

GAO

Report to the U.S. Senate Committee on Energy and Commerce  
Re: Reservations

April 1989

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CONFERENCES

AND

PROGRAMS

PROGRAMS

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U.S. Department of Justice  
National Institute of Justice

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United States  
General Accounting Office  
Washington, D.C. 20548

Human Resources Division

B-230539

April 27, 1989

The Honorable John D. Dingell  
Chairman, Committee on Energy and Commerce  
House of Representatives

NCJRS

SEP 12 1989

ACQUISITIONS

Dear Mr. Chairman:

In April 1988, you requested information on the extent to which the Centers for Disease Control (CDC) has reallocated staff from ongoing programs to support acquired immunodeficiency syndrome (AIDS) activities, as well as the potential effects of these reallocations on CDC's other public health missions. We briefed your staff on our preliminary results on November 8, 1988, and agreed to present our findings in this report.

## Background

CDC, an agency in the Department of Health and Human Services (HHS), is one of the federal Public Health Service agencies responsible for combating AIDS, which is caused by the human immunodeficiency virus (HIV). CDC leads AIDS education and surveillance programs to track and reduce the spread of HIV and also conducts epidemiological research on how HIV is transmitted.

CDC began its AIDS effort in 1981 by reallocating four staff-years from other programs to work on the emerging health problem. By fiscal year 1988, CDC had allocated over 400 staff-years to its AIDS activities. CDC's total AIDS budget also increased significantly, from about \$200,000 in fiscal year 1981 to about \$305 million in fiscal year 1988.

## Results in Brief

Since 1983, the Congress has increased funding and, concurrently, pertinent oversight committees have directed CDC to allocate an increasing number of staff-years specifically for AIDS programs. By 1988, about 40 percent of AIDS staff-years were allocated pursuant to specific congressional directives and the remaining 60 percent were reallocated from other programs. Although it is customary for CDC to shift staff temporarily to priority areas, the AIDS program will probably take a large share of resources in the foreseeable future because the epidemic does not appear to be abating.

CDC officials report that allocating staff to AIDS programs has had less effect on meeting existing programs' missions than on the agency's ability to start and expand programs. Moreover, during the same time that staff were shifted to AIDS activities, CDC also reallocated staff from

existing programs to other new and ongoing programs. Therefore, any effects on programs losing staff-years could not be attributed solely to expansion of AIDS activities.

Finally, CDC does not account for actual staff time spent by program or activity. As a result, the agency cannot easily determine and document staffing needs for its diverse activities. These activities include the high priority AIDS programs, which have been the subject of congressional oversight hearings on adequacy of resources, including dollars, staff, and space. We recommend that CDC staff develop better management information so that the agency and the Congress can make more fully informed staff allocation decisions. (See p. 7.)

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## Principal Findings

In March 1988, the Director of CDC testified before the Congress that CDC budgeted 416 staff-years for AIDS activities during fiscal year 1988. Of these staff-years, 251 were diverted from other programs and 165 were allocated for AIDS activities pursuant to specific congressional directives.

In November 1988, CDC estimated that 489 staff-years had actually been used for AIDS activities in fiscal year 1988—a difference of 73 staff-years. CDC estimated this staff usage by surveying its employees and asking them to recall how much time they spent on AIDS activities. This survey method was necessary because CDC's time and attendance system is a sign-in/sign-out system that accounts for total hours worked but does not track actual staff time expended by program or activity. Consequently, CDC estimates of staff-years devoted to AIDS activities cannot be independently verified.

Between 1981 and 1988, CDC's staff-years allocated to existing programs decreased by about 1,250, while staff working on AIDS activities and other new programs increased. Most of these cuts were for services that CDC contracted out. About 430 staff-years, however, were cut from other public health programs.

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## Objectives, Scope, and Methodology

As agreed with your staff, we conducted preliminary work to determine the availability of information pertaining to (1) staff-year reallocations from other CDC programs to AIDS activities and (2) the effects of such reallocations on the other CDC programs.

To do this, we interviewed CDC officials in the Office of the Deputy Director for AIDS,<sup>1</sup> Office of Program Support, Financial Management Office, Center for Health Promotion and Education,<sup>2</sup> Center for Infectious Diseases, and Center for Prevention Services. We also asked CDC to survey its employees to estimate staff-year reallocations from other programs to AIDS activities, and we analyzed documentation on CDC's personnel ceilings and AIDS budgets.

At your request we did not obtain written agency comments. The views of agency officials were sought during the course of our work, however, and are incorporated where appropriate. We did our work in accordance with generally accepted government auditing standards from August 1988 to December 1988.

## CDC Reallocated Staff-Years From Other Programs to Support AIDS Activities

In its annual budget, CDC is provided an overall staff-year ceiling by the Office of Management and Budget in the Executive Office of the President, HHS, and the Public Health Service; however, staff-years are not generally authorized by individual program. To fulfill its overall mission of preventing unnecessary illness and premature death, CDC allocates its staff-years to problems or programs deemed to have the highest priorities, including rapid response to public health threats such as the HIV epidemic.

Since the emergence of AIDS in 1981, CDC has allocated an increasing number of its staff-years to AIDS activities. Through its internal budget process, the agency has reallocated staff-years from other programs to support AIDS activities, starting with 4 in fiscal year 1981, and totaling 251 in fiscal year 1988. During this period, CDC, as part of the annual appropriations process, has agreed, based on congressional recommendations, to allocate staff-years specifically for AIDS activities, starting with 20 in fiscal year 1983, and increasing each year to 165 in fiscal year 1988. Thus, 416 staff-years were budgeted for AIDS activities in fiscal year 1988. Table 1 shows CDC's staff-year ceilings, reallocated staff-years for AIDS activities and new programs, and staff-years for other programs for fiscal years 1981 through 1988, as provided by the Office of the Director.

<sup>1</sup>In November 1988, the Office of the Director (AIDS) was changed to the Office of the Director (HIV).

<sup>2</sup>In October 1988, the Center for Health Promotion and Education was reorganized as the Center for Chronic Disease Prevention and Health Promotion.

**Table 1: CDC Staff-Year Allocations** (Fiscal Years 1981-88)

	Fiscal year							
	1981	1982	1983	1984	1985	1986	1987	1988
Staff-year ceiling	4,249	4,268	4,045	4,151	4,194	4,153	4,142 <sup>e</sup>	4,405 <sup>e</sup>
AIDS staff-years <sup>a</sup>	0	0	20	72	89	114	152	165
AIDS reallocated staff-years <sup>b</sup>	4	25	25	8	8	66	138	251
New programs reallocated staff-years <sup>c</sup>	0	17	53	96	144	190	447 <sup>e</sup>	836 <sup>e</sup>
Other programs staff-years <sup>d</sup>	4,245	4,226	3,947	3,975	3,953	3,783	3,405	3,153

<sup>a</sup>Cumulative staff-years allocated specifically for AIDS activities during the appropriations process.

<sup>b</sup>Cumulative staff-years reallocated by CDC from other ongoing programs to support AIDS activities.

<sup>c</sup>Cumulative staff-years reallocated by CDC from other ongoing programs to start or increase support for new, non-AIDS programs, such as Superfund, Agent Orange, and injury control.

<sup>d</sup>Programs in existence in 1981 when AIDS emerged, such as immunization, tuberculosis, and sexually transmitted disease activities.

<sup>e</sup>Without the transfer of the National Center for Health Statistics to CDC (see table 3), the authorized ceilings would have been 3,972 in 1987 and 3,904 in 1988. Accordingly, reallocated staff-years for new programs would have been 277 in 1987 and 335 in 1988.

CDC officials reported that as of fiscal year 1988, about 1,250 cumulative staff-years were cut from other programs existing in 1981. They identified over 430 staff-years cut from the budgets of 33 programs. For example, CDC reduced the budget for laboratory activities by almost 62 staff-years; bacterial, parasitic and viral diseases by about 37 staff-years; hospital infection control by about 18 staff-years; sexually transmitted diseases by 17 staff-years; and tuberculosis by 10 staff-years. Of the remaining 820 staff-years, about 60 represented the transfer of a Phoenix laboratory to Atlanta, and about 760 reflected services that CDC contracted out. Of these, about 100 staff-years were for overhead services not associated with specific programs and the rest were in specific programs, including over 175 staff-years for research, health assessments, and pilot studies in the Superfund program and about 110 staff-years for vital statistics and census data collection activities in the National Center for Health Statistics.

## Actual Staff-Years Cannot Be Verified by Program or Activity

CDC accounts for staff-year use by organizational subunit (e.g., Center for Prevention Services or Center for Infectious Diseases), not by program or activity. Although many CDC employees work on more than one program, the agency's time and attendance system is a sign-in/sign-out system that accounts only for total hours worked. Thus, actual time charges cannot be accurately allocated to specific programs or activities.

Because CDC does not track staff-year usage by program or activity, agency officials must use either budgeted amounts or estimates when requested to provide data on actual staff-years expended and for other management functions. For example, the Director of CDC testified before the Congress in March 1988 that CDC had allocated 416 staff-years for AIDS activities during fiscal year 1988.

In November 1988, we asked CDC to estimate the staff-years actually used on AIDS activities during fiscal year 1988. Based on employee surveys at various centers (see table 2), the Office of the Director told us that 489 staff-years were used. Since CDC's system does not track staff-year usage by program or activity, however, we could not determine the accuracy of the estimate.

**Table 2: Allocated and Estimated Staff-Years Used by CDC for AIDS Activities (Fiscal Year 1988)**

	<b>Staff-years for AIDS activities</b>	
	<b>Allocated</b>	<b>Used (estimated)</b>
Office of the Director, CDC	18.00	79.20
Office of the Director, AIDS <sup>a</sup>	17.00	15.00
Center for Health Promotion and Education <sup>b</sup>	16.00	39.00
Center for Infectious Diseases	239.50	237.20
Center for Prevention Services <sup>c</sup>	88.00	51.75 <sup>c</sup>
Center for Environmental Health and Injury Control	1.00	2.00
National Center for Health Statistics	5.00	12.10
National Institute for Occupational Safety and Health	1.50	3.00
National AIDS Information/ Education Program	21.00	19.00
Epidemiology Program Office	0.00	6.25
Training and Laboratory Program Office	9.00	24.50
<b>Total</b>	<b>416.00</b>	<b>489.00</b>

<sup>a</sup>In November 1988, the Office of the Director (AIDS) was changed to the Office of the Director (HIV).

<sup>b</sup>In October 1988, the Center for Health Promotion and Education was reorganized as the Center for Chronic Disease Prevention and Health Promotion.

<sup>c</sup>According to the Director, Office of Financial Management, CDC staff assigned to the states do not count toward the agency's staff-year ceiling levels in accordance with Public Law 100-202. Consequently, estimated staff-years actually used do not include 35 state assignees. According to the Center's Assistant Director for Management, essentially all staff-years available for AIDS activities were used by year end.

The Director of the Financial Management Office said that CDC uses the time and attendance system prescribed by HHS for all of its components. The Director of CDC stated that he is not concerned about the lack of documentation showing actual time used by CDC staff on a program-by-program basis as long as staff are working hard on priorities established

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by the agency. The Deputy Director of CDC said that CDC employees cannot be expected to account for their time in such a manner because they are too busy to identify and record time charges against numerous projects and added that the cost of doing so would not be worth the benefits derived.

The Standards for Internal Controls in the Federal Government published by our office in 1983, however, calls upon agencies to account for staff-years used in a manner that allows actual usage to be reported by program or activity. Lack of data on how resources are used constitutes a weakness in management information that predisposes the agency to potential misallocations of staff resources. For example, management cannot compare budgeted to actual staff resources to determine where and why variances exist. Furthermore, agency officials have no historical data to rely on when deciding future resource needs or justifying requests for additional staff in the annual appropriations process. Development of more reliable management information on actual staff usage should strengthen CDC's budget requests, which have been closely scrutinized by the Congress in the last few years.

A method for routine recording of time charges by staff working on numerous projects would be more accurate as well as less burdensome than reconstructing these time charges later by employee surveys. In addition, there is precedent for such a method; CDC employees assigned to Superfund activities are already required by the Environmental Protection Agency to account for their time charges for reimbursement purposes.

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## Effects of Staff-Year Decreases on Other Programs Cannot Be Determined

According to agency officials, staffing limitations had more of an adverse effect on CDC's ability to start or expand new programs than to carry out the missions of existing programs. CDC officials were concerned that between fiscal years 1982 and 1988, they could not start or expand about 50 activities. These activities included prevention and control of infectious and chronic diseases, such as hepatitis B, influenza, Lyme disease, and infectious diseases in neonatal intensive care units and day care centers; vaccine programs; and occupational health activities.

On the other hand, because other new programs as well as AIDS activities were staffed from existing programs during the same time period, any effects on these programs identified by CDC could not be attributed solely to AIDS. In addition, we could not substantiate reported actual

staff-year reductions for each existing program because CDC does not maintain supporting records.

**Table 3: Allocated Staff-Years for New CDC Programs (Fiscal Years 1982-88)**

Program	1982	1983	1984	1985	1986	1987	1988
ATDSR (Superfund) <sup>a</sup>	17	39	47	89	101	138	175
Agent Orange		14	49	55	55	55	55
Injury Control					20	20	20
Prevention Centers					2	2	2
Chronic Disease Initiative					12	24	29
Pediatric Nutrition						4	4
Infant Mortality						16	16
Smoking and Health						18	18
Center for Health Statistics						170 <sup>b</sup>	501 <sup>b</sup>
Worker Notification							4
Chronic Fatigue Syndrome							2
Disability Prevention							3
Diabetes Translation							7
<b>Totals</b>	<b>17</b>	<b>53</b>	<b>96</b>	<b>144</b>	<b>190</b>	<b>447<sup>b</sup></b>	<b>836<sup>b</sup></b>

<sup>a</sup>Agency for Toxic Substances and Disease Registry.

<sup>b</sup>The National Center for Health Statistics was transferred to CDC in June 1987, and CDC's staff-year ceiling was increased accordingly. Although this was a new program for CDC, it did not require staff-years to be reallocated from other programs. Consequently, the total reallocated staff-years for new programs for fiscal years 1987 and 1988 should be 277 and 335, respectively.

Table 3 shows that of the 836 staff-years allocated to new CDC programs, only 335 were allocated to programs not previously implemented. The rest represent staff-years for the National Center for Health Statistics, which was transferred to CDC. Table 3 also lists the new programs other than AIDS that were started during this period and the staff-years allocated to each.

## Conclusions

CDC should implement a method to supplement its current time and attendance system to account for staff-years used by program or activity. This will allow proper classification and reporting of such information for internal management or when needed by the Congress and others for oversight, evaluation, or other purposes.

## Recommendation

We recommend that the Director of CDC devise a system to keep track of employees' actual time spent on each program or activity.

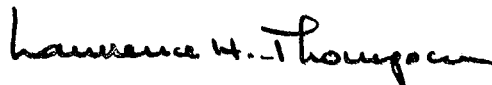


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Unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days after its issue date. At that time, we will send copies to the Secretary of Health and Human Services; the Director, Office of Management and Budget; and the Director, Centers for Disease Control. Copies also will be made available to others on request.

This report was prepared under the direction of Janet L. Shikles, Director of Public and National Health Issues. Other major contributors are listed in appendix I.

Sincerely yours,



Lawrence H. Thompson  
Assistant Comptroller General



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