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Report to Rep. Bill Chappell; by James D. Martin (for Gregory J. Ahart, Director, Human Resources Div).

Issue Area: Employment and Training Programs: Employability of Selected Target Groups (3201).

Contact: Human Resources Div.

Budget Function: Education, Manpower, and Social Services: Other Labor Services (505).

Organization Concerned: Department of Health, Education, and Welfare; White House Conference on Handicapped Individuals; Moshman Associates, Inc.

Congressional Relevance: Rep. Bill Chappell.

Authority: P.L. 93-516. 41 U.S.C. 252(c).

Certain aspects of the financial arrangements for the White House Conference on Handicapped Individuals were investigated to determine the degree to which the conference deviated from normal procedures used in arranging and conducting Federal or Department of Health, Education, and Welfare conferences and to ascertain whether certain parties had a financial or other advantage. The investigation indicated that the Conference staff acted within the authorizing legislation and Federal regulations in organizing and administering the Conference. The staff contracted with Moshman Associated, Inc., a private firm, for logistical arrangements for the Conference, a common practice for White House Conferences. The language in the authorizing legislation directing that handicapped individuals be hired when feasible did not limit the authority to contract for services when appropriate. The contractor was selected by appropriate procurement procedures, and the work done by Moshman was completed within the time established and was below the Government estimate of costs for logistics. The Sheraton Park Hotel was selected as the site of the Conference because of the hotel's willingness to make alterations to meet accessibility requirements. There was no evidence to substantiate charges that undue advantages were provided to or gained by any parties involved in the planning and conduct of the Conference. The procedures for producing a final report were generally patterned after the approach used during the White House Conference on Aging in 1971. (RRS)



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UNITED STATES GENERAL ACCOUNTING OFFICE

WASHINGTON, D.C. 20548

HUMAN RESOURCES
DIVISION

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B-164031(1)

The Honorable Bill Chappell
House of Representatives

Dear Mr. Chappell:

In your letter of June 28, 1977, you asked us to (1) investigate certain aspects of the financial arrangements for the White House Conference on Handicapped Individuals held in Washington, D.C., May 23 to 26, 1977, (2) determine the degree to which this conference deviated from normal procedures used in arranging and conducting Federal or Department of Health, Education, and Welfare (HEW) conferences, and (3) ascertain whether certain parties had a financial or other advantage. You also asked that we examine the procedures for producing a final Conference report and determine the likely statistical validity of such a report.

We interviewed officials of the Office of Human Development (OHD) 1/ of HEW; the White House Conference on Handicapped Individuals; the White House Conference on Aging; the National Planning and Advisory Council; representatives of Moshman Associates, Inc., and the Sheraton Park Hotel; State Conference directors; and Conference delegates. We also reviewed the provisions of title III of Public Law 93-516, the White House Conference on Handicapped Individuals Act; documents relating to the award of a contract for Conference logistics to Moshman Associates, Inc.; correspondence concerning various Conference activities; documents prepared by the Conference staff for use during the Conference; the computerized voting results; and the final Conference report.

The results of our work show that the Conference staff acted within the authority provided by the authorizing legislation and Federal regulations in organizing and

1/In July 1977, OHD was reorganized and renamed the Office of Human Development Services.

administering the White House Conference on Handicapped Individuals. We uncovered no evidence to substantiate that undue advantages were provided to or gained by any parties involved in the planning and conduct of the Conference. Also, we found that the procedures for producing a final Conference report were generally patterned after the approach used during the White House Conference on Aging in 1971. We believe that the final voting results should represent a statistically reliable summary of the voting delegates' opinions on the recommendations on the specific issues presented during the Conference.

Following is a discussion of the specific items that were in the attachment to your June 28, 1977, letter.

CONFERENCE LOGISTICS

Title III of Public Law 93-516 authorized the President to convene a White House Conference on Handicapped Individuals to stimulate a national assessment of problems facing individuals with handicaps, and develop recommendations to solve such problems. The Conference was to be planned and conducted under the direction of a National Planning and Advisory Council and the Secretary of HEW. The Law states that, in carrying out this responsibility, the Council and the Secretary should engage individuals with handicaps and any additional personnel that might be necessary. In discussing title III, Senate Report Number 93-1297 states:

"In carrying out all responsibilities under this resolution, the title directs the Secretary to employ individuals with handicaps. The Committee wishes the intent of this language to be very clear. The Committee believes very strongly that this is a Conference for, of, and about individuals with handicaps, and should be guided, planned, and participated in by individuals with handicaps and members of their families."

In implementing the congressional mandate, a staff was assembled to set up the Conference. The staff consisted of 25 professional members. Of the 25, the staff's executive director identified 12 members with disabilities, including blindness, deafness, cerebral palsy, muscular dystrophy, spinal cord injury and poliomyelitis. The

executive director, one of the handicapped, told us that the disabled on the staff had the same responsibilities as able-bodied staff members. However, when sensitivity training was required, only the handicapped staff explained to the hotel and volunteer personnel the most appropriate ways to provide the necessary services.

While planning for the Conference, the staff decided that it would be in the best interest of the Federal Government to contract with a private firm for logistical arrangements for the Conference. In supporting this decision, the executive director noted that a logistics contract is common for White House Conferences. He stated that (1) it would not have been possible to secure enough staff detailed from Federal agencies and other organizations to handle such areas as travel, (2) the Federal Government requires detailed paperwork that would not be necessary through an outside contractor, and (3) an outside contractor would have skills in materials design, production, and computerization which the Conference staff did not have, and would be capable of making major mailings.

On November 23, 1976, OHD, on behalf of the White House Conference staff, awarded a contract to Moshman Associates, Inc., under the authority of 41 U.S.C. 252(c) (10) to "furnish the necessary personnel, materials, services, facilities, and otherwise do all things necessary for or incident to the performance" of the logistical requirements of the Conference (e.g., travel and lodging of Conference participants and setting up of Conference facilities). OHD officials who handled the actual contracting activities said that using a contract for the logistics on this Conference was a valid and reasonable means of administering the Conference. They also stated that it would not have been feasible to rely on staff detailed from Federal agencies for all Conference logistics.

It is our view that the language in the authorizing legislation which directed that handicapped individuals be hired when feasible did not limit the basic authority of HEW to contract for services where appropriate. In addition, because almost half of the professional staff were handicapped individuals, it is our view that the requirements of the law with respect to engaging and hiring handicapped individuals were reasonably complied with, even though logistical arrangements were contracted.

The proposed procurement of logistical arrangements was publicized in the Commerce Business Daily. The Request for Proposal, issued on July 14, 1976, was made available to over 250 firms. In response, OHD received six proposals. Of the six, three were rated as technically acceptable and three were rated as technically unacceptable. OHD negotiated with the three contractors who submitted proposals rated as technically acceptable. Following a review of each bidder's final proposal, a technical evaluation panel consisting of members of the Conference staff, HEW, and other organizations, selected Moshman Associates. The evaluation panel stated in a report to the OHD contract officer that the Moshman Associates staff showed "evidence of a thorough understanding of contract requirements, a genuine sensitivity to the needs of the handicapped, and a realization that balancing both of these were intrinsic to the National Conference." We did not find any improper relationship between Moshman Associates and any person involved with the Conference staff.

Moshman Associates is a small Maryland-based firm that employs a professional consulting staff to solve operational policy problems of government and industry. Much of their work is done under contract with the Federal Government. Moshman Associates is specifically organized to provide conference management and supporting services to agencies and other organizations. In reviewing some of their recent projects, we found that Moshman Associates has provided and is providing for several Federal agencies and organizations conference arrangements similar to those provided for the White House Conference on Handicapped Individuals. Also, we noted that one of the conferences organized by Moshman Associates addressed the need for data on whether health needs for the disadvantaged were being satisfied. In the context of that conference, the "disadvantaged" included those who might be handicapped by ethnic background, physical impairment, or economic status.

Moshman officials told us they did not employ disabled persons for work performed under the contract for the White House Conference. A Conference staff coordinator was to act as project officer and monitor the logistics contract. The coordinator and a secretary participated in developing Conference guidelines and were responsible for quality control in material developed by Moshman Associates. According to OHD officials and the Conference staff, the work

by Moshman Associates was of an exceptionally high quality. They completed the work within the times established and below the Government estimate of the total cost for the Conference logistics (included in the summary of contract negotiations). A Moshman official said that savings in Federal expenditures resulted from widespread use of volunteers from both the public and private sectors to carry out Conference activities.

Hotel selection

The Conference staff, in conjunction with the National Planning and Advisory Council, selected the Sheraton Park Hotel as the site of the Conference before issuance of the Request for Proposal on the logistics contract in July 1976. At the time the decision was made, the Sheraton Park Hotel and another hotel were considered the two best available sites. The executive director said that while the other hotel had more readily accessible rooms, the hotel's management was not agreeable to making alterations and renovations to make the hotel completely accessible for handicapped participants at no Federal cost. Because of the cooperation in this area by the Sheraton Park staff, that hotel was selected for the Conference. The Sheraton Park Hotel was included in the Request for Proposal as the site, with the requirement that as many Conference participants as possible be housed in the Sheraton Park Hotel.

Both the Conference staff and Moshman representatives stated that the Federal Government did not reimburse the Sheraton Park Hotel for the cost of the accessibility alterations and that they were not aware of the actual costs for the alterations. A Sheraton Park representative said that the hotel spent about \$75,000 for alterations and other preparations, such as sensitivity training for hotel staff, with no reimbursement by the Federal Government. The representative said that the hotel was willing to make the alterations because of the anticipated increases in revenue through both the Conference and greater use of hotel facilities in the future. He said that the hotel

--installed ramps,

--adjusted curb heights,

- placed raised lettering at elevator entrances and other entrances,
- lowered certain public telephones,
- removed carpets in certain locations,
- removed doors in designated areas, and
- installed grab bars.

The hotel representative told us that all of the sleeping rooms and other accessibility alterations made for the Conference will be available for use until construction of a new hotel is completed about October 1979. He said that accessibility features for the handicapped have been included in the design for the new hotel. The Conference's executive director told us that Federal funds were not spent on publicizing the special arrangements for the Conference.

Travel arrangements

The Conference staff decided that all delegates and their authorized attendants would be required to make travel arrangements through the Conference logistics contractor. This requirement was a part of the contract awarded to Moshman Associates. The Conference executive director said that this was standard procedure for this type of Conference and that it would provide good financial control over the travel expenditures which constituted the largest part of the logistics budget. Moshman Associates was responsible for reimbursing delegates and their attendants for authorized travel to and from the Conference.

Moshman Associates acted as a coordinator to facilitate the preparation and distribution of tickets. Many different airlines were used in the ticketing process. Moshman Associates attempted to book Conference participants at group rates whenever possible. However, participants were permitted to make their own reservations if they notified Moshman Associates, which kept track of all travel and arrangements for connecting ground transportation and other travel needs.

Meal arrangements

The Conference staff decided that a meal plan would provide the best means for a timely completion of the Conference schedule. Eleven meals were served at various times and places to fit in with the overall Conference schedule. The meal plan was chosen because of the large numbers of handicapped participants, the very limited public restaurant facilities in the Sheraton Park Hotel, and the tight time schedules of the Conference.

Moshman Associates was required to provide logistical support to delegates and their paid attendants. However, Moshman Associates allowed alternates or observers to also participate in the meal plan. This was the choice of each alternate or observer.

Several weeks before the Conference began, the Conference staff revoked the policy requiring use of the meal plan by the delegates and their attendants. The Conference's executive director, through the State Conference directors, gave each participant the opportunity to continue or not continue in the meal plan. Although May 6, 1977, was announced as the cutoff date for making a final selection, Conference and Moshman staff told us that a desk was set up at the Conference to allow additional meal plan changes. Only delegates and their attendants were provided with per diem in lieu of the meal plan; alternates and observers were individually responsible for the cost of their meals during the Conference.

On May 16, 1977 (1 week before the Conference), Moshman Associates signed an agreement with the Sheraton Park Hotel which stipulated the responsibilities of the hotel and Moshman Associates, including meal plan and lodging requirements during the Conference. This agreement represented a formal and binding acknowledgment by each party. The number of persons staying at the hotel and participating in the meal plan was determined solely by Moshman Associates and the White House Conference staff, and this was included in the agreement. Based on the number of persons not choosing the meal plan, Moshman Associates was able to reduce the minimum number of persons guaranteed for each meal by about 17 percent before signing the agreement.

The Conference's executive director told us that Moshman Associates proposed a meal plan which was modified by the National Planning and Advisory Council. The amount paid to the hotel for each delegate who participated in the meal plan was negotiated between Moshman Associates and the Sheraton Park Hotel. It was based on many factors, including the type of service desired, the number of hotel staff required, and the different locations involved. The final price for the full meal plan consisting of 11 meals was \$108.75, including an 8-percent District of Columbia sales tax and a 16-percent gratuity.

For a period of time comparable to the time frame covered by the meal plan, delegates were permitted under Federal Government travel regulations to receive a maximum subsistence of \$80 (excluding lodging). Because of the White House Conference staff's desire to use a meal plan and the types of meal service required, Moshman Associates informed us that it negotiated the lowest individual meal plan rate possible. The Conference's executive director said that the final negotiated price was less than what would be paid elsewhere for similar meals and services.

Based on our work, we did not find any relationship between the cost of the alterations made by the hotel and the final negotiated price for the meal plan used at the Conference. The hotel management, representatives of the White House Conference staff, the National Planning and Advisory Council, and the Architectural and Transportation Barriers and Compliance Board all discussed and determined the types of alterations and accessibility renovations to be made. The hotel began the alterations before the final agreement on the meal plan requirements. The Conference staff decided whether to use a meal plan and the type of meal plan to use. The final meal plan price was negotiated by Moshman Associates based on the types of meals required.

Room arrangements

The Conference's executive director stated that the final Conference policy did not require participants to share rooms. However, all participants were requested to share rooms, due to the large numbers of attendees at the Conference, the staff's desire to house as many as possible in the Sheraton Park Hotel, and the shortage of rooms available at the hotel in relation to the number of persons attending the Conference (950 rooms for 2,500 participants).

According to the executive director, Conference policy permitted participants to select their own roommates or have one assigned. A Moshman Associates official said that State directors were requested to submit a list of the room assignments for their delegations. Two State directors we contacted verified that their State delegates had the opportunity to select roommates.

During early planning, Conference policy stated that hotel accommodations would require double occupancy. However, the policy was revised in an attempt to be responsive to the needs and requirements of participants. In a letter dated March 25, 1977, the Conference executive director provided the policy changes for each State director to communicate to his delegation.

Participants were allowed to room alone and were required to pay for the difference in price between a single sleeping room and a room with double accommodations. A Moshman official said that about 10 percent of the Conference participants chose single rooms. State directors were also notified that participants had the option of rooming in any hotel of their choice. The policy stated that if a person chose to room at a hotel other than the Conference site, Moshman Associates would provide an allowance equal to the amount paid to the Sheraton Park roomers (\$20.50 per night).

As discussed here and in previous sections, most of the procedures followed by this Conference represented management decisions made by the Conference staff, in conjunction with the National Planning and Advisory Council. We believe that the procedures were not unusual for a conference such as the White House Conference on Handicapped Individuals. In discussing the logistical arrangements, four State directors said they did not consider the Conference arrangements undesirable or demeaning and, in fact, expressed opinions that the arrangements were appropriate. During our work, we reviewed correspondence from six more State directors and a number of other persons associated with the Conference, including delegates, who expressed praise and gratitude for the efforts provided by Moshman Associates.

While examining the issues concerning Conference logistics, we found that the methods used for providing information about the Conference to participants may have

caused Conference policies to be misunderstood by some. Also, more information on certain policies was needed by others. Certain Conference information was distributed directly to State delegates and delegates-at-large. However, some information, including policy changes on using the meal plan, were given to State Conference directors for distribution to their delegation. The State Conference director decided whether or not to pass the information on to the delegates. Also, State Conference directors were not responsible for delegates-at-large.

Moshman representatives said they did not obtain a complete listing of the delegates-at-large before the Conference because delegates-at-large were selected and notified by the Conference staff.

The persons selected were supposed to return an application form, which was enclosed with the invitation, to notify the Conference staff of their acceptance. Moshman Associates said that many delegates-at-large did not return the application. Consequently, delegates-at-large came to the Conference without having received all pre-Conference information. We also found that some correspondence sent to them contained outdated information. In one case, policies had been revised and reported to State directors but the correspondence to delegates-at-large was not updated. Thus, while Conference policies changed considerably before the Conference, information on revised policies may not have always reached all participants.

CONFERENCE VOTING PROCEDURES

The method used by the Conference staff for reaching a consensus of delegates was patterned after the general approach used at the White House Conference on Aging held in 1971. Like the Conference on Aging, the Conference on Handicapped Individuals was organized into work sessions corresponding to major issues. The delegates were assigned to specific work sessions. Delegates to the Conference on Aging did not vote on all Conference recommendations as did the delegates to the Conference on Handicapped Individuals. At the Conference on Aging, delegates voted only during work sessions and only on the recommendations associated with the work session.

Other techniques and procedures used by the Conference on Aging were also followed. For example, questions and relevant issues were developed at the national level by the Conference staff to be used as a basis for recommendations formulated and adopted at State and community conferences. The recommendations generated at State conferences were forwarded to the Conference staff, who consolidated and reproduced them in delegate workbooks for use at the White House Conference.

The Conference on Handicapped Individuals format was structured into 25 topical areas with 6 to 24 issues identified under each area. There were a total of 287 issues for the 25 topical areas. Each issue contained from 1 to 62 recommendations for possible solutions. There were over 3,500 recommendations under the 287 issue areas. In State caucuses at the convention, the delegates were requested to choose three recommendations for each issue in order of preference. The voting results were computerized to produce a final tabulation and priority listing of the voting delegates' opinions on the recommendations.

The Moshman staff told us that 672 State delegates and 137 delegates-at-large were eligible to vote at the Conference. The computerized voting results show that a total of 780 different individuals voted on the recommendations during the Conference. On the first day of voting, 726 individuals voted; on the second and third days, 714 individuals voted each day. Also, two ballots were submitted with no votes recorded.

Our review of voting results indicates that the location of an issue or recommendation on the ballot was not a consideration. Delegates individually selected issue areas and recommendations for which they would cast a vote. Of the 726 delegates returning ballots on the first day, the largest voter response on an issue was 700; the smallest voter participation on an issue was 348. Of the 714 voting on the second day, the highest turnout on an issue was 704 and the lowest was 243. Of the 714 voting on the third day, the largest turnout on an issue was 686 and the lowest was 491.

Also, we found that the trend of total voters per issue remained relatively constant throughout each day's balloting. On the first day, an average of 573 delegates voted

on the 3 issues included in the first topical areas on the ballot, compared to an average of 515 persons voting on the 24 issues under the last topical area on the ballot. On the second day, an average of 633 persons voted on the 10 issues for the first topical area on the ballot, compared to an average of 627 voting on the 12 issues under the last topical area on the ballot. On the third day, an average of 676 persons voted on the 8 issues under the first topical area on the ballot, compared to an average of 677 persons voting on the 9 issues under the last topical area on the ballot. We believe that the increase in the number of persons voting over the 3 days can be attributed to experience and a better understanding by the delegates of the Conference voting procedures.

Based on our analysis of the Conference balloting, we believe that the final voting results should represent a statistically reliable summary of the voting delegates' views on the recommendations included under the issues presented during the Conference. We do not believe that because some related recommendations were repeated often in the workbooks and some were mentioned once the delegates would be unfairly biased. Delegates could select only three recommendations from among many per issue and the fact that a delegate would select a similar recommendation under more than one issue should be viewed as a need or weakness in those areas. For example, someone concerned with health may want accessible hospitals, someone concerned with economics may want accessible offices, and someone concerned with education may want accessible schools. Thus, any recommendation dealing with accessibility was judged in relation to other recommendations under a certain issue, and was emphasized only in its relation to the other recommendations under that issue. Hence, similar recommendations included under several issues should not significantly affect the priority assignments to recommendations.


Also, resolutions were developed during the Conference at workshops, special meetings, and State caucuses. Through the use of a mail ballot after the Conference, 142 of the 156 resolutions were passed by the voting delegates. The results represent a further expression of the opinions of the voting delegates, in addition to the results tabulated from the regular Conference voting.

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Because of the additional time that would be required to obtain written agency comments on these matters, your office suggested that we not obtain them. However, pertinent matters in this report were discussed with officials of Moshman Associates and the Conference staff.

As arranged with your office, we are sending copies of this report to the Secretary of Health, Education, and Welfare and to other interested parties who request them.

Sincerely yours,


Gregory J. Ahart
Director