should not be used as a measure of program spending or growth because it includes proposed program changes that Congress may not accept and has historically been at variance with actual data. Although increased efforts are underway to improve the estimating process, outlay figures in individual appropriation accounts vary significantly between the original estimate and the actual. (See our report entitled "Federal Budget Outlay Estimates: A Growing Problem," PAD-79-20, Feb. 9, 1979.) For example, in fiscal year 1978, two of the 120 major accounts on our list in appendix II reported budget year estimates which varied from actual spending by \$4.6 billion and \$3.8 billion. These are Agriculture's Price Support and Related Programs account and Labor's Temporary Employment Assistance account. In addition, the accuracy of spending estimates for the same account can vary dramatically from year to year. Variances between budget year estimates and actuals in Department of Defense's Aircraft Procurement-Air Force account for fiscal years 1973 through 1978 follow.

<u>Fiscal year</u>	<u>Variance</u> <u>(Estimate - Actuals)</u>	<u>Percent</u> <u>variance</u>
	(millions)	
1973	\$-71	-3%
1974	295	14
1975	677	31
1976	-652	-20
1977	327	9
1978	908	23

Although variances often occur because of unpredictable events such as congressional action, policy changes, or natural disasters, in many cases the accuracy of estimates can and should be improved. Critical decisions are often made early in the budget process, but accurate estimates are often not available until late in the fiscal year.

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