



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

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RESOURCES, COMMUNITY
AND ECONOMIC DEVELOPMENT
DIVISION

JANUARY 17, 1984

B-213008

The Honorable David L. Boren
United States Senate

The Honorable Don Nickles
United States Senate

The Honorable James R. Jones
House of Representatives

The Honorable Mike Synar
House of Representatives



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Subject: Status of the Bureau of Indian Affairs' Muskogee
and Anadarko Area Office Consolidation
(GAO/RCED-84-89)

Your jointly signed August 19, 1983, request asked us to review personnel and administrative changes underway at the Department of the Interior's Muskogee and Anadarko, Oklahoma, area offices of the Bureau of Indian Affairs (BIA) and the implications of such changes for delivery of services to Indian tribes in Oklahoma. In discussions with your offices, we agreed to provide a report on the status of the consolidation.

We made our review, which was performed in accordance with generally accepted government auditing standards, at BIA's Washington, D.C., headquarters where BIA officials responsible for administrative changes at area offices are located. We reviewed BIA's organization directives and other functional statements for the Muskogee and Anadarko area offices. We also interviewed BIA headquarters and area office officials responsible for planning and monitoring the implementation of the personnel and administrative changes at Anadarko and Muskogee. All of the pertinent documents and data concerning the Muskogee and Anadarko area office consolidation were available at BIA's headquarters; therefore, on-site visits to the area offices were not necessary.

CONSOLIDATION HISTORY

BIA established the Anadarko and Muskogee, Oklahoma, area offices in the early 1950's. BIA area offices are responsible for managing a wide variety of programs, such as Indian education, housing financial assistance, road construction design, and real estate. In addition, each area office manages its own administrative responsibilities, including staff payroll and equal employment opportunity monitoring.

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In the early 1970's, BIA began to consider the possibility of consolidating the two area offices, which BIA officials believed would lead to improved program management and more efficient area office administration. However, BIA did not seriously consider an Anadarko and Muskogee Area office consolidation because of resistance from Oklahoma Indian tribes who did not want to lose BIA employment opportunities and were against shifting the location of the area offices.

With budget reductions in the early 1980's, BIA again began considering a consolidation. The fiscal year 1983 Department of the Interior Appropriations Act included an \$8-million reduction in the administrative budgets of the BIA headquarters and area offices. BIA absorbed the total fiscal year 1983 reduction among the headquarters and area offices proportionately to the number of their full-time equivalent positions.

At the area office level, the fiscal year 1983 administrative budgets for both the Muskogee and Anadarko area offices totalled about \$6.1 million--a \$2.3-million reduction from both area offices fiscal year 1982 budgets.

Between February and April 1983, informal discussions were held among Interior's Assistant Secretary for Indian Affairs, Deputy Assistant Secretary for Indian Affairs, the Muskogee and Anadarko area directors, and other headquarters staff regarding possible consolidation of the two Oklahoma area offices into one office, located in Oklahoma City.

In June and July 1983, the Muskogee and Anadarko area directors briefed the Assistant Secretary on the results of their consolidation consultations with Oklahoma Indians who were generally opposed to the proposed action because they believed the elimination of one area office would result in fewer programs and services for their tribes. The Assistant Secretary subsequently discussed the potential consolidation with several congressional legislative and appropriation staffs.

ADMINISTRATIVE FUNCTIONS CONSOLIDATED

In July 1983, the Assistant Secretary decided against the consolidation of the Muskogee and Anadarko area offices, despite his belief that the consolidation would have enabled BIA to provide services in a more efficient and effective manner. The Assistant Secretary recognized that strong support from Indian tribes, local communities, and interested members of Congress would have been necessary to effectively consolidate the two area offices. In a memorandum dated July 12, 1983, he instructed the two area office directors to plan for the continued operation of both offices. The Assistant Secretary also directed them to

coordinate their operational plans to provide a framework for future mutual support and assistance.

Subsequently, after considering various mutual support and assistance alternatives, such as a single payroll office for both area offices, developed by the Anadarko and Muskogee area directors, the Assistant Secretary issued a directive on July 26, 1983, to consolidate the administrative functions of the two area offices at Anadarko. The administrative consolidation alternative was selected, according to the Special Assistant to the Secretary of Indian Affairs, in an attempt to accomplish some of the management objectives anticipated under the single-area office reorganization plan, including the reduction of dollars and positions attributed to overhead administrative costs as opposed to reductions in program management.

Changes at Muskogee and Anadarko

Most of the administrative responsibilities, including personnel, supply and safety, and equal employment opportunity for both area offices, were consolidated at Anadarko with a corresponding shift of 28 staff positions from Muskogee to Anadarko. As shown below, the majority of the 28 persons affected by the consolidation elected not to transfer.

--Seven persons transferred to Anadarko.

--Eight persons declined transfer and were placed in lower graded positions available at Muskogee.

--Seven persons retired.

--Six persons were separated from government service.

Some program changes also occurred along with the administrative consolidation. The July 26 directive instructed the area directors to decentralize road construction, realty, and minerals management activities to the 11 BIA agency offices (local servicing agents) in Oklahoma during fiscal year 1984.

The July 26 directive also transferred the management of BIA's road construction design program and real estate appraisal services from Anadarko to the Muskogee area office. The transfer resulted in a corresponding shift of three staff positions to Muskogee, according to BIA officials. However, no BIA personnel actions were required because the transferred positions had been vacant at Anadarko. All other program responsibilities, including direct services to Indians, continue to be provided from both area offices.

The Anadarko assistant director for administration and Muskogee area director told us that before the administrative consolidation, both area offices had a combined total of 74 administrative positions--38 at Anadarko and 36 at Muskogee. After the consolidation and subsequent personnel reductions-in-force resulting from the fiscal year 1983 budget reductions, both area offices had a total of 48 administrative positions--40 at Anadarko and 8 at Muskogee. Anadarko gained 2 positions and Muskogee lost 28. A total of 26 administrative positions were abolished.

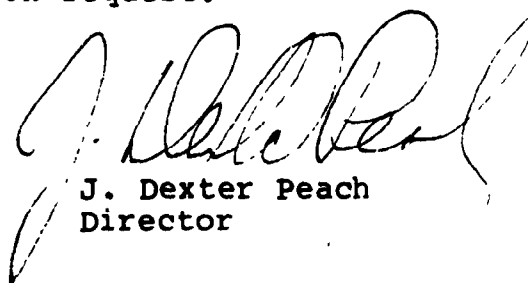
Except for the continuing efforts to decentralize BIA area office services to agency offices, as required by the July 26 directive, all of the consolidation changes were completed, and no further changes were planned for the Muskogee or Anadarko area offices.

VIEWS OF AGENCY OFFICIALS

After reviewing a draft of this report, three BIA headquarters officials responsible for implementing and monitoring the Anadarko and Muskogee area office's administrative consolidation, including the Special Assistant to the Assistant Secretary for Indian Affairs, said that the report accurately presented the history and results of the consolidation.

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As arranged with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 10 days from the date of issuance. At that time, we will send copies to the Secretary of the Interior and the Assistant Secretary for Indian Affairs and make copies available to other interested parties upon request.



J. Dexter Peach
Director