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ACTION ACT OF 1972 AND ACTION DOMESTIC PROGRAMS

GOVERNMENT
Storage

DOCUMENTS

1973

JOINT HEARING

THE UNIVERSITY
KANSAS STATE UNIVERSITY

BEFORE THE

SPECIAL SUBCOMMITTEE ON HUMAN RESOURCES

AND THE

SUBCOMMITTEE ON AGING

OF THE

COMMITTEE ON

LABOR AND PUBLIC WELFARE

UNITED STATES SENATE

NINETY-SECOND CONGRESS

SECOND SESSION

ON

S. 3450

TO AUTHORIZE CONTINUATION OF PROGRAMS OF ACTION,
CREATE A NATIONAL ADVISORY COUNCIL FOR THAT
AGENCY, AND FOR OTHER PURPOSES
AND RELATED BILLS

OLDER AMERICANS ACTION PROGRAMS

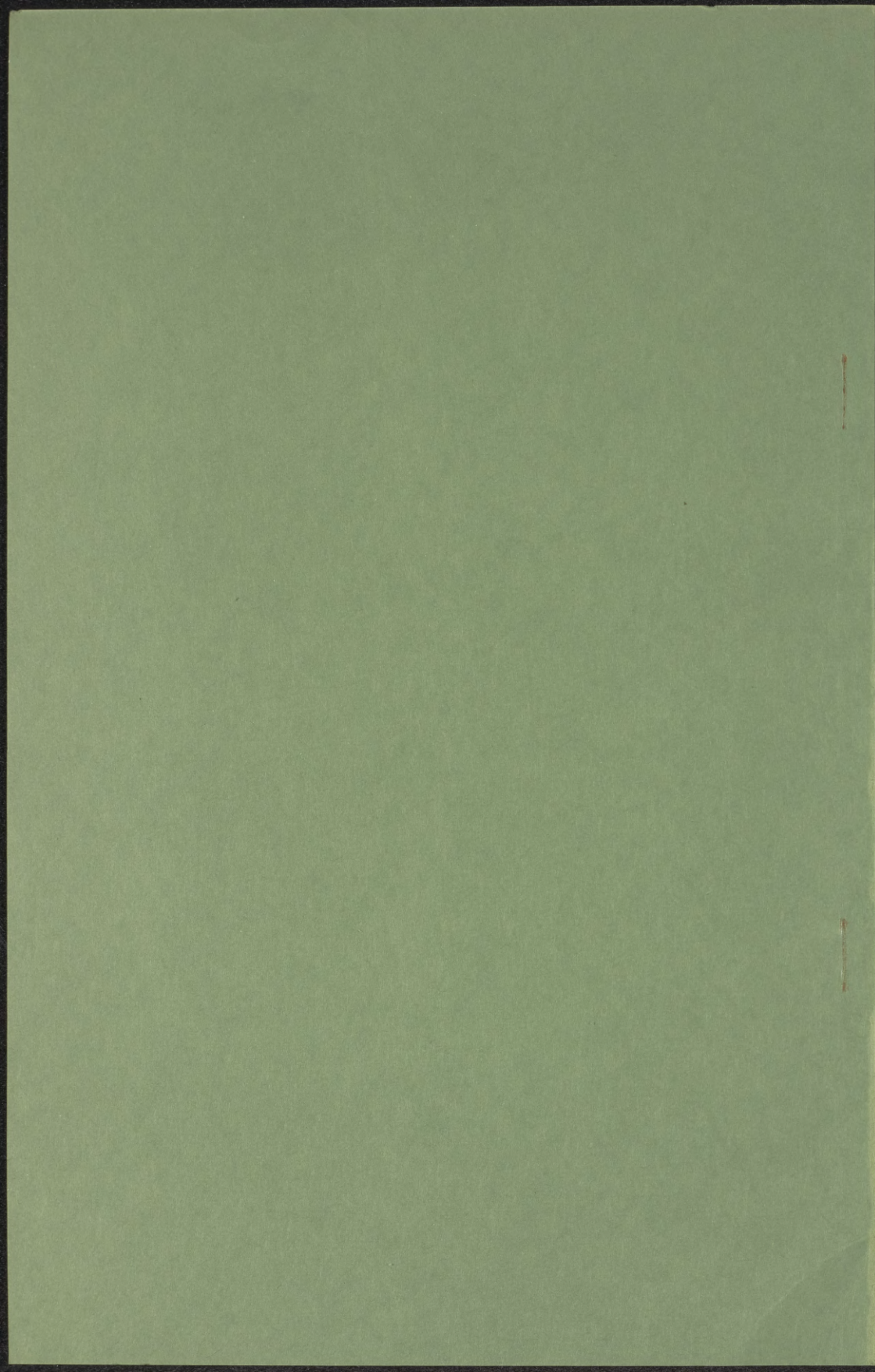
APRIL 12, 1972

PART 1



Printed for the use of the
Committee on Labor and Public Welfare

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APRIL 12, 1972

PART 1



Printed for the use of the
Committee on Labor and Public Welfare

U.S. GOVERNMENT PRINTING OFFICE
WASHINGTON : 1972

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ACTION ACT OF 1972 AND ACTION DOMESTIC PROGRAMS

WEDNESDAY, APRIL 12, 1972

U.S. SENATE,
JOINT MEETING OF THE SUBCOMMITTEE ON AGING,
AND THE SPECIAL SUBCOMMITTEE ON HUMAN RESOURCES,
OF THE COMMITTEE ON LABOR AND PUBLIC WELFARE,
Washington, D.C.

The joint subcommittees met, pursuant to notice, at 8:37 a.m. in Room 6226, New Senate Office Building, Senator Thomas F. Eagleton (cochairman of the Subcommittee on Aging) presiding.

Present: Senators Eagleton, Cranston, Kennedy, and Beall.

Committee staff members present: James J. Murphy, counsel to the Subcommittee on Aging, and Jonathan R. Steinberg, counsel to the Special Subcommittee on Human Resources.

Senator EAGLETON. Good morning, ladies and gentlemen. Today's hearing is a joint effort by the Subcommittee on Aging which I serve as chairman, and the Special Subcommittee on Human Resources which Senator Cranston serves as chairman, both being subcommittees of the Senate and Labor Public Welfare Committee.

We convene this morning to hear the testimony of Mr. Joseph H. Blatchford, Chairman of ACTION. Your prepared statement will be printed in full in the record. We are prepared to hear from you, and you may proceed as you wish.

STATEMENT OF JOSEPH H. BLATCHFORD, DIRECTOR OF ACTION, ACCOMPANIED BY JORGE CORDOVA, GENERAL COUNSEL; JOHN KELLER, DIRECTOR, OLDER AMERICAN PROGRAMS; EMERSON MARKHAM, DIRECTOR OF BUDGET; CHRISTOPHER MOULD, ASSOCIATE DIRECTOR, DOMESTIC PROGRAMS; JOHN BUTLER, REGIONAL DIRECTOR, REGION IX; AND CHARLES ERVIN, ACTING ASSOCIATE DIRECTOR, POLICY AND PROGRAM DEVELOPMENT

Mr. BLATCHFORD. Mr. Chairman, we at ACTION recognize the keen interest shown by these subcommittees in providing expanded options and opportunities for older Americans. I am here this morning to discuss some of these options, particularly those which provide opportunities for volunteer service under the amendments proposed by S. 3450, the ACTION bill.

Older Americans have a great deal to offer this country. With a lifetime of experience and skills to draw upon, they have a vast potential for serving their communities. At the recent White House Con-

ference on Aging, delegates called for, "A national policy * * * to encourage older adults to volunteer." They also recommended the mobilization of public and private organizations to strengthen the volunteer movement.

ACTION was conceived by the President to be this mobilizing force, the catalyst for an expanded national effort to encourage volunteer service by all Americans, young and old. On July 1, 1971, pursuant to Reorganization Plan No. 1, six volunteer service programs were transferred to ACTION. Those programs were the Peace Corps, VISTA, the foster grandparents program, the retired senior volunteer program (RSVP), the Active Corps of Executives (ACE), and the Service Corps of Retired Executives (SCORE).

Senator EAGLETON. At this point I order printed the text of S. 3450 and Reorganization Plan No. 1.

(The information referred to follows:)

92^D CONGRESS
2^D SESSION

S. 3450

IN THE SENATE OF THE UNITED STATES

APRIL 4, 1972

Mr. CRANSTON (by request) introduced the following bill; which was read twice and referred to the Committee on Labor and Public Welfare

A BILL

To authorize continuation of programs of Action, create a National Advisory Council for that agency, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Action Act of 1972".

4 TITLE I—VOLUNTEERS IN SERVICE TO AMERICA

5 SEC. 101. Section 801 of the Economic Opportunity Act
6 of 1964 is amended to read as follows:

7 "SEC. 801. This title provides for a program of full-
8 and part-time voluntary service, and for the operation and
9 funding of special and demonstration volunteer programs, to-
10 gether with other powers and responsibilities designed to
11 assist in the development, encouragement, and coordination

II

★(Star print)

1 of volunteer programs. Its purpose is primarily to strengthen
2 and supplement efforts to eliminate poverty and, additionally,
3 to deal with a broad range of human, social, and environ-
4 mental needs through the use of volunteers.”

5 SEC. 102. Section 810 of such Act is amended to read
6 as follows:

7 “SEC. 810. (a) The Director of Action (hereinafter in
8 this title referred to as the ‘Director’) may recruit, select,
9 and train persons to serve in the fifty States, the District of
10 Columbia, the Commonwealth of Puerto Rico, Guam, Amer-
11 ican Samoa, the Virgin Islands, the Trust Territory of the
12 Pacific Islands, or Indian reservations, in full-time volunteer
13 programs, and, upon request of Federal, State, or local agen-
14 cies, or private nonprofit organizations, may assign such
15 volunteers to programs and activities designed to carry out
16 the purposes of this title.

17 “(b) The assignment of volunteers under this section
18 shall be on such terms and conditions (including restrictions
19 on political activities that appropriately recognize the special
20 status of volunteers living among the persons or groups served
21 by programs to which they have been assigned) as the Di-
22 rector may determine, including work assignments in their
23 own or nearby communities. No program designed to carry
24 out the purpose of this title shall be established within a State
25 unless such program has been submitted to the Governor and

1 has not been disapproved by him within forty-five days of
2 such submission. The assignment of a volunteer in any State
3 shall be terminated by the Director when so requested by the
4 Governor of such State not later than thirty days or at a
5 time thereafter agreed upon by the Governor and the Direc-
6 tor after such request has been made by the Governor to the
7 Director.”

8 SEC. 103. Section 810 of such Act is amended by add-
9 ing at the end thereof the following new subsection:

10 “(c) The term ‘Governor’ as used in this section means
11 the Governor of the State, in the case of any of the fifty
12 States, and in the case of the District of Columbia, the
13 Commonwealth of Puerto Rico, Guam, American Samoa, the
14 Virgin Islands, or the Trust Territory of the Pacific Islands,
15 the chief executive officer thereof.”

16 SEC. 104. The first sentence of subsection (a) of sec-
17 tion 811 of such Act is amended to read as follows:

18 “SEC. 811. (a) Volunteers under this part shall be
19 required to make a full-time personal commitment to achiev-
20 ing the purposes of this title and the goals of the projects or
21 programs to which they are assigned.”.

22 SEC. 105. Subsection (b) of section 811 of such Act is
23 amended to read as follows:

24 “(b) Volunteers under this part shall be enrolled for
25 such periods of service as the Director may determine.”.

1 SEC. 106. Subsection (c) of section 811 of such Act
2 is amended to read as follows:

3 “(c) Volunteers under this part shall, upon enrollment,
4 take the same oath of office as prescribed for persons enrolled
5 in the Peace Corps (22 U.S.C. 2504 (j)) : *Provided*, That
6 persons legally residing within the fifty States, the District of
7 Columbia, the Commonwealth of Puerto Rico, Guam, Ameri-
8 can Samoa, the Virgin Islands, or the Trust Territory of the
9 Pacific Islands, either permanently or temporarily, but who
10 are not citizens of the United States, may serve in programs
11 carried on under this title without taking or subscribing to
12 such oath, if the Director determines that the service of those
13 persons will further the interests of the United States. Those
14 persons shall take such alternative oath or affirmation as the
15 Director shall deem to be appropriate. No funds may be ex-
16 pended to transport such persons either to or from any
17 place outside the areas specified in this subsection.”.

18 SEC. 107. (a) Section 812 of such Act is amended by
19 adding at the end thereof the following new subsection:

20 “(d) For the purposes of the Internal Revenue Code
21 of 1954, a volunteer shall be deemed to be paid and to receive
22 each amount of any such stipend to which he is entitled under
23 this section when such amount is transferred from funds made
24 available for the payment of such stipend to the fund from
25 which such stipend is payable.”.

1 (b) Section 1304 of the Internal Revenue Code of 1954
2 (26 U.S.C. 1304) is amended by adding at the end thereof
3 the following new subsection:

4 “(g) For treatment of the stipend paid to VISTA vol-
5 unteers and volunteer leaders, see section 812 (d) of the
6 Economic Opportunity Act of 1964 (42 U.S.C. 2992b
7 (d)).”.

8 SEC. 108. (a) Title VIII of the Economic Opportunity
9 Act of 1964 is amended by adding the following new section:

10 “SEC. 813. (a) VISTA ALLOWANCES.—In the case of
11 an individual who is a volunteer or volunteer leader within
12 the meaning of title VIII of the Economic Opportunity Act
13 of 1964, amounts received as allowances other than amounts
14 received as—

15 “(1) leave allowance, or

16 “(2) such portion of living allowances as the Direc-
17 tor may determine as constituting basic compensation
18 shall not be included in gross income for purposes of income
19 taxation under the Internal Revenue Code of 1954.”

20 (b) Section 3401 (a) of the Internal Revenue Code of
21 1954 (26 U.S.C. 3401 (a)) is amended by adding at the end
22 thereof the following new paragraph:

23 “(17) to a volunteer or volunteer leader within
24 the meaning of title VIII of the Economic Opportunity

1 Act of 1964, except stipends, leave allowances, or living
2 allowances determined by the Director of Action to be
3 basic compensation.”

4 and by eliminating the word “or” from the end of para-
5 graph 15 and adding it to the end of paragraph 16.

6 (c) Section 124 (a) of the Internal Revenue Code
7 of 1954 (26 U.S.C. 124 (a)) is amended by adding at the
8 end thereof the following new paragraph:

9 “(19) Certain allowances paid to VISTA volunteers
10 and volunteer leaders, see section 813 of the Economic
11 Opportunity Act of 1964 (42 U.S.C. 2992 (e)).”.

12 SEC. 109. The first sentence of subsection (a) of sec-
13 tion 820 of such Act is amended to read as follows:

14 “SEC. 820. (a) The Director shall develop programs
15 designed to expand opportunities for persons to participate
16 in a direct and personal way, on a part-time basis or for short
17 periods of service either in their home or nearby communities
18 or elsewhere, in volunteer activities contributing to the elim-
19 ination of poverty or otherwise in furtherance of the purposes
20 of this title.”.

21 SEC. 110. Section 822 of such Act is hereby repealed.

22 SEC. 111. Subsection (c) of section 833 of such Act
23 is amended to insert after the word “service” the first time
24 it appears the following: “, including training,”.

25 SEC. 112. Section 835 of such Act is hereby repealed.

1 TITLE II—NATIONAL OLDER AMERICANS
2 VOLUNTEER PROGRAM

3 SEC. 201. (a) Section 601 of the Older Americans Act
4 of 1965 is amended by adding at the end thereof the follow-
5 ing new subsection:

6 “(d) No compensation provided to individual volun-
7 teers under this part shall be considered income for any
8 purposes whatsoever.”

9 SEC. 202. (a) The heading of part B of title VI of such
10 Act is amended to read as follows: “FOSTER GRANDPARENT
11 PROGRAM AND OTHER SENIOR VOLUNTEER PROGRAMS”.

12 (b) Section 611 of such Act is amended to read as
13 follows:

14 “SEC. 611. (a) The Director is authorized to make
15 grants to or contracts with public and nonprofit private agen-
16 cies and organizations to pay part or all of the cost of the
17 development and operation of community projects designed
18 to provide volunteer opportunities for low-income persons
19 aged 60 or over to render supportive services to people hav-
20 ing exceptional needs.

21 “(b) For the purposes of subsection (a), grants or
22 contracts shall be made principally for projects providing
23 services as ‘foster grandparents’ to children receiving care in
24 hospitals, homes for dependent and neglected children, or

1 other establishments providing care for children with special
2 needs.

3 “(c) Payments under this part pursuant to a grant or
4 contract may be made (after necessary adjustment on account
5 of previously made overpayments or underpayments) in ad-
6 vance or by way of reimbursement, in such installments and
7 on such conditions, as the Director may determine.”

8 (c) The first sentence of section 613 of such Act is
9 amended to read as follows:

10 “SEC. 613. In administering this part, the Director shall
11 consult with the Office of Economic Opportunity, the Depart-
12 ments of Labor and Health, Education, and Welfare and any
13 other Federal agencies administering relevant programs with
14 a view to achieving optimal coordination with such other
15 programs and shall promote the coordination of projects under
16 this part with other public or private programs or projects
17 carried out at State and local levels.”.

18 SEC. 203. (a) Title VI of such Act is amended by strik-
19 ing out the word “Secretary” wherever it appears, and in-
20 serting in lieu thereof “Director”.

21 (b) Such title is further amended by adding at the end
22 thereof the following new section:

23 “MEANING OF DIRECTOR

24 “SEC. 615. For purposes of this title, the term ‘Director’
25 means the ‘Director of Action.’”.

1 (c) Section 202 (3) of the Older Americans Act of
2 1965 is amended by inserting before the semicolon at the
3 end thereof “, except for title VI thereof”.

4 TITLE III—GENERAL PROVISIONS

5 SEC. 301. (a) There is hereby established a National
6 Advisory Council for Action (hereinafter referred to as
7 the “Council”). The Council shall consist of not more
8 than thirty-five members appointed by the President. They
9 shall be broadly representative of educational institutions,
10 voluntary agencies, farm organizations, business and labor
11 organizations, volunteers, and other public and private orga-
12 nizations and groups as well as individuals interested in the
13 programs and objectives of Action. The Council shall advise
14 and consult with the President and the Director of Action
15 (hereinafter in this title referred to as the “Director”) with
16 regard to policies and programs designed to further the
17 purposes of that Agency.

18 (b) Members of the Council shall serve at the pleasure
19 of the President and meet at his call or at the call of the
20 Director. Members of the Council, other than those regularly
21 employed by the Federal Government, while attending meet-
22 ings of the Council or while otherwise serving at the request
23 of the President or the Director, shall receive no compensa-
24 tion but may each receive out of funds available for the
25 purposes of Action, while serving away from their homes

1 or regular places of business, actual travel expenses and a
2 per diem allowance or actual and necessary expenses as
3 authorized by section 5703 of title 5 of the United States
4 Code for persons in the Government service employed
5 intermittently.

6 SEC. 302. Section 12 of the Peace Corps Act (75 Stat.
7 619; 22 U.S.C. 2511) is repealed, and the Peace Corps
8 National Advisory Council is abolished, effective ninety days
9 after the enactment of this Act.

10 SEC. 303. (a) The Director is authorized to make
11 grants to any public or nonprofit private agencies, organiza-
12 tions, or institutions in the United States and to enter into
13 contracts with any such agencies, organizations, or institu-
14 tions, or with any individuals in the United States—

15 (1) to develop and demonstrate new approaches,
16 techniques, and methods with respect to the recruitment,
17 training, and use of full-time and part-time volunteers
18 for service to communities in the United States;

19 (2) to evaluate those new approaches, techniques,
20 and methods; and

21 (3) to foster the establishment by public and pri-
22 vate nonprofit agencies, organizations, and institutions
23 of new programs for the use of full-time and part-time
24 volunteers to perform work in the United States of the
25 type described in section 801 of the Economic Oppor-

1 tunity Act of 1964, as amended by section 201 of this
2 Act.

3 (b) To the extent he deems it appropriate, the Director
4 may require the recipient of a grant or contract under this
5 section to contribute money, facilities, or services for carry-
6 ing out the project for which such grant or contract was
7 made.

8 (c) Payments under this section pursuant to a grant
9 or contract may be made (after necessary adjustment, on
10 account of previously made overpayments or underpay-
11 ments) in advance or by way of reimbursement and in such
12 installments and on such conditions as the Director may
13 determine.

14 SEC. 304. The Director is authorized, at the request of
15 any executive department or agency, to recruit, train, accept,
16 utilize, and refer to such department or agency, volunteers
17 who will provide voluntary services which are not normally
18 performed by the employees of such department or agency.

19 SEC. 305. The Director is authorized to accept, hold,
20 administer, and utilize gifts and bequests of property, both
21 real and personal, for the purpose of aiding or facilitating the
22 work of Action. Gifts and bequests of money and proceeds
23 from sales of other property received as gifts or bequests shall
24 be deposited in the Treasury and shall be disbursed upon the
25 order of the Director. Property accepted pursuant to this

1 section, and the proceeds thereof, shall be used as nearly as
2 possible in accordance with the terms of the gift or bequest.
3 For the purpose of the Internal Revenue Code of 1954 (in-
4 cluding sections 170 (j), 2055 (f), 2106 (a) (2) (f), and
5 2522 (d)), property accepted under this section shall be
6 considered as a gift or bequest to the United States.

7 SEC. 306. Notwithstanding any other provision of law,
8 not to exceed 10 per centum of the sums appropriated or
9 otherwise fixed by law to Action for a fiscal year to carry
10 out any activity or function vested in that agency may be
11 transferred and used by the Director for the purpose of
12 carrying out any other such activity or function.

13 SEC. 307. There are authorized to be appropriated such
14 sums as may be necessary to enable the Director to carry
15 out his functions, powers, and duties, except those authorized
16 under the Peace Corps Act.

REORGANIZATION PLAN NO. 1

 MESSAGE

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

 REORGANIZATION PLAN NO. 1 OF 1971, TO CONSOLIDATE
 VARIOUS VOLUNTARY ACTION PROGRAMS

 MARCH 24, 1971.—Message and accompanying papers referred to the
 Committee on Government Operations and ordered to be printed

To the Congress of the United States:

America is a nation unique in the political history of the world. More than any other nation, it is the sum of the energies and efforts of all of its people. The American tradition of voluntary involvement—of freely committing one's time and talents in the search for civic improvement and social progress—gives an extra dimension to the meaning of democracy. In the past decade, the Federal Government has built on this tradition by developing channels for joining the spirit of voluntary citizen service in America with public needs, both domestically and abroad. Many of these efforts have had marked success. But the circumstances in which these efforts were conceived have changed.

National and international needs have altered. The opportunities for voluntary service must be adapted and improved to meet these new needs.

Recognizing that private channels of voluntary action are a vital source of strength in our national life, I have supported the establishment and development of the National Center for Voluntary Action. The National Center is a private, non-profit partner in the effort to generate and encourage volunteer service. The Center works to promote the establishment of local Voluntary Action Centers, as well as to assist in the expansion of voluntary action organizations already in existence. It stimulates voluntary action by providing information on successful voluntary efforts, and it assists in directing those who

wish to volunteer services to areas and endeavors in which their services are needed.

The National Center for Voluntary Action is functioning now to fill a vital need in the private voluntary sector. Now we must turn our attention to bringing government volunteer programs into line with new national priorities and new opportunities for meeting those priorities. We must take full advantage of the lessons of the past decade, and we must build on the experience of that period if we are to realize the full potential of voluntary citizen service. This is no longer a matter of choice. We cannot afford to misuse or ignore the considerable talents and energies of our people. In the coming years, the continued progress of our society is going to depend increasingly upon the willingness of more Americans to participate in voluntary service and upon our ability to channel their service effectively.

One matter of consequence to the problems of properly channeling volunteer services and expanding government's role in the development of volunteer resources is the proliferation of government volunteer programs. It was perhaps inevitable that these programs would be generated almost at random across the spectrum of government concern for human needs. This occurred in a period when the Federal Government was still attempting to define its relationship with, and its purposes in, the area of voluntary service. Now the role of government has been confirmed and its responsibilities and obligations are clear. Meeting these responsibilities and obligations will be a long, difficult, and challenging adventure. But it is an adventure we can look to with excitement and with the knowledge that the only sure source of failure can be a failure of the will of the American people. I do not believe it will fail.

The foundation for a greatly expanded government contribution to volunteer service already exists. Now we must consolidate that foundation in order to build on it. To accomplish this, I propose a reorganization of the present volunteer service system. Accordingly, I herewith transmit to the Congress Reorganization Plan No. 1 of 1971, prepared in accordance with chapter 9 of title 5 of the United States Code. Reorganization would bring together within a single agency a number of voluntary action programs presently scattered throughout the executive branch of the Federal Government. The new agency would be called Action.

COMPOSITION

Under the reorganization plan Action would administer the functions of the following programs:

- Volunteers in Service to America: VISTA volunteers work in domestic poverty areas to help the poor break the poverty cycle.
- Auxiliary and Special Volunteer Programs in the Office of Economic Opportunity: At present the National Student Volunteer Program is administered under this authority. This program stimulates student voluntary action programs which deal with the problems of the poor.
- Foster Grandparents: This program provides opportunities for the elderly poor to assist needy children.

- Retired Senior Volunteer Program: RSVP provides opportunities for retired persons to perform voluntary services in their communities.
- Service Corps of Retired Executives: SCORE provides opportunities for retired businessmen to assist in the development of small businesses.
- Active Corps of Executives: ACE provides opportunities for working businessmen to assist in the development of small businesses.

After investigation I have found and hereby declare that each reorganization included in the accompanying reorganization plan is necessary to accomplish one or more of the purposes set forth in section 901(a) of title 5 of the United States Code. In particular, the plan is responsive to section 901(a)(1), "to promote the better execution of the laws, the more effective management of the executive branch and of its agencies and functions, and the expeditious administration of the public business;" and section 901(a)(3), "to increase the efficiency of the operations of the Government to the fullest extent practicable."

The reorganizations provided for in the plan make necessary the appointment and compensation of new officers as specified in section 1 of the plan. The rates of compensation fixed for these officers would be comparable to those fixed for officers in the executive branch who have similar responsibilities.

The reorganization plan should result in more efficient operation of the Government. It is not practical, however, to itemize or aggregate the exact expenditure reductions which would result from this action.

Upon the establishment of Action, I would delegate to it the principal authority for the Peace Corps now vested in me as President and delegated to the Secretary of State. In addition, the function of the Office of Voluntary Action, now operating in the Department of Housing and Urban Development, would be transferred to the new agency by executive action.

Finally, I will submit legislation which would include the transfer of the functions of the Teacher Corps from the Department of Health, Education, and Welfare to the new agency. This legislation would expand authority to develop new uses of volunteer talents, it would provide a citizens' advisory board to work with the director of the new agency, and it would provide authority to match private contributions.

GOALS

Although reorganization is only a step, it is the essential first step toward the goal of a system of volunteer service which uses to the fullest advantages the power of all the American people to serve the purposes of the American nation.

In pursuing this goal, the new agency would, first, expand the testing and development of innovations in voluntary actions. Health services, housing, the environment, educational development, manpower, and community planning are just a few of the areas in which we would act to accomplish more through voluntary service, and I

intend to ask for additional funds and additional authority for Action to explore new approaches to these and other problems.

In the future, we are going to have to find new ways for more people to fulfill themselves and to lead satisfying and productive lives. The problems are of concern even now, but they must be put in perspective quickly because they will soon be upon us. I believe at least some of the answers will be found in volunteer service. Action would work to find those answers and apply them.

Second, there are many Americans who want to contribute to our national life through voluntary citizen service, but who cannot serve full time. Their contributions must not be wasted. Volunteers in full-time service would work with part-time volunteers and the new agency would develop and provide opportunities for more people to give part-time service.

Third, Action would bring together in one place programs which appeal predominantly to younger Americans with those that appeal to older Americans, and would work to bring the energy, the innovative spirit, the experience, and the skills of each to bear on specific problems. The generations in America share America's problems—they must share in the search for solutions so that we all may share in the benefits of our solutions.

Fourth, Action would develop programs for combining foreign service with domestic service to accommodate volunteers interested in such an opportunity. I believe that young people in particular would be interested in the chance for this experience and would greatly benefit from it. I know there would be great value, for example, in permitting those who have served the needs of the poor abroad to turn their skills and experience to helping the poor at home, and vice versa. In addition, if volunteers are to reap the full benefit of serving, and if they are to be able to provide others the full benefit of their service, then we must open the doors to a fuller exchange of ideas and experiences between overseas and domestic volunteer efforts. These exchanges would considerably enhance the value of the experience gained in these endeavors by broadening the areas in which that experience is applied.

Fifth, at the present time valuable professional skills offered in voluntary service are too frequently limited by narrow categorical programs when their broader application is urgently needed. For example, the contributions of businessmen made through SCORE and ACE are provided only through the Small Business Administration. We know that the skills of business can be used in many areas where they are not used presently. Action would open new channels for service and would permit a more extensive utilization of business and other vocational and professional abilities.

Finally, by centralizing administrative functions of the volunteer services, the new agency would provide a more effective system of recruitment, training, and placement of full-time volunteers than the present circumstances permit. It would provide a single source of information and assistance for those who seek to volunteer full-time service. And it would permit more effective management of services than is currently possible in the administration of volunteer programs, as well as the more efficient use of resources.

PRINCIPLES

In restructuring our system of volunteer services, we can accomplish the goals which I have set forth. But we must do more than this. We must restructure our thinking about volunteer services. We must determine how to use our volunteer resources to accomplish more than they accomplish now. We need an increased effort to stimulate broader volunteer service, to involve more volunteers, and to involve them not simply as foot-soldiers in massive enterprises directed from the top, but in those often small and local efforts that show immediate results, that give immediate satisfaction—those efforts that return to citizens a sense of having a hand in the business of building America. Part of our rethinking of this matter must look to the past so that we may properly meet the needs of the present and prepare for the possibilities of the future.

Volunteer service in poverty areas is a case in point. We already have considerable experience in dealing with the problems of poverty through the use of volunteers. Now we must build upon this experience and find new ways to use more effectively the volunteers presently serving in poverty areas, as well as in all other areas, and to stimulate new programs so that additional numbers of volunteers can assist in the solution of community and national problems.

In line with this effort to build on what we have learned, Action would function with particular concern for these basic principles:

- It would encourage local initiative, and would support local programs to solve local problems.
- Where appropriate, the new agency would assign volunteers to assist, and work under the technical supervision of other Federal agencies, State and local agencies or organizations, and private sponsors.
- The services of local part-time volunteers would be sought and supported in the effort to accomplish specific jobs. They would be assisted, when necessary, by full-time volunteers.
- Universities and colleges, State, city and private organizations must be engaged in the effort to broaden opportunities for volunteer service and under the new agency they would be assisted in these efforts.
- Finally, to meet the increasing need for skilled volunteers Action would give increased emphasis to recruiting and applying the skills of trained craftsmen and professional workers.

FUNDING

To insure that the new agency has the financial resources to begin working toward the goals I have outlined, I will seek for this agency an additional \$20 million above the budget requests I have already submitted for the component agencies. These funds would be directed primarily to finding new ways to use volunteer services.

CONCLUSION

The early nineteenth century observer of America, Alexis de Tocqueville, was intrigued by the propensity of Americans to join together in

promoting common purposes. "As soon as several of the inhabitants of the United States have taken up an opinion or a feeling which they wish to promote in the world, they look out for mutual assistance, and as soon as they have found one another out, they combine. From that moment they are no longer isolated men, but a power seen from afar * * *."

Though we have seen the success of Government volunteer efforts in the past ten years, I believe voluntary citizen service is still little more than a power seen from afar. In relation to its potential, this power is virtually undeveloped. We must develop it.

There are those today, as there always will be, who find infinite fault with life in this Nation and who conveniently forget that they share responsibility for the quality of life we lead. But our needs are too great for this attitude to be accepted. America belongs to all of its people. We are all responsible for the direction this Nation will take in the century ahead, for the quality of life we will lead and our children will lead. We are all responsible, whether we choose to be or not, for the survival and the success of the American experience and the American dream.

So there is little room for the luxury of making complaints without making commitments.

America must enlist the ideals, the energy, the experience, and the skills of its people on a larger scale than it ever has in the past. We must insure that these efforts be used to maximum advantage. We must insure that the desire to serve be linked with the opportunity to serve. We must match the vision of youth with the wisdom of experience. We must apply the understanding gained from foreign service to domestic needs, and we must extend what we learn in domestic service to other nations. And in all these endeavors, I believe, we can bring the power seen from afar to focus clearly on the problems and the promise of our time.

RICHARD NIXON.

THE WHITE HOUSE, *March 24, 1971.*

REORGANIZATION PLAN NO. 1 OF 1971

(Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 24, 1971, pursuant to the provisions of chapter 9 of title 5 of the United States Code)

REORGANIZATION OF CERTAIN VOLUNTEER PROGRAMS

SECTION 1. *Establishment of agency.* (a) There is hereby established in the executive branch of the Government an agency to be known as "Action".

(b) There shall be at the head of Action the Director of Action. He shall be appointed by the President, by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for Level III of the Executive Schedule Pay Rates (5 U.S.C. 5314).

(c) There shall be in Action a Deputy Director of Action who shall be appointed by the President, by and with the advice and consent

of the Senate, and shall be compensated at the rate now or hereafter provided for Level IV of the Executive Schedule Pay Rates (5 U.S.C. 5315). The Deputy Director shall perform such functions as the Director of Action shall from time to time assign or delegate, and shall act as Director of Action during the absence or disability of the latter or in the event of a vacancy in the office of Director of Action.

(d) There shall be in Action not to exceed four Associate Directors who shall be appointed by the President by and with the advice and consent of the Senate, and shall be compensated at the rate now or hereafter provided for Level V of the Executive Schedule Pay Rates (5 U.S.C. 5316). Each Associate Director shall perform such functions as the Director of Action shall from time to time assign or delegate.

SEC. 2. *Transfer of functions.* (a) The following described functions are hereby transferred to the Director of Action:

(1) The functions of the Director of the Office of Economic Opportunity under Title VIII of the Economic Opportunity Act of 1964, as amended, 42 U.S.C. 2991-2994d (relating to Volunteers in Service to America and Auxiliary and Special Volunteer Programs, including the National Student Volunteer Program).

(2) The functions of the Secretary of Health, Education, and Welfare under Title VI of the Older Americans Act of 1965, as amended, 42 U.S.C. 3044-3044e (relating to the Retired Senior Volunteer Program and the Foster Grandparent Program).

(3) The functions of the Small Business Administration under section 8(b) of the Small Business Act, as amended (15 U.S.C. 637 (b)), insofar as they relate to individuals or groups of persons cooperating with it in the furtherance of the purposes of that section: *Provided*, That such individuals or groups of persons, in providing technical and managerial aids to small business concerns, shall remain subject to the direction of the Administration.

(4) So much of other functions or parts of functions of the transferor officers and agencies affected by the foregoing provisions of this section as is incidental to or necessary for the performance by Action or by the Director of Action of the functions transferred by those provisions, respectively, including, to the same extent, the functions conferred upon the Director of the Office of Economic Opportunity by section 602 of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2942).

(b) The function conferred upon the Director of the Peace Corps by section 4(c) (4) of the Peace Corps Act, as amended (22 U.S.C. 2503(c) (4)), is hereby transferred to the President of the United States.

SEC. 3. *Performance of transferred functions.* The Director of Action may from time to time make such provisions as he shall deem appropriate authorizing the performance of any of the functions transferred to him by the provisions of this reorganization plan by any other officer, or by any organizational entity or employee, of Action.

SEC. 4. *Incidental transfers.* (a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in

connection with the functions transferred to the Director of Action or to Action by this reorganization plan as the Director of the Office of Management and Budget shall determine shall be transferred to Action at such time or times as the latter Director shall direct.

(b) Such further measures and dispositions as the Director of Office of Management and Budget shall deem to be necessary in order to effectuate the transfers referred to in subsection (a) of this section shall be carried out in such manner as he shall direct and by such agencies as he shall designate.

SEC. 5. *Interim officers.* (a) The President may authorize any person who immediately prior to the effective date of this reorganization plan held a position in the executive branch of the Government to act as Director of Action until the office of Director is for the first time filled pursuant to the provisions of this reorganization plan or by recess appointment, as the case may be.

(b) The President may similarly authorize any such person to act as Deputy Director, authorize any such person to act as Associate Director, and authorize any such person to act as the head of any principal constituent organizational entity of Action.

(c) The President may authorize any person who serves in an acting capacity under the foregoing provisions of this section to receive the compensation attached to the office in respect of which he so serves. Such compensation, if authorized, shall be in lieu of, but not in addition to, other compensation from the United States to which such person may be entitled.

SEC. 6. *Effective date.* The provisions of this reorganization plan shall take effect as provided by section 906(a) of title 5 of the United States Code, or on July 1, 1971, whichever is later.

Mr. BLATCHFORD. While all of ACTION's programs are designed to provide service opportunities for Older Americans, a full 10 percent of all Peace Corps and VISTA volunteers are aged 60 and over, we have three programs which are aimed exclusively at older Americans: the Foster Grandparents program, RSVP, and SCORE.

Since their merger into ACTION last July, these programs have been significantly expanded. As the President requested at the White House Conference on Aging, Congress voted to double the appropriations for the Foster Grandparents program from \$12.5 to \$25 million and triple the appropriations for RSVP from \$5 to \$15 million.

Senator EAGLETON. Mr. Blatchford, let me break in there. What was in the President's budget for those two items?

Mr. BLATCHFORD. \$10.3 million and \$5 million.

Senator EAGLETON. What is in this year's budget for those two programs?

Mr. BLATCHFORD. \$25 million and \$15 million. That includes what has been added to the fiscal year 1972 budget and the same amount is in the fiscal year 1973 budget, a total of \$40 million.

By June 30, 1972, ACTION will have funded approximately 150 Foster Grandparent projects capable of mobilizing a volunteer service force of 11,000 Foster Grandparents. Mr. Chairman, this will represent an increase of over 2½ times the number of projects and participants serving under this program at the same time of its transfer to ACTION. Since July 1, 1971, ACTION has sent out over 650 applications to State and local agencies which have requested the establishment of Foster Grandparent projects in their localities.

The increased funding provided for RSVP has enabled ACTION to expand the number of projects while simultaneously making developmental grants to State agencies on the aging in order to assist in the rapid expansion of senior volunteer programs. By June 30 of this year, ACTION will have funded approximately 300 project grants, capable of supporting approximately 60,000 senior volunteers.

While our funding successes have been gratifying, we are truly proud of the successes enjoyed by our programs for older Americans. In his recent message to Congress on Aging, the President noted:

It is important that we give sufficient attention to the things our nation should be doing for Older Americans, but it is just as important that we remember how much older Americans can do for their country.

While the Retired Senior Volunteer program is still a relatively new program it offers a bright hope for expanding the opportunities of Older Americans to serve their communities. RSVP offers service opportunities to persons aged 60 and over, and does not impose income limitations for program participation. RSVP permits senior volunteers to serve a variety of organizations, agencies, and institutions in a broad range of service roles.

Presently RSVP volunteers are paid only for their out-of-pocket expenses, that is, transportation, uniforms, and so forth. Our proposed legislation would make clear that no compensation paid to volunteers for out-of-pocket expenses should be considered income. This amendment to title VI codifies prior informal indications from the Internal Revenue Service that they do not consider compensation to be taxable income. It will also resolve the status of such compensation with

regard to its treatment by welfare offices in their computations of income.

No Federal program better illustrates what older Americans can do for this country than the Foster Grandparent program. Foster grandparents are persons aged 60 and over with low incomes, who render supportive services to children who have been institutionalized for various reasons. They serve 5 days a week, 4 hours per day, and receive a modest stipend for their services.

The Foster Grandparent program has provided many insights into the potential utilization of the elderly in community service settings. It has not only provided low-income older persons with an improved standard of living, but has demonstrated that older persons have the talent, skill, experience, and desire to serve their communities by meeting some of the unmet needs of our society.

National authorities in the field of child care have noted the impact of Foster Grandparents in its work with institutionalized children. Dr. Maria Pierz, dean of the Erickson Institute for Early Education and author of "Wages of Neglect," has stated:

As a preventive program, Foster Grandparents is the best thing known to combat the pernicious influence of neglect, children who are ignored, cut off from adult contact and love can face a total deterioration of the intellect with lifelong crippling effects. We have seen the positive results of this program, and every institution or agency caring for children could benefit from the work of a Foster Grandparent in every child care unit.

Most significantly, Mr. Chairman, if you speak with the Foster Grandparents as I have, they will tell you that it is they who receive the greatest benefit from the program. They will talk of their new found dignity and self-esteem, the feeling that they are needed.

In short, Mr. Chairman, the Foster Grandparent program has proven itself to be an outstanding program. We at ACTION are keenly interested in both continuing the success and providing new opportunities for older Americans to render meaningful service. At the White House Conference on Aging, the President urged that program authority for the Foster Grandparents program be broadened to include opportunities for participants to serve "older persons as well as children."

Our proposed amendment to section 611 as contained in the ACTION bill, would accomplish this goal. This amendment would permit persons with low incomes to work with children and adults with exceptional needs in community settings. These expanding programs would operate under regulations which are substantially similar to those which presently exist for the Foster Grandparent program. Additionally, our amendments would broaden the funding flexibility of the Foster Grandparents program.

Let me give you some idea of the types of programs we are contemplating under the expanded authority proposed in S. 3450. This program, following the model of ACTION's highly successful Foster Grandparent program—would include as a major component, services to assist needy elderly in their own homes, in nursing homes and in institutions. One of the key efforts will be to provide services to older persons in their own homes in an effort to delay or possibly avoid the necessity for placement in nursing care. Volunteers serving in this program will also expand the Foster Grandparent program concept by serving children in their own homes or serving as tutors or teach-

ers' aides in schools or day care settings. These are examples of the kinds of volunteer service that we have in mind.

The Foster Grandparent program, as we would expand it, in S. 3450, seeks to provide meaningful service opportunities to low-income older persons who have decided not to reenter the labor force, and these dedicated older Americans consider their activity as community service, rather than as employment in the labor force. For these men and women the psychological gratification that comes with serving their communities in a volunteer capacity has special meaning and reward.

Let me conclude with some comments on programs of the Department of Labor. We recognize that some older Americans prefer to be part of the labor force, and to best meet their needs in achieving this goal, the Department of Labor has responded with a variety of programs, including "Senior Operation Mainstream" and the emergency employment programs. As you know, the Department of Labor has proposed major reforms in its manpower programs in the form of a comprehensive Manpower Special Revenue Sharing Bill. We believe that the broad range of employment opportunities contemplated in S. 555, S. 1307, and S. 1580 can best be achieved through these existing programs and proposals pending from the Department of Labor.

Mr. Chairman, we believe that the programs and proposals of the Department of Labor providing employment for older persons and the volunteer programs administered by ACTION, which we propose to expand through S. 3450, provide a wide range of employment and volunteer service opportunities for low-income older persons who desire to remain active and involved.

ACTION is committed to expanding volunteer organizations' opportunities for older Americans. The talents and skills of our older citizens constitute one of the great untapped human resources of America, a wealth, Mr. Chairman, which we must put to meaningful and creative use. In his message on aging to the Congress, the President stated:

* * * Above all else, what our older American citizens want from their country is a chance to be part of it, a chance to be involved, a chance to contribute.

Gentlemen, ACTION is committed to achieving this goal.

Thank you.

(The prepared statement of Mr. Blatchford follows:)

TESTIMONY OF

MR. JOSEPH H. BLATCHFORD

DIRECTOR OF ACTION

APRIL 12, 1972

BEFORE THE

SUBCOMMITTEE ON AGING AND THE

SPECIAL SUBCOMMITTEE ON HUMAN

RESOURCES OF THE SENATE LABOR

AND PUBLIC WELFARE COMMITTEE

MR. CHAIRMEN, WE AT ACTION RECOGNIZE THE KEEN INTEREST EXHIBITED BY THESE SUBCOMMITTEES IN PROVIDING EXPANDED OPTIONS AND OPPORTUNITIES FOR OLDER AMERICANS. I AM HERE THIS MORNING TO DISCUSS SOME OF THOSE OPTIONS - PARTICULARLY THOSE WHICH PROVIDE OPPORTUNITIES FOR VOLUNTEER SERVICE AND THE AMENDMENTS PROPOSED BY S. 3450, THE ACTION BILL.

OLDER AMERICANS HAVE A GREAT DEAL TO OFFER THIS COUNTRY. WITH A LIFETIME OF EXPERIENCE AND SKILLS TO DRAW UPON, THEY HAVE A VAST POTENTIAL FOR SERVING THEIR COMMUNITIES. AT THE RECENT WHITE HOUSE CONFERENCE ON AGING, DELEGATES CALLED FOR, "A NATIONAL POLICY ... TO ENCOURAGE OLDER ADULTS TO VOLUNTEER," THEY ALSO RECOMMENDED THE MOBILIZATION OF PUBLIC AND PRIVATE ORGANIZATIONS TO STRENGTHEN THE VOLUNTEER MOVEMENT.

ACTION WAS CONCEIVED BY THE PRESIDENT TO BE A MOBILIZING FORCE - THE CATALYST FOR AN EXPANDED NATIONAL EFFORT TO ENCOURAGE VOLUNTEER SERVICE BY ALL AMERICANS, YOUNG AND OLD. ON JULY 1, 1971, PURSUANT TO REORGANIZATION PLAN NUMBER 1, SIX VOLUNTEER SERVICE PROGRAMS WERE TRANSFERRED TO ACTION. THOSE PROGRAMS WERE: THE PEACE CORPS, VISTA, THE FOSTER GRANDPARENT PROGRAM, THE RETIRED SENIOR VOLUNTEER PROGRAM (RSVP), THE ACTIVE CORPS OF EXECUTIVES (ACE), AND THE SERVICE CORPS OF RETIRED EXECUTIVES (SCORE).

WHILE ALL OF ACTION'S PROGRAMS ARE DESIGNED TO PROVIDE SERVICE OPPORTUNITIES FOR OLDER AMERICANS - A FULL 10% OF ALL PEACE CORPS AND VISTA VOLUNTEERS ARE AGED 60 AND OVER - WE HAVE THREE PROGRAMS WHICH ARE AIMED EXCLUSIVELY AT OLDER AMERICANS; THE FOSTER GRANDPARENT PROGRAM, RSVP, AND SCORE.

SINCE THEIR MERGER INTO ACTION LAST JULY 1ST, THESE PROGRAMS HAVE BEEN SIGNIFICANTLY EXPANDED. PURSUANT TO THE PRESIDENT'S REQUEST AT THE WHITE HOUSE CONFERENCE ON AGING, CONGRESS VOTED TO DOUBLE THE APPROPRIATIONS FOR THE FOSTER GRANDPARENT PROGRAM, - FROM \$12.5 MILLION TO \$25 MILLION - AND TRIPLE THE APPROPRIATIONS FOR RSVP - FROM \$5 MILLION TO \$15 MILLION.

BY JUNE 30TH OF 1972, ACTION WILL HAVE FUNDED APPROXIMATELY 150 FOSTER GRANDPARENT PROJECTS CAPABLE OF MOBILIZING A VOLUNTEER SERVICE FORCE OF 11,500 FOSTER GRANDPARENTS. MR. CHAIRMAN, THIS WILL REPRESENT AN INCREASE OF OVER 2-1/2 TIMES THE NUMBER OF PROJECTS AND PARTICIPANTS SERVING UNDER THIS PROGRAM AT THE TIME OF ITS TRANSFER TO ACTION. SINCE JULY 1, 1971, ACTION HAS SENT OUT OVER 650 APPLICATIONS TO STATE AND LOCAL AGENCIES WHICH HAVE REQUESTED THE ESTABLISHMENT OF FOSTER GRANDPARENT PROJECTS IN THEIR LOCALITIES.

THE INCREASED FUNDING PROVIDED FOR RSVP HAS ENABLED ACTION TO EXPAND THE NUMBER OF PROJECTS, WHILE SIMULTANEOUSLY MAKING DEVELOPMENTAL GRANTS TO STATE AGENCIES ON THE AGING IN ORDER TO ASSIST IN THE RAPID EXPANSION OF SENIOR VOLUNTEER PROGRAMS. BY

JUNE 30TH ACTION WILL HAVE FUNDED APPROXIMATELY 300 PROJECT GRANTS, CAPABLE OF SUPPORTING APPROXIMATELY 60,000 SENIOR VOLUNTEERS.

WHILE OUR FUNDING SUCCESSES HAVE BEEN GRATIFYING, WE ARE TRULY PROUD OF THE PROGRAM SUCCESSES ENJOYED BY OUR PROGRAMS FOR OLDER AMERICANS. IN HIS RECENT MESSAGE TO CONGRESS ON AGING, THE PRESIDENT NOTED:

"IT IS IMPORTANT THAT WE GIVE SUFFICIENT ATTENTION TO THE THINGS OUR NATION SHOULD BE DOING FOR OLDER AMERICANS. BUT IT IS JUST AS IMPORTANT THAT WE REMEMBER HOW MUCH OLDER AMERICANS CAN DO FOR THEIR COUNTRY."

WHILE THE RETIRED SENIOR VOLUNTEER PROGRAM IS STILL A RELATIVELY NEW PROGRAM IT OFFERS A BRIGHT HOPE FOR EXPANDING THE OPPORTUNITIES OF OLDER AMERICANS TO SERVE THEIR COMMUNITIES. RSVP OFFERS SERVICE OPPORTUNITIES TO PERSONS AGED SIXTY AND OVER, AND DOES NOT IMPOSE INCOME LIMITATIONS FOR PROGRAM PARTICIPATION. RSVP PERMITS SENIOR VOLUNTEERS TO SERVE A VARIETY OF ORGANIZATIONS, AGENCIES, AND INSTITUTIONS IN A BROAD RANGE OF SERVICE ROLES.

PRESENTLY RSVP VOLUNTEERS ARE PAID ONLY FOR THEIR OUT OF POCKET EXPENSES, I.E. TRANSPORTATION, UNIFORMS, ETC. OUR PROPOSED LEGISLATION WOULD MAKE CLEAR THAT NO COMPENSATION PAID TO VOLUNTEERS FOR OUT OF POCKET EXPENSES SHOULD BE CONSIDERED INCOME. THIS AMENDMENT TO TITLE VI CODIFIES PRIOR INFORMAL INDICATIONS FROM THE INTERNAL REVENUE SERVICE THAT THEY DO NOT CONSIDER COMPENSATION TO BE TAXABLE INCOME. IT WILL ALSO RESOLVE THE STATUS OF SUCH COMPENSATION WITH REGARD TO ITS TREATMENT BY WELFARE OFFICES IN THEIR COMPUTATIONS OF INCOME.

NO FEDERAL PROGRAM BETTER ILLUSTRATES WHAT OLDER AMERICANS CAN DO FOR THIS COUNTRY THAN THE FOSTER GRANDPARENT PROGRAM. FOSTER GRANDPARENTS ARE PERSONS AGED 60 AND OVER WITH LOW INCOMES, WHO RENDER SUPPORTIVE SERVICES TO CHILDREN WHO HAVE BEEN INSTITUTIONALIZED FOR VARIOUS REASONS. THEY SERVE 5 DAYS A WEEK, 4 HOURS PER DAY, AND RECEIVE A MODEST STIPEND FOR THEIR SERVICES.

THE FOSTER GRANDPARENT PROGRAM HAS PROVIDED MANY 'INSIGHTS INTO THE POTENTIAL UTILIZATION OF THE ELDERLY IN COMMUNITY SERVICE SETTINGS. IT HAS NOT ONLY PROVIDED LOW INCOME OLDER PERSONS WITH AN IMPROVED STANDARD OF LIVING, BUT HAS DEMONSTRATED THAT OLDER PERSONS HAVE THE TALENT, SKILL, EXPERIENCE, AND DESIRE TO SERVE THEIR COMMUNITIES BY MEETING SOME OF THE UNMET HUMAN NEEDS OF OUR SOCIETY.

NATIONAL AUTHORITIES IN THE FIELD OF CHILD CARE HAVE NOTED THE IMPACT OF FOSTER GRANDPARENTS IN IT'S WORK WITH INSTITUTIONALIZED CHILDREN. DR. MARIA PIERZ, DEAN OF THE ERICKSON INSTITUTE FOR EARLY EDUCATION AND AUTHOR OF "WAGES OF NEGLECT" HAS STATED: "AS A PREVENTIVE PROGRAM, FOSTER GRANDPARENTS IS THE BEST THING KNOWN TO COMBAT THE PERNICIOUS INFLUENCE OF NEGLECT. CHILDREN WHO ARE IGNORED, CUT OFF FROM ADULT CONTACT AND LOVE CAN FACE A TOTAL DETERIORATION OF THE INTELLECT WITH LIFELONG CRIPPLING EFFECTS. WE HAVE SEEN THE POSITIVE RESULTS OF THIS PROGRAM. EVERY INSTITUTION OR AGENCY CARING FOR CHILDREN COULD BENEFIT FROM THE WORK OF A FOSTER GRANDPARENT IN EVERY CHILD CARE UNIT."

MOST SIGNIFICANTLY, MR. CHAIRMEN, IF YOU TALK WITH THE FOSTER GRANDPARENTS AS I HAVE, THEY WILL TELL YOU THAT IT IS THEY WHO RECEIVE THE GREATEST BENEFIT FROM THE PROGRAM. THEY WILL TALK OF THEIR NEW FOUND DIGNITY AND SELF-ESTEEM, THE FEELING THAT THEY ARE NEEDED.

IN SHORT, MR. CHAIRMEN, THE FOSTER GRANDPARENT PROGRAM HAS PROVEN ITSELF TO BE AN OUTSTANDING PROGRAM. WE AT ACTION ARE KEENLY INTERESTED IN BOTH CONTINUING THE SUCCESS, AND PROVIDING NEW OPPORTUNITIES FOR OLDER AMERICANS TO RENDER MEANINGFUL SERVICE. AT THE WHITE HOUSE CONFERENCE ON AGING, THE PRESIDENT URGED THAT PROGRAM AUTHORITY FOR THE FOSTER GRANDPARENT PROGRAM BE BROADENED TO INCLUDE OPPORTUNITIES FOR PARTICIPANTS TO SERVE "OLDER PERSONS AS WELL AS CHILDREN." OUR PROPOSED AMENDMENT TO SECTION 611 AS CONTAINED IN THE ACTION BILL, WOULD ACCOMPLISH THIS GOAL. THIS AMENDMENTS WOULD PERMIT PERSONS WITH LOW INCOMES TO WORK WITH CHILDREN AND ADULTS WITH EXCEPTIONAL NEEDS IN COMMUNITY SETTINGS. THESE EXPANDING PROGRAMS WOULD OPERATE UNDER REGULATIONS WHICH ARE SUBSTANTIALLY SIMILAR TO THOSE WHICH PRESENTLY EXIST FOR THE FOSTER GRANDPARENT PROGRAM. ADDITIONALLY, OUR AMENDMENTS WOULD BROADEN THE FUNDING FLEXIBILITY OF THE FOSTER GRANDPARENT PROGRAM.

LET ME GIVE YOU SOME IDEA OF THE TYPES OF PROGRAMS WE ARE CONTEMPLATING UNDER THE EXPANDED AUTHORITY PROPOSED IN S.3450. THIS PROGRAM - FOLLOWING THE MODEL OF ACTION'S HIGHLY SUCCESSFUL FOSTER GRANDPARENT PROGRAM - WOULD INCLUDE AS A MAJOR COMPONENT, SERVICES TO ASSIST NEEDY ELDERLY IN THEIR OWN HOMES, IN NURSING HOMES AND IN INSTITUTIONS. ONE OF THE KEY EFFORTS WILL BE TO PROVIDE SERVICES TO OLDER PERSONS IN THEIR OWN HOMES IN AN EFFORT

TO DELAY OR POSSIBLY AVOID THE NECESSITY FOR PLACEMENT IN NURSING CARE. VOLUNTEERS SERVING IN THIS PROGRAM WILL ALSO EXPAND THE FOSTER GRANDPARENT PROGRAM CONCEPT BY SERVING CHILDREN IN THEIR OWN HOMES OR SERVING AS TUTORS OR TEACHERS AIDES IN SCHOLS OR DAY CARE SETTINGS. THESE ARE EXAMPLES OF THE KINDS OF VOLUNTEER SERVICE THAT WE HAVE IN MIND.

THE FOSTER GRANDPARENT PROGRAM AS WE WOULD EXPAND IT IN S.3450, SEEKS TO PROVIDE MEANINGFUL SERVICE OPPORTUNITIES TO LOW INCOME OLDER PERSONS WHO HAVE DECIDED NOT TO RE-ENTER THE LABOR FORCE. THESE DEDICATED OLDER AMERICANS CONSIDER THEIR ACTIVITY AS COMMUNITY SERVICE, RATHER THAN AS EMPLOYMENT IN THE LABOR FORCE. FOR THESE MEN AND WOMEN THE PSYCHOLOGICAL GRATIFICATION THAT COMES WITH SERVING THEIR COMMUNITIES IN A VOLUNTEER CAPACITY HAS SPECIAL MEANING AND REWARD.

LET ME CONCLUDE WITH SOME COMMENTS ON PROGRAMS OF THE DEPARTMENT OF LABOR. WE RECOGNIZE THAT SOME OLDER AMERICANS PREFER TO BE PART OF THE LABOR FORCE, AND TO BEST MEET THEIR NEEDS IN ACHIEVING THIS GOAL, THE DEPARTMENT OF LABOR HAS RESPONDED WITH A VARIETY OF PROGRAMS, INCLUDING 'SENIOR OPERATION MAINSTREAM' AND THE EMERGENCY EMPLOYMENT PROGRAMS. AS YOU KNOW, THE DEPARTMENT OF LABOR HAS PROPOSED MAJOR REFORMS IN ITS MANPOWER PROGRAMS IN THE FORM OF A COMPREHENSIVE MANPOWER SPECIAL REVENUE SHARING BILL. WE BELIEVE THAT THE BROAD RANGE OF EMPLOYMENT ORIENTED OPPORTUNITIES CONTEMPLATED IN S.555, S.1307 AND S.1580 CAN BEST BE ACHIEVED THROUGH THESE EXISTING PROGRAMS AND PROPOSALS PENDING FROM THE DEPARTMENT OF LABOR.

MR. CHAIRMAN, WE BELIEVE THAT THE PROGRAMS AND PROPOSALS OF THE DEPARTMENT OF LABOR PROVIDING EMPLOYMENT FOR OLDER PERSONS, AND THE VOLUNTEER PROGRAMS ADMINISTERED BY ACTION WHICH WE PROPOSE TO EXPAND THROUGH S.3450, PROVIDE A WIDE RANGE OF EMPLOYMENT AND VOLUNTEER SERVICE OPPORTUNITIES FOR LOW INCOME OLDER PERSONS WHO DESIRE TO REMAIN ACTIVE AND INVOLVED.

ACTION IS COMMITTED TO EXPANDING VOLUNTEER OPPORTUNITIES FOR OLDER AMERICANS. THE TALENTS AND SKILLS OF OUR OLDER CITIZENS CONSTITUTE ONE OF THE GREAT UNTAPPED HUMAN RESOURCES OF AMERICA-- A WEALTH, MR. CHAIRMAN, WHICH WE MUST PUT TO MEANINGFUL AND CREATIVE USE. IN HIS MESSAGE ON AGING TO THE CONGRESS, THE PRESIDENT STATED;

" . . . ABOVE ALL ELSE, WHAT OUR OLDER AMERICAN CITIZENS WANT FROM THEIR COUNTRY IS A CHANCE TO BE PART OF IT, A CHANCE TO BE INVOLVED, A CHANCE TO CONTRIBUTE."

GENTLEMEN. ACTION IS COMMITTED TO ACHIEVING THIS GOAL.

Senator EAGLETON. Thank you, Mr. Blatchford. The members here have some time problems in so far as other commitments, so I will yield to Senator Kennedy at this time.

Senator KENNEDY. Good morning, Mr. Blatchford.

I appreciate very much your presence here. In reviewing your statement this morning, I see on page 3 that you say, pursuant to the President's request at the White House Conference on Aging the Congress voted to double the appropriation for the Foster Grandparents program from \$12 to \$25 million and triple the appropriations of RSVP. Yet it has been the position of the administration to oppose increases for the last 3 years, and actually it was the Congress that provided the initiative in these programs. We had no administration request for any increase even though there was a substantial authorization. I find it difficult also, on page 4, where you state, "While we funded the Retired Senior Volunteer program"—it is a relatively new program.

I was chairman of the Aging Subcommittee when we authorized that program in 1969. The administration did not request 1 cent in 1970 or 1971. Now you come up and say it is a new program and therefore we ought to go slow. I find it difficult to accept that as a terribly convincing argument.

We have been the ones who have been trying to press and push in these areas, and now to have this allegation thrown back on us that we have not moved is somewhat disconcerting. These programs are not new. Their past low profile exists principally because the administration has failed to support those programs.

Is there anything particular that you would like to say on that?

Mr. BLATCHFORD. Certainly, Senator, you personally, and the committee and the Congress have moved vigorously on the Older American programs, and I am sure the administration does not question that. When I refer to RSVP as relatively new, I speak from my own personal point of view. RSVP is new to ACTION. This agency was created on July 1 of last year and I was asked to head it.

I think we have been able to put greater administration initiative behind Older American programs. I now am a member of the President's Council Cabinet Committee on Aging, and I was involved in drawing up proposals for the White House Conference on Aging. In these proposals, we did call for an expanded role for older Americans, and we requested the additional funding which the President mentioned in his speech at the White House Conference.

The Senate did move forward, I know, on its own and took initiative in this field. The \$40 million is in the President's request for fiscal year 1973.

Senator KENNEDY. In your statement this morning, although you don't endorse S. 555, you recognize that it is not included in the ACTION concept, and it is not achieved by the ACTION proposals. Am I correct?

Mr. BLATCHFORD. Yes.

Senator KENNEDY. I apologize for being late, although I did have a chance to review your testimony. You indicate that you are going to expand the Foster Grandparents program functions. But you are really talking about the same pot of money, and you are expanding functions without requesting additional funds, aren't you?

Mr. BLATCHFORD. It is an expanded amount of money.

Senator KENNEDY. In the Foster Grandparents program?

Mr. BLATCHFORD. Yes. We started out with a \$10 million request for fiscal 1972. That was expanded to \$12.5 million and now to \$25 million. It is a rapidly expanding program, and we want to expand the numbers in the field so that as many as possible will have an opportunity to serve. It is a very fast-growing program.

Senator KENNEDY. In the Senior Aides, Green Thumb and Green Light programs, there are approximately 5,000, is that correct, 5,000 people utilizing those programs?

Mr. BLATCHFORD. Yes; I think it is.

This is Mr. Keller, who administered the Older Americans program in the Department of Health, Education, and Welfare. Mr. Keller came to ACTION at the time of the merger, and he has administered the programs very effectively. I would like to have him share the questioning.

Senator KENNEDY. There are approximately 5,000 Senior Aides in the Green Thumb and Green Light programs.

Senator EAGLETON. Those are under the Department of Labor?

Senator KENNEDY. Yes. I understand that there are eight applications for every job under those three programs in the Department of Labor.

Mr. BLATCHFORD. I cannot answer that, Senator, I do know, however, that we estimated a senior force of older Americans, which includes many, many more who want to volunteer.

Senator KENNEDY. It is my understanding it is approximately 8 to 1. If they vary, you might correct the record. It is further my understanding that these programs have been, in terms of their evaluation, have been some of the most effective programs of the manpower programs.

Am I correct in that impression in terms of evaluation?

Mr. BLATCHFORD. I have the same impression.

Senator KENNEDY. It just baffles me, even understanding budgetary restrictions, why, when we have programs that have worked enormously well in providing people job opportunities, have been evaluated and found successful, why there is a reluctance to make those programs permanent.

We have wrestled around with this same attitude regarding nutritional programs. But it just rings in my mind why there are programs that are as successful as these demonstration programs and for which there is such an extraordinary need, programs which were endorsed by the White House Conference, yet the administration opposes expanding them.

Even given the kinds of financial restraint placed upon the administration, what is the reluctance in seeing the expansion of those programs that are income producing and also providing jobs?

Mr. BLATCHFORD. Well, I believe very strongly from my own experience and my service on the Cabinet Committee, Senator, that the administration is moving very fast to ask for additional funds and expand opportunities across the board. In Green Thumb they have asked to double that program from \$15 to \$26 million.

In our program, Mr. Keller can testify as the administrator, he and his small staff are working as hard as they can to get these pro-

grams funded. Doubling a program very quickly creates the administrative chore of getting it moving. This is the fastest expanding area of all our activities, and I understand it is the same thing in the manpower field.

Senator KENNEDY. Against the need of 500,000 persons over 55 that are out of work, we are talking about 5,000 jobs that exist today. I am hopeful we can get a program that will provide 40,000 jobs, and even that is obviously less than adequate when we talk of a need for 500,000.

Mr. BLATCHFORD. I do have a statement from the Department that I would like to submit for the record. They have taken a position. They have proposed a comprehensive Manpower and Revenue Sharing Act to expand this opportunity along the lines you suggest, and I would like permission to submit their statement for the record.

(The information referred to follows:)

DEPARTMENT OF LABOR STATEMENT
ON S.555, S.1307, AND S.1580
BEFORE THE SUBCOMMITTEE ON AGING, SENATE LABOR AND PUBLIC
WELFARE COMMITTEE
APRIL 12, 1972

The Department of Labor is strongly opposed to bills such as S.555, S.1307, and S.1580, that are presently before your Committee. If these bills are designed to provide manpower services to enable older people to participate in the labor force, they duplicate present activities of the Department of Labor and add new undersirable categorical manpower programs. If these bills are primarily designed to provide service opportunities for older Americans, the enactment of S.3450, to expand ACTION programs would adequately achieve this goal. We will begin by discussing the Department's current efforts to aid older workers.

Department of Labor Activities Having an Impact on Older Persons

The Labor Department's principal efforts for older workers, that is persons 45 and over, include employment assistance services and manpower work and training programs. Through Federal grants, States operate over 2,300 local offices of State employment services. In addition to general services provided to all workers, older workers receive special services to help them achieve equal opportunities in employment in competition with other workers, including intensive job

counseling, individual job development when no suitable employer orders are available, persuading employers to remove restrictive age specifications and to judge each applicant on his ability to perform on the job regardless of age. As the President stated in his Message on Older Americans, we are also working with the State Employment Services to help them be catalysts for opening job opportunities to the over 65 group, including opportunities in both the public and private sectors. It is estimated that close to three million registered applicants in FY 1972 will be persons 45 and over. In FY 1971, applications were taken from 2.4 million persons 45 and over; more than 110,000 were given counseling services. About 241,000 older applicants were placed in employment.

All told, our Manpower training programs enrolled approximately 51,000 senior citizens in FY 1971, accounting for 8.6 percent of all enrollments in activities other than those expressly set up for Youth (NYC and Job Corps).

Public Service Careers	13.5%
OJT	10.7
MDTA, Inst.	8.5
Low Option OJT (JOP).	8.1
CEP	5.9
WIN	5.1
JOBS.	5.0

The Manpower program having the greatest percentage participation of older persons (39.8%) is Operation Mainstream. Projects under the

Mainstream program require that 40 percent of their enrollees be over 55. The Community Senior Service Programs, serving exclusively low-income older workers 55 and over, include: 1) Green Thumb projects which are located in 200 counties in 17 states and primarily consist of male enrollees working in crews and engaged in beautification and conservation projects for various State and local agencies; 2) Green Light projects which are operated in 35 rural counties in 11 states and employ primarily older, low-income women to work two-days a week assisting in strengthening existing community services, and one-day a week assisting in special outreach efforts to help the aged, shut-ins, and the handicapped; and 3) other projects providing public service jobs to low-income older persons in communities with emphasis on high-unemployment areas.

Our total effort is being doubled for these special projects supported by Operation Mainstream funds. Consequently, there will be substantial increases in the funding level of existing national contractors, opportunity for funding of additional contracts for services specifically designed for this age group, and new allocations to Regional Manpower Administrators to be reserved exclusively for special services to these older workers. These special concerted actions mean that as many as 10,000 low-income older persons will be provided with useful community service employment.

As anticipated, the Emergency Employment Act of 1971 is providing a significant number of new opportunities for middle-aged and older persons. The most recent data on age characteristics of the first 91,000 persons enrolled in the new public employment program indicates that 16 percent of the enrollees are 45 and over. Based on an estimated 160,000 new enrollees to be served in FY 1972 in the Public Employment Program (PEP), over 25,000 of these will be 45 years of age and older. Roughly \$160 million is devoted to this age group. In FY 1973, the new obligational authority of \$1.25 billion similarly should provide for about \$200 million devoted to this age group.

Furthermore, the Trade Adjustment Act is helping about 20,000 unemployed, 80 percent of whom are 45 years or older through in-depth counseling, relocation and readjustment allowance and training. Similarly, the participants in a manpower program for displaced scientists, engineers and other technical personnel in aerospace industry are heavily concentrated in the middle-aged group.

In addition to these manpower activities which have had a beneficial impact on older workers, the Department of Labor has been administering the Age Discrimination in Employment Act of 1967 (ADEA) which prohibits discrimination against workers 40-65 years of age. The Department has encouraged voluntary compliance with the Act, but where this has been insufficient, it has filed over 80 suits--30 of which have been successfully concluded. As the President stated, the Administration

will shortly submit legislation that will broaden the ADEA to include State and local governments. We are doing our part by reaffirming our policy that age shall not be a bar to a Federal job where an individual is otherwise qualified to perform.

Since persons over 65 are not within the purview of the ADEA, the Department is using other means to eliminate employment discrimination against them. Pursuant to the recent President's message on aging, States and local communities are being urged to include such older persons in the opportunities provided by the Emergency Employment Act. Specifically, we are incorporating within the EEA Program Guidelines appropriate models demonstrating how citizens over 65 years of age may be included in the new employment opportunities made available by the legislation.

The bills being considered by this Committee will duplicate many of these programs being carried out under existing legislative authority.

Manpower Special Revenue Sharing

In general, we find any categorized and centralized approach to the Administration of work opportunities for any particular group undesirable. Despite the apparent success of several of the categorical programs such as the Community Senior Service Program, it is clear that,

as a whole, because of the multiplicity of separate and distinct programs, each vying for a share, the categorical approach of recent years has not fulfilled the expectations of manpower program for older people or for anyone else. We believe it is time to stop proliferating categorical programs.

For this reason, the President has proposed the Manpower Revenue Sharing Act. States and localities could continue "mainstream"-type programs, even at increased funding levels depending on their local needs. The unanimity of approval of these programs and their success in providing work opportunities for middle-aged and older persons indicates that such programs would have a high priority in State and local manpower plans. However, S.555, S.1307 and S.1580 provide a categorized and centralized approach to the administration of these programs. In our judgment, this approach is highly undesirable here, just as it is in other areas of manpower services.

Therefore, we believe that current Department of Labor programs, coupled with the Manpower Special Revenue Sharing proposal, provide ample authority to undertake the kinds of programs suggested in S.555, S.1307 and S.1580.

The ACTION Act

Finally, the Department of Labor urges enactment of S.3450, a bill to authorize continuation of programs of ACTION, create a National

Advisory Council for that Agency, and for other related purposes. We particularly endorse this bill since it is aimed at helping older persons involve themselves in society. Programs now in ACTION, such as the Foster Grandparent Program, have demonstrated that these older persons have the talent, skill, experience and desire to serve their communities by meeting some of the unmet needs of our society. ACTION is keenly interested in providing new opportunities for low-income older Americans to render meaningful service.

Thus, as a result of President Nixon's statement at the White House Conference on Aging that program authority for FGP be broadened to include volunteer opportunities to serve "older persons as well as with children," ACTION has proposed this legislation to amend Section 611 of the Older Americans Act. It would accomplish the President's aim and more. This amendment would permit ACTION to use the insights gained from FGP to develop new roles for low-income older Americans to render volunteer supportive services to people having exceptional needs and to offer these volunteers a stipend for their service. This would include health, education, welfare, recreational, social or other related services. However, this ACTION bill is not intended to embrace employment and manpower activities presently within the Manpower Administration's scope of authority. Further, this bill does not interfere with our present efforts to decategorize and decentralize manpower activities.

In conclusion, we support S.3450, the proposed ACTION Act of 1972, and hope it will be enacted very soon.

Senator KENNEDY. I have some questions which are brief. You stated in the memorandums you provided that many of the projects that S. 555 would fund are considered as demonstration projects. You state these projects could be funded under the \$16 million supplemental appropriation that ACTION is seeking in 1972.

We have under S. 555 the \$35 million figure for the first year. I hope we could raise that, and that the committee would amend it to \$100 million. Do you intend to use all of the \$16 million for demonstration projects for the elderly; is that correct?

Mr. BLATCHFORD. I would like to clarify the memorandum to which you are alluding. It does not reflect our position, Senator. That is not the position which we are taking on the bill. I would like Mr. Keller to clarify that, because he was involved in drafting the memorandum.

Senator KENNEDY. All right.

Mr. KELLER. Basically, Senator, we believe that there are needs for both types of programs for employment opportunities for older people who want to get back into the labor force, and that there are also those older people who are not looking really to get back into the labor force and still want to be actively and meaningfully involved in community activity, and we believe firmly that ACTION has that role to play, and that we have the responsibility of finding opportunities for older people to volunteer their services.

If the older people happen to be of low income, ACTION would provide some supplementation to the low-income participants as we are doing with the foster grandparents program.

Senator KENNEDY. How should we regard that memorandum that we were provided? Does your statement today supersede that?

Mr. BLATCHFORD. That is right; it does.

Senator KENNEDY. Can you tell me about the \$16 million? Can you tell us where that \$16 million is going to go? Do you have an idea?

Mr. BLATCHFORD. There is \$16 million in the supplemental request before the Congress right now for fiscal year 1972. We have received questions concerning its use from you, Senator Cranston, and others, and we have submitted an answer to the question you have raised regarding the \$16 million. We can also submit it now for the record.

Senator KENNEDY. Could we have that?

Senator EAGLETON. Could we have that information, and we will make it part of the record.

(The information referred to follows:)

ACTION

WASHINGTON, D.C. 20525

Domestic Volunteer Programs
(VISTA and University Year for ACTION)Response to Congressional Inquiry
of March 24, 1972

On March 24, 1972, four members of the Committee on Labor and Public Welfare, United States Senate, directed 23 questions to Joseph H. Blatchford, Director of ACTION, concerning the University Year for ACTION program, VISTA, and the policies and procedures of the agency as they affect the operation of Domestic Volunteer Programs.

The formal response of ACTION to this inquiry involved the provision of a large quantity of data as appendices and exhibits, and thus ran to some 300 pages. A copy of the letter and a summary of the response are reproduced here for greater convenience of reference.

HARRISON A. WILLIAMS, JR., N.J., CHAIRMAN
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 ROBERT T. STAFFORD, VT.

United States Senate

COMMITTEE ON
 LABOR AND PUBLIC WELFARE
 WASHINGTON, D.C. 20510

March 24, 1972

Honorable Joseph Blatchford
 Director, ACTION
 806 Conn. Ave., N. W.
 Washington, D. C. 20525

Dear Mr. Director:

On Friday, March 17, members of the Labor and Public Welfare Committee staff and our staffs met with Sharon Duncan, Connie Newman, Charles Ervin, and Chris Mold of the ACTION staff to discuss VISTA, University Year for ACTION (UYA), and ACTION's request for an additional \$16 million authorization under legislation to extend the Economic Opportunity Act of 1964, as amended.

Since the ACTION representatives were not prepared at the time to answer many of the concerns of the Committee regarding the VISTA program and the relationship of the UYA program to the VISTA program, it was agreed that we would submit questions to you in writing and that ACTION would provide responses in order for us to have the necessary information to consider your request for a \$16 million additional authorization in the Economic Opportunity Act extension legislation.

The Subcommittee on Employment, Manpower and Poverty will probably begin markup of the poverty legislation next week, and we expect that full Committee markup will take place shortly after the Easter recess. It is with this timetable in mind that we submit the following questions:

1. Are UYA students considered full time VISTA Volunteers under Part A of title VIII of the Economic Opportunity Act or is the UYA program a demonstration volunteer program under Part B?
2. If UYA is considered a section 821 demonstration program, under what authority has ACTION obligated more than ten percent of title VIII funds "to conduct" the program (to both plan and operate it) contrary to the limitation in section 821 of the Economic Opportunity Act?

Honorable Joseph Blatchford
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3. If UYA is not a demonstration program, why is it not under the line authority of the Director of VISTA, or at least in the Domestic Operations Section of ACTION?

4. Are other VISTA Volunteers given the opportunity to devote time to earning college credit during their "volunteer" service?

5. If section 812 monies are used for UYA operational expenses, has not this use contributed to the necessity to reduce the VISTA winter training cycle, eliminate the June training class, reduce supervisory or transportation funds in the Regions, and/or reduce the number of reenrollments allowed? Please provide appropriate details.

6. On the average, how much time is spent by the UYA student in each of the participating universities in academic activities or study? Please provide a breakdown for each participating university.

7. All VISTA volunteers under Part A are required to "remain available for service without regard to regular working hours, at all times during their term of service, except for authorized periods of leave." If UYA is a Part A program, how do UYA students meet this requirement, since they are engaged in varying amounts of work toward securing their university credit? How does this time devoted to academic pursuits compare to the amount of time spent by the average full-time VISTA Volunteer for in-service training?

8. What training to work in the poor communities are the UYA students given? Is it comparable to the six-week training and in-service training required of regular full-time volunteers? (Since many of the UYA students were determined "unsuitable" by ACTION's Office of Citizens Placement, we would expect that they would require even greater training in order to prepare them to serve the poor effectively.)

9. How much does ACTION spend for supervisory services per student at each UYA project?

10a. What types of persons are universities hiring as supervisors for UYA students? How many are regular faculty members? How many are brought in from the outside and what were their former jobs?

b. What kind of supervisory services and how many hours per UYA student are provided?

Honorable Joseph Blatchford
Page Three
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11. Please provide a breakdown of the tuition and fee payments made by the students at each participating school?
12. What criteria has VISTA given to the universities as guidelines in the selection of sponsoring organizations? How does ACTION approve and/or evaluate these selections and the activities of the students?
13. Why do Regional Offices not participate in programming and placement decisions for the UYA students?
14. In what activities will the UYA students be involved during the summer months when their universities will not be in session and will not be responsible for their supervision?
15. When and under what authority did ACTION begin funding the UYA program, which you have described as a "new VISTA-type program", during the period, prior to enactment of your FY 1972 appropriation, of operation under a continuing resolution which authorizes expenditures "necessary for continuing projects or activities...which were conducted in the fiscal year 1971...at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower"?
16. Please describe the procedures being followed and personnel employed to evaluate the UYA program and what fundings have been made to date. What will be the principal measures used to evaluate effectiveness?
17. On what date did the UYA program at Pepperdine College, California, become operational? On what date did the Governor approve the program? (Section 810 of the Economic Opportunity Act stipulates that "Volunteers...shall not be assigned to duties...in any state without the consent of the Governor".)
18. How many persons, and what are their GS or FSR levels, are on the staff of the University Year for Action program, both in Headquarters and in the Regions? What funds, and under what statutory authority, are used to pay for the administration of this program?
19. What are the comparable figures for the regular VISTA program headed by Connie Newman?

Honorable Joseph Blatchford
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March 24, 1972

20. Please provide a breakdown of exactly on what programs (carried out under which statutory authority) ACTION intends to spend the \$16 million additional funds requested for FY 1972, if authorized and appropriated. Specifically, what will these funds enable ACTION to do with regard to meeting previously determined fiscal 1972 program goals which, without the additional funding, might now be jeopardized?

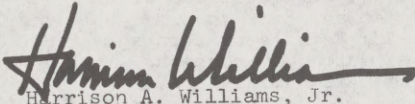
21. What efforts is VISTA making to place Volunteers affected by the closing down of the 69 projects by March 31?

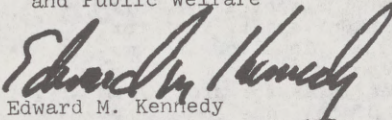
22. Is VISTA cutting back on reenrollments? What is the anticipated number of reenrollments to be approved during FY 1972 as compared with FY 1971 and FY 1970?

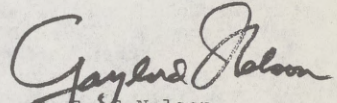
23. What is the projected end-of-year (June 30, 1972) full-time VISTA Volunteer strength (excluding those in training) as compared to end-year strength in FY 1971 and FY 1972?

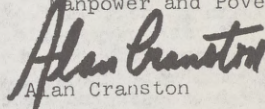
We look forward to your earliest possible reply to assist us in making an informed evaluation on your \$16 million additional authorization request.

Sincerely,


Harrison A. Williams, Jr.
Chairman, Committee on Labor
and Public Welfare


Edward M. Kennedy


Gaylord Nelson
Chairman, Subcommittee
on Employment,
Manpower and Poverty


Alan Cranston

cc: Honorable Warren G. Magnuson
Attn: Mr. Harley Dirks



OFFICE OF
THE DIRECTOR

ACTION

WASHINGTON, D.C. 20525

April 5, 1972

Honorable Harrison A. Williams, Jr.
Chairman

Honorable Gaylord Nelson
Chairman, Subcommittee on Employment,
Manpower and Poverty

Honorable Edward M. Kennedy

Honorable Alan Cranston

Committee on Labor and Public Welfare
United States Senate
Washington, D. C. 20510

Dear Senators:

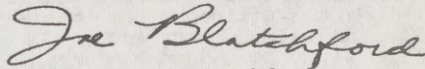
Attached you will find answers to your questions of March 24, 1972. I stand ready at any time to provide further information, clarify details or furnish further discussion on any issue which may concern you about ACTION and the programs it administers.

Many of the questions in your letter focus on University Year for ACTION. I am proud of the impressive work that the volunteers enrolled in University Year for ACTION have performed already, and look forward to being able to transmit more reports of their accomplishments to you as the program moves forward. I am impressed too by the response of colleges and universities to the University Year for ACTION concept -- nearly 170 put aside other work to submit proposals which, if ACTION had been able to support them, would have required difficult academic and management policy changes to be undertaken in short order. They did this because they, like ACTION, believe in the potential of the contributions student volunteers may make to the effort to eliminate poverty.

Committee on Labor and Public Welfare
April 5, 1972
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University Year for ACTION builds upon the proven accomplishments of VISTA, and represents that portion of ACTION's response to the President's pledge to expand "VISTA-type" activities which has been possible with the funds available and in the time allowed. You have before you now the President's request for supplemental funds for ACTION, to allow it to strengthen its existing programs, test further the University Year for ACTION concept, and go forward with other ideas which promise to bring more and more Americans into volunteer participation in anti-poverty programs. It is my hope that you will find it possible to take speedy affirmative action on this request, so that ACTION may continue to grow in its ability to mobilize Americans for this urgent and unfinished task.

Sincerely,

A handwritten signature in cursive script that reads "Joe Blatchford". The signature is written in dark ink and is positioned above the typed name and title.

Joseph H. Blatchford
Director
ACTION

S U M M A R YO F R E S P O N S E S

- 1 & 2. University Year for ACTION is authorized under Title VIII of the Economic Opportunity Act. Its volunteers are VISTA volunteers under Part A of Title VIII. The management system is considered demonstration in nature and is therefore authorized under Part B of Title VIII.
3. UYA is built upon a successful VISTA model, the University of Colorado Project at the Pine Ridge Indian Reservation in South Dakota, and has been operated on a grant basis by the Office of Policy and Program Development during the time that the Domestic Operations division of ACTION has been reorganized and its regional management system strengthened. ACTION intends to transfer UYA to the Office of Domestic and Anti-Poverty Operations in FY 1973.
4. There are at least three examples of programs under which VISTA volunteers are given opportunities to earn college credit while serving as volunteers. ACTION has authority to encourage the educational advancement of its volunteers under section 812 (c). Particularly since the initiation of University Year for ACTION, VISTA volunteers have asked for college credit. The agency feels it has not done enough in this regard and is encouraging efforts to allow VISTA volunteers to advance themselves educationally.
5. UYA has been financed from funds appropriated under Title VIII of the Economic Opportunity Act. The apportionment of funds to UYA did not contribute to any reduction in any other VISTA program. ACTION now seeks an additional appropriation of \$16 million, and will devote the funds received to increasing the number of regular VISTA volunteers, as well as to undertaking other programs which are described.

6. A description has been provided for the academic activities of each university. Where possible estimates of the time involved are drawn. However, variations are great among universities and volunteers.
7. UYA volunteers are available to their anti-poverty projects full time as stipulated in Title VIII. Project sponsors are similar to those for regular VISTA volunteers. An average volunteer serves his sponsor 40 or more hours a week. Academic credit is earned principally through the job assignment itself. Papers, seminars and independent readings do take time, but are described by volunteers as contributing to a better job. The efforts of the students lead to a wide involvement of university resources, often for the first time, in poverty problems. This is one of the purposes of the program: to make university resources available to the poor.
8. UYA training is comparable to that of VISTA volunteers.
9. The supervision of UYA volunteers comes from three sources: faculty, project staff at each university and the supervisor in the agency to which the volunteer is assigned. ACTION pays only for supervision by the project staff, not the faculty or the agency. The average total cost of the project staff is \$1438 per man-year varying from \$903 to \$1589 per man-year. This staff has responsibility not only for supervision--which is included in the total--but also for recruitment, selection, training, evaluation and support of the volunteer.
- 10a. Project directors at the universities have both academic backgrounds and extensive background in community action. Nearly half are members of minority groups.
- 10b. Volunteer surveys show that UYA volunteers receive supervision and technical assistance from faculty, UYA project staff and agency supervisors, that totals over 30 hours a month.

11. A breakdown is provided for tuition and fees at each university.
12. UYA operates on a planned impact planning system originally developed by the San Francisco office of VISTA (Region IX), which insures that quantifiable results will be achieved for the poor. Numerous examples are cited in the responses to show what achievements are expected and descriptions of 60 percent of the agencies utilizing volunteers in the first phase are provided.
13. Domestic Operations, including the regional offices, has participated with increasing frequency in programmatic and placement decisions for UYA volunteers. The regional offices participated in the selection of nearly all of the second group of universities and are involved in programmatic decisions today, varying from region to region. ACTION is now working closely with the regions, looking toward the day in FY 1973 when UYA will be transferred to Domestic Operations.
14. UYA volunteers are normally in year-round jobs. There will be no change in the assignments or supervision during the summer. In some cases where volunteers are assigned to educational institutions operating on a nine-month basis, other responsibilities are assigned to them.
15. ACTION initiated UYA projects during a continuing resolution much as VISTA adds and deletes programs in the normal course of its operation. The UYA program is modeled on a successful VISTA program and thus considered part of the continuing developmental activities of the agency.
16. UYA has an evaluation system which provides extensive information about the achievement of UYA volunteers. Poverty agencies utilizing UYA volunteers have rated them as "excellent". Projects at the first four UYA universities evaluated with the VISTA evaluation instrument scored in the middle and upper ranges of the scoring system.

17. Formal approval of the UYA program at Pepperdine is expected this month, however the response includes a letter from the Lieutenant Governor of California who met with the Director of ACTION October 19 while acting as Governor. The Lieutenant Governor reiterates in writing his prior favorable opinion of the program and his hope that it will be adopted by other universities.
- 18 & 19. Comparisons between the manpower devoted to operating UYA and the regular VISTA program are difficult to make. UYA is a program with a small federal staff and operating personnel located in the universities. VISTA is now part of the ACTION Office of Domestic and Anti-Poverty Operations where many staff have responsibility for many ACTION programs within specific geographic areas.
20. A complete breakdown is provided showing how ACTION proposes to spend the \$16 million as yet unappropriated in the President's request. It indicates that funds will be used first for the regular VISTA program and then for a variety of demonstration programs, principally under the Title VIII authority.
- 21 & 22. ACTION is making every effort to place in other projects the 90 volunteers who were working in projects which have not met VISTA evaluation standards. To date, 40 have been placed and efforts continue which are expected to place most of the remainder who wish to transfer. VISTA has initiated a new policy on re-enrollments but this has not been for the purpose of cutting back on re-enrollments. The re-enrollment rate remains about the same: 46 percent in 1971; 40 percent in 1972.
23. ACTION is committed to maintaining a stable level of volunteer man years in VISTA, consistent with appropriations made and expenses incurred for the operation of this program. This commitment is reflected in the budget submission made in support of the request for supplemental funds during FY 1972, and will be documented in support of requests for FY 1973 funds. UYA has been supported with that portion of the supplemental appropriation for FY 1972 which has so far been received by ACTION, and does not represent a threat to or a reduction of existing VISTA projects.

Senator KENNEDY. I have some other questions that I would as soon have them written. We want to move on this right away, so I can get them to you this noontime. They are not enormously complex.

Senator EAGLETON. Fine. So additional questions will be propounded to you, Mr. Blatchford, in writing sometime today. As soon as you can give us answers thereto, it will be very helpful to us in moving on this legislation.

Mr. BLATCHFORD. I will do it right away.

Senator EAGLETON. Moving from left to right, and in the political spectrum that is used advisedly, let me direct your attention to the bottom of page 6 of your statement. I want to make sure that I have this straight in my own mind.

The last sentence you have says, "We believe here the broad range of employment oriented opportunities contemplated in S. 555, S. 1307, and S. 1580, can best be achieved through these existing programs pending from the Department of Labor."

We had by inference that ACTION at one time was going to recommend that the senior aide program, Green Thumb, and the like be transferred into ACTION. I take it is your statement today that you favor leaving those in the Department of Labor?

Mr. BLATCHFORD. That is right.

Senator EAGLETON. And continuing on with Foster Grandparents and RSVP in your present agency action. Is that correct?

Mr. BLATCHFORD. That is correct. It is important, and I want to make it clear, that we distinguish between those who basically want to go back into the labor force and those who are unemployed and are older.

Senator EAGLETON. They would be labor-type programs.

Mr. BLATCHFORD. Yes. Labor would retrain them and get them back into the labor force. Those who want to volunteer, young people, too, they want to serve and get involved. The income is secondary. We do provide an income supplement to these volunteers just as we do to Peace Corps volunteers and VISTA's.

Their motivation comes from the fact that they want to be in the service part of society, and that part is in ACTION. We think it is expanding, and we are proud of the record so far.

Senator EAGLETON. I think that is a good distinction. At first impression you might say, "Why aren't all the old folks programs put together," but I think the distinction you have made is good. There are those that should stay in labor because they want to stay in the labor market, contrasted with programs that would remain under your department.

Mr. BLATCHFORD. Yes.

Senator EAGLETON. We have the budget figures in your testimony, at least the budget requests for this year. For Foster Grandparents it will be \$25 million, for RSVP it will be \$15 million, or a total of \$40 million.

Mr. BLATCHFORD. Yes.

Senator EAGLETON. Do you know what the fiscal year 1972 budget is for the mainstream programs? What is the total amount of the budget?

Mr. BLATCHFORD. I do not have that figure at hand.

Senator EAGLETON. Do you have that, Mr. Keller?

Mr. KELLER. No, I do not.

Senator EAGLETON. I am informed it is \$13 million. I would like for you to find out for me, if you can, what the fiscal year 1972 budget is for Operation Mainstream programs. Even if it does not appear in a line item, I want to know how much has been assigned or allocated for that.

My second question will be the same question for the proposed budget for fiscal year 1973. Again, if it does not appear as a separate identifiable item, line item, can you find out for us what the Department of Labor contemplates earmarking for Operation Mainstream programs? Would that be possible, Mr. Keller?

Mr. KELLER. Yes.

(The information referred to follows:)

Funds earmarked by Department of Labor for Operation Mainstream	
Fiscal year 1972.....	\$26 Million
Fiscal year 1973.....	\$26 Million

Senator EAGLETON. I yield to Senator Beall.

Senator BEALL. Thank you, Mr. Chairman.

Thank you, Mr. Blatchford for coming up this morning and giving us the benefit of your thinking on these programs.

It is my understanding that your main concern is the Congress not enact manpower legislation that overlaps or infringes upon the volunteer programs you are conducting around the country, is that correct?

Mr. BLATCHFORD. That is correct.

Senator BEALL. Additionally, I noted in your statement that you recognize the need for close coordination of efforts between the state and local governmental units. I think we have to avoid bypassing these units of Government as we seek to deliver community type services, if we did otherwise, we would run the risk of fragmenting the program. Would you want to comment on this?

Mr. BLATCHFORD. This is an important aspect of the way in which we administer RSVP. We have given grants to state agencies to develop new RSVP programs, and all our programs are planned and declared in conjunction with them. I am on a general steering committee in Washington to see that all of the older American programs are well-coordinated with the States and localities.

This is basic part to our way of operating procedure, and a very important part of it. In the past there has been too much fragmentation at the State level. We have encouraged the States to set up the planning agencies.

Senator BEALL. So there is an orderly progression and close cooperation between the units of government in this program?

Mr. BLATCHFORD. That is right.

Senator BEALL. This isn't in your sphere, but if we move into the Department of Labor area, wouldn't it be necessary, to have the same kind of relationships between the various agencies and levels of government, in their program, so you can have cross-fertilization?

Mr. BLATCHFORD. That is right. I serve on the Cabinet Committee on Aging. I work with the Secretary of Labor and other departments which deal with older Americans, and we coordinate the Federal assistance efforts and then, we try to coordinate that, with state offices who have similar kinds of mechanisms.

So this is something that is coming forward. It was a strong recommendation that the White House Conference, and we are implementing it across the board, not only in our agency.

Senator BEALL. If Congress decided we wanted to seek a solution to these problems by going right down to the community, we would actually be doing damage to the programs rather than helping them.

Is that correct?

Mr. BLATCHFORD. That is right. We would hope that Congress when it enacts programs would also consider this, to avoid duplicating or overlapping appropriations for these agencies.

Senator BEALL. You may not have the figure at your fingertips, but I would be interested in the record showing how many volunteers were involved in each of the senior citizen programs administered by ACTION?

Mr. BLATCHFORD. When ACTION was created, July 1 of last year, there were 4,408 foster grandparents. By July 1 of this year, we expect that there will be 6,200, and there will be sufficient grants delivered by June 30, 1972, to support 11,000. There will be 2½ times as many in 18 months.

As far as RSVP is concerned, we started with none. We are actually funding the original grants. By July 1, we expect to have 2,500, and by July 1 of next year we expect to have 75,000. So, as you see, it is one of the fastest moving programs.

Senator BEALL. Have you testified before the Senate Finance Committee on the Manpower Revenue Sharing?

Mr. BLATCHFORD. No; I have not. That program is the Labor Department's responsibility.

Senator BEALL. You would not want to comment on that?

Mr. BLATCHFORD. No. I am happy to testify on ACTION's programs.

Senator EAGLETON. I have two telegrams which I will put in the record at this point. The short one I will read, from Mr. Biemiller, legislative director of the AFL-CIO:

"AFL-CIO strongly urge that national Older American Community Services programs authorized by S. 555, which we vigorously support, should be administered by the Department of Labor and not by the ACTION Agency which is charged with responsibility exclusively for voluntary programs.

"Signed A. J. Biemiller, Director,
"AFL-CIO Department of Legislation."

Senator EAGLETON. I take it in basic thrust you would agree with that telegram?

Mr. BLATCHFORD. Yes; I would.

Senator EAGLETON. In terms of administrative or bureaucratic jurisdiction, employment programs ought to stay in Labor and volunteer programs, even if a modest stipend is paid for those volunteer services, would remain with you in ACTION.

Mr. BLATCHFORD. Yes; with the qualification that our position has been that, we believe the Department of Labor also has sufficient programs before the Congress to accomplish this.

Senator EAGLETON. The second telegram I won't read, but it is from Nelson Cruikshank, counsel, National Council of Senior Citizens, in

which he expresses on behalf of that organization his support for S. 555.

I yield to Senator Cranston.

Senator CRANSTON. At last Thursday's confirmation hearings on Mr. Howe to be Deputy Director of ACTION, I inquired about the reorganization currently being carried out by ACTION both in the regional offices and in its Washington headquarters. Mr. Howe was not sufficiently familiar with the situation to explain it to us at that time.

Could you please explain to the subcommittees now the reason for the interregional and regional-to-Washington transfers as well as certain separations that are being proposed by ACTION?

My understanding is that this affects some 87 present ACTION employees.

Mr. BLATCHFORD. I believe, Senator, you are referring to the Federal Assistance Review program, an office which has been created here. I do have a statement I would like to read for the record regarding that, if I may.

Senator CRANSTON. Fine.

Mr. BLATCHFORD. I would like to make that statement.

I would like to say most of the concern seems to be centered around the offer of transfers to approximately 17 persons in our regional offices to our Federal Assistance Review Office in Washington. In 1969 the President created the Federal Assistance Review program.

The intent and the goals of this program are to avoid, and thus reduce, what he regarded as needless costs in delivering Federal assistance, both grants and manpower resources, to the recipients at the State and local level. These costs were the costs of paperwork, time, and personnel expense involved in the making of most decisions in Washington with the inherent echelons of intervening liaison personnel and processing.

An inherent and equally important goal was to bring the decision-making power and the authorities for these programs closer to the people—to the State and local level. This, he hoped would not only decrease costs, but make our Federal programs more responsive by regionalization and localization of decisionmaking.

His first act was to create contiguous Federal regions for the FAR agencies with a common regional headquarters in each region. This first step, of course, made access to the Federal process more convenient and less costly to the State and local governments.

The second step was to create and staff effective regional offices for those FAR agencies. The third logical step, having located, organized and staffed them was to begin the process of planning, evaluating, implementing, and promulgating the decentralization of authorities and decisionmaking powers to those regional offices.

ACTION came into being on July 1, 1971. Our regional boundaries were simultaneously established as the 10 contiguous regions. We immediately located our headquarters in the common cities designated as regional headquarters.

Our next step, consistently, was to organize our regional staffs into an agency organization, and to employ our manpower on board, and now infuse new manpower, into that regional structure, in a configuration and the utilization of manpower designed to handle the programs

of ACTION with authorities and decisionmaking power delegated to them. This process, this second step, was completed with the reorganization that took place on April 3.

Our next step, consistently, is to examine and evaluate all the authorities and decisionmaking powers contained in ACTION including; programing, training, procurement, contracting, personnel, financial management, grants administration, intergovernmental relations, legal affairs, and volunteer recruitment services.

Following that evaluation comes the determination, promulgation, and systems design to delegate as much as those authorities and decisionmaking powers as is practical to the regions for the purpose of achieving the goals of the Federal Assistance Review program. It was for the purpose of performing that third task that we created the Federal Assistance Review Office in our Office of Domestic Operations. Again this is consistent.

At the beginning of the FAR program, the OMB created its FAR office to provide that sort of planning and to enforce implementation for the administration as a whole.

Most of the other FAR agencies likewise have an office or a group performing functions similar to those which our Federal review offices will perform. The staffing of that office—because of the importance and priority of this program—is a critical factor.

First it demands people who have a good understanding of ACTION's programs and a practical working knowledge of the effect of decisionmaking powers and authority. Secondly, it requires people with field experience who understand the problems of the field and have good inherent judgment as to how much or how little can and should be delegated to the regions from a practical working standpoint.

Thirdly, those people should be motivated to accomplish the goals of the FAR program. Essentially people who philosophically believe in the decentralization program and are advocates of this process. The logical place to find such people is in the field itself.

These are the people who, having spent time in the field, knowing its capabilities, and knowing its potential, would most likely be advocates and philosophically attuned to getting the job done of decentralizing decisionmaking powers and authorities to the regions. Having few, if any, people in headquarters at Washington with field experience in ACTION's programs it was natural, therefore, that we looked to the field to staff our Federal Assistance Review Office in Washington.

It is because of the priority and importance of that office and its functions that all but a handful of those offered transfers to Washington received their offers with a promotion in grade. None were offered a transfer at either a reduction in grade or in status.

First, it has been charged that and we have heard this, by transferring to Washington 17 skilled regional people—from among 10 offices, out of 199 people who came to ACTION from OEO, HEW, SBA, out of 312 positions that will be in the region—that we are stripping our regions of their operational capability.

That is not true, without the delegation of authorities and decisionmaking powers carefully done, carefully designed, and carefully promulgated, those regions do not have an operational capability no

matter what the caliber of people in the regions, no matter what the organizational structure. It is this third and important step that will determine the operational capability of our regions to deliver our assistance programs, grants, volunteers and a combination of the two, to the recipients at the State and local level.

Second, it has been charged that the intent of these transfers, accompanied by promotions, was for the purpose of achieving the resignation of those selected for such positions.

My best guess is that such paranoia has been created by the civil service wording that we were obligated to put in their letters offering them transfer and promotion. That language in effect stated that non-acceptance of the proposed reassignment may be grounds for the agency proposing their termination.

It is important to note that in none of the letters did we state if they did not accept reassignment they would be terminated. According to the civil service laws and regulations, the agency has the right, upon such declination, to propose the separation of such persons.

It was our obligation to make them aware of all their legal rights as well as the legal rights of the agency. This was not intended to convey an impression that in each and every case, and automatically that the declination of such a transfer would find the agency proposing their separation.

Quite the contrary. In several instances, the reply of some of those who received such letters was that they wanted to decline the offer of promotion and transfer for personal reasons and in fact would like to remain within the region for compelling personal reasons, and their desires were acceded to.

The reason the agency acceded was because the importance and priority of the FAR office and its functions require not only the qualifications I mentioned before but the people who serve in those positions must do so free from fear, free from personal hardships, both of which would diminish their effectiveness.

We intend to go ahead with our FAR program. We need and will move forward with our FAR planning done by our FAR office hopefully composed of the most competent and qualified people we can find who are willing to serve in those positions.

However, in order to make it crystal clear that we wish no one to assume those responsibilities because they fear declination will result in the agency proposing termination, because we want it crystal clear that the required civil service language contained in the letters was not meant to imply it would be the policy of the agency to propose the termination of those declining such offers of transfer and promotion, because we want to make it crystal clear that this office is of the highest importance and highest priority within our agency and not "dumping grounds" for those we wish to "remove from our regional office", I would like to state for the record that ACTION's policy is, and will be, that no one who has been offered a transfer and/or a transfer and promotion to the Federal Assistance Review Office in Washington will be proposed for termination as a result of their declination.

Their letters remain in full force and effect. They still have, and we encourage them to take advantage of, this opportunity for personal advancement and to perform this very vital and important function for our agency and its regional domestic operations.

But those people who do not wish to do so, however, can feel free to decline in their reply, state their reasons and make known to our regional directors that other positions in ACTION they wish to be considered for and ACTION will work out other assignments for them.

Senator CRANSTON. I appreciate that careful statement. In order to clarify certain things I do want to go over some of the ground in the statement. Do you have a copy of that now?

Mr. BLATCHFORD. I think that is my only copy.

Senator EAGLETON. We can have it xeroxed.

Senator CRANSTON. In sum, did you mean to state there that you did not intend to have the result that people must leave the agency if they do not choose to accept a transfer?

Mr. BLATCHFORD. That is correct.

Senator CRANSTON. Do you also mean that that will not occur, that things will be handled so that people in the agency who want to stay with the agency will be able to stay?

Mr. BLATCHFORD. I assume so.

Senator CRANSTON. You are the director of the agency and an assumption, looking to the future, seems to me a little bit uncertain. Are you going to do everything within your power in a way that means the people do not leave the agency?

Mr. BLATCHFORD. I am going to do everything in my power.

In fact, I say in my last sentence that for those who do decline, ACTION will work out other assignments for them.

Senator CRANSTON. I would like for you to notify us in advance of any terminations that would appear to be in the offing due to a transfer situation.

In effect, insofar as transferring to Washington is concerned, I understand your position to be that you plan to promote decentralization in the agency by transferring 17 experienced field staff to Washington for an indefinite period of time to draw up plans for greater decentralization for the agency?

Mr. BLATCHFORD. That is correct.

Senator CRANSTON. We were told last Thursday the number was to be 19 transferred to Washington. You indicate 17. Has the situation changed?

Mr. BLATCHFORD. It is possible two declined. I would have to clarify that. I think that is true in fact, that two declined, and I think we worked it out for them to remain in the region.

Senator CRANSTON. Is the director of personnel or someone present here who would know the answer to that question now?

Mr. BLATCHFORD. The Acting Director of Domestic Operations is here.

Senator CRANSTON. Could he clarify that point?

Senator EAGLETON. Would you give your full name and title for the benefit of the reporter?

Mr. MOULD. My name is Christopher Mould and I am Acting Associate Director for Domestic Operations. Senator Cranston, the figure of 19 was accurate last week. Subsequent to issuance of the letters on April 3 to the affected field employees, two persons brought to our attention extreme personal situations which we had not known prior to our notification.

In both cases we have made adjustments to allow them to stay in the regions where they were employed. That is the reason for the reduction.

Senator CRANSTON. Thank you very much.

What are the grade levels for each of the 17 individuals proposed to be transferred and what are the grade levels they were offered in Washington?

Senator EAGLETON. I think it would be helpful for the record if we had the full names of the 17, the titles of the positions that they currently hold, and if the Senator wants, their current GS rating. In the final column, what they were offered in the way of a promotion.

Mr. BLATCHFORD. Would you like him to give that now, or do you want it submitted for the record?

Senator CRANSTON. It can be submitted.

(The information referred to follows:)

<u>Employee</u>	<u>From</u>	<u>To</u>
Godwin, Vincent	Chief, VISTA Operations Division, GS-301-15, Reg. III	Program Analysis Off. GS-345-15, D.C.
Graves, Fletcher	Supv. Program Analyst GS-301-13, Reg. III	Program Analyst GS-345-13, D.C.
Kemp, Edward	Program Field Analyst GS-301-11, Reg. III	Program Analyst GS-345-12, D.C.
Terrill, Levi	Program Officer GS-301-13, Reg. IV	Resources Analyst GS-301-13, D.C.
Bass, Joseph	VISTA Program Analyst GS-301-13, Reg. IV	Program Analyst GS-345-14, D.C.
Jackson, Charles	Field Analyst GS-301-11, Reg. IV	Resources Analyst GS-301-12, D.C.
Lowery, Sue	Field Analyst GS-301-11, Reg. IV	Resources Analyst GS-301-12, D.C.
Bruch, Joseph	Program Field Analyst GS-301-13, Reg. VI	Resources Analyst GS-301-14, D.C.
Gault, George	Program Field Analyst GS-301-13, Reg. VI	Resources Analyst GS-301-13, D.C.
Ellis, Leslie	Personal Services(VISTA) GS-301-13, Reg. VI	Resources Analyst GS-301-14, D.C.
Ollice, Leonard	Program Field Analyst GS-301-11, Reg. VI	Program Analyst GS-345-12, D.C.
Beemont, William	Personnel Officer GS-201-13, Reg. VII	Resources Analyst GS-301-14, D.C.
Kennedy, Dorothy	Program Field Analyst GS-301-12, Reg. VII	Resources Analyst GS-301-13, D.C.
Shacklett, Richard	Program Field Analyst GS-301-12, Reg. IX	Program Analyst GS-345-13, D.C.
Tooker, Charles	Program Officer GS-301-14, Reg. IX	Program Analysis Off GS-345-15, D.C.
Horan, John	Program Officer GS-301-13, Reg. IX	SCORE/ACE Coordinato GS-301-14
Sauvage, Charles	Chief, VISTA Division GS-301-14, Reg. X	Resources Analyst GS-301-15, D.C.

Senator CRANSTON. When were the 19 employees notified of their transfer to Washington?

Mr. MOULD. April 3.

Senator CRANSTON. Could you supply us with a copy of this notification?

Mr. MOULD. Yes.

Senator CRANSTON. If you have a copy, I would like to have it now.

Mr. MOULD. I don't believe I do. I will check my brief case.

(The information referred to follows:)

ACTION,
Washington, D.C., April 3, 1972.

Mr. JOSEPH F. BASS, JR.,
Region IV, Domestic and Anti-Poverty Operations,
ACTION, Atlanta, Ga.

DEAR MR. BASS: This is to inform you that as result of reorganization, your position of VISTA Program Analyst, GS-301-13/2, \$19,362 per annum, Region IV Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-13 and the competitive area has been identified as Region IV Domestic and Anti-Poverty Operations, ACTION. You are in retention group IB, with a service computation date of 7/18/65.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Program Analyst, GS-345-14/1, \$21,960 per annum in the Office of Domestic and Anti-Poverty Operations, Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Program Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$2,513.70.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$2,513.70. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be re-credited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION Region IV. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Atlanta Merchandise Mart, 240 Peachtree St., N.W., Atlanta, Georgia 30303. The appeal may be submitted at

any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, NW., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Democratic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.

2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:

- at or below displaced employee's former grade
- are either vacant or filled by Tenure Group III employees

3. *Manner of Referral by the Civil Service Commission:*

- selected for referral based on occupational specialties
- referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order

4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,

Washington, D.C., April 3, 1972.

Mr. BILL R. BEEMONT,
Region VII, Domestic and Anti-Poverty Operations,
ACTION, Kansas City, Mo.

DEAR MR. BEEMONT: This is to notify you that you will be promoted and re-assigned to the position of Resources Analyst, GS-301-14, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for promotion and reassignment because of the special skills which you possess in the utilization and management of human resources. Your assignments have included service as Personnel Officer, Personnel Management Specialist, and Employee Utilization Representative. Your assignment to the Federal Assistance Review Office will draw on your experience enabling you to review, analyze and recommend appropriate action in areas such as Personnel Management and Manpower Planning.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this promotion and reassignment. If you decline this promotion and reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this promotion and reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ACTION,

Washington, D.C., April 3, 1972.

Mr. JOSEPH BRUCH,
Region VI, Domestic and Anti-Poverty Operations,
ACTION, Dallas, Tex.

DEAR MR. BRUCH: This is to notify you that you will be promoted and reassigned to the position of Resources Analyst, GS-301-14, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for promotion and reassignment because of the specific range of skills and experience which you possess. Your assignments have included Program Field Analyst, Program Specialist (Field Support), and Field Representative (Recruitment). Your strengths in areas such as field support and recruitment will have particular application in the task of reviewing, analyzing and recommending appropriate action in areas such as volunteer recruitment, manpower planning and personnel management.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this promotion and reassignment. If you decline this promotion and reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this promotion and reassignment, but fail to report for duty at 806 Connecticut Avenue, N. W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C.

Mr. LESLIE G. ELLIS,
Region VI, Domestic and Anti-Poverty Operations,
ACTION, Dallas, Tex.

DEAR MR. ELLIS: This is to notify you that you will be reassigned to the position of Resources Analyst, GS-301-13, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C., effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for reassignment because of the unique blend of skills and experience which you will provide to the Federal Assistance Review Office. Your assignments have included services as Personnel Services Specialist, Field Representative, and Executive Assistant to the VISTA Regional Administrator. This range of responsible assignments makes you well qualified to review, analyze and recommend appropriate action on problems of resources utilization and allocation such as Personnel Management, Manpower Planning and the establishment of improved administrative procedures.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this reassignment. If you decline this reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

Mr. GEORGE H. GAULT,
Region VI, Domestic and Anti-Poverty Operations, ACTION,
Dallas, Tex.

DEAR MR. GAULT: This is to notify you that you will be reassigned to the position of Resources Analyst, GS-301-13, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for reassignment because of the specific range of skills and experience which you possess. Your assignments have included Program Field Analyst, Program Specialist (Field Support), Field Representative (Recruitment) and Program Specialist (Project Development). Your strengths in areas such as field support and recruitment will have particular application in the task of reviewing, analyzing and recommending appropriate action in areas such as volunteer recruitment, manpower planning and personnel management.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this reassignment. If you decline this

reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

Mr. VINCENT R. GODWIN,
Region III, Domestic and Anti-Poverty Operations,
ACTION, Philadelphia, Pa.

DEAR MR. GODWIN: This is to notify you that you will be reassigned to the position of Program Analysis Officer, GS-345-15, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for reassignment because of the unique and valuable nature of your past work assignments. Your experience as Chief, VISTA Operations as well as your assignment as Deputy Director of Field Operations for the New York City Youth Service Agency and Social Investigator make you especially well qualified to deal with problems of decentralization of authority and responsibility to field offices and the promotion of inter-governmental cooperation. Your total experience, comprising as it does the administration of both federally sponsored and locally sponsored programs give you a special understanding of general program coordination coupled with a knowledge of specific agency procedures.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this reassignment. If you decline this reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C.

Mr. FLETCHER H. GRAVES,
Region III, Domestic and Anti-Poverty Operations, ACTION,
Philadelphia, Pa.

DEAR MR. GRAVES: This is to notify you that you will be reassigned to the position of Program Analyst, GS-345-13, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D. C., effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvement. The priority of the of-

office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for reassignment because of your experience in a variety of programs and the knowledge which these assignments have afforded you. You have had assignments as Supervisory VISTA Program Analyst, Coordinator of Narcotics Center, New York City, and Assistant Chief of Field Operations, NYC Youth Service Agency. Your skills, which have been demonstrated at the local and the Federal levels are well suited to review, analyze and recommend appropriate action on the problems of coordination between field structures and the recipients of Federal assistance as well as in the area of promotion of Inter-governmental cooperation.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this reassignment. If you decline this reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

Mr. CHARLES R. JACKSON,
Region IV, Domestic and Anti-Poverty Operations,
ACTION, Atlanta, Ga.

DEAR MR. JACKSON: This is to inform you that as result of reorganization, your position of VISTA Field Analyst, GS-301-11/2, \$13,753 per annum, Region IV Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-11/2 and the competitive area has been identified as Region IV Domestic and Anti-Poverty Operations, ACTION. You are in retention group IB, with a service computation date of 6/30/63.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Resources Analyst, GS-301-12/1, \$15,866 in the Office of Domestic and Anti-Poverty Operations in Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Resources Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$3,188.50.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$3188.50. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be credited to you for use in any subsequent computation of severance pay. Your severance pay fund

will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION Region IV. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Atlanta Merchandise Mart, 240 Peachtree St., N.W., Atlanta, Georgia 30303. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N.W., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I

BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.
2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:
 - at or below displaced employee's former grade
 - are either vacant or filled by Tenure Group III employees
3. *Manner of Referral by the Civil Service Commission:*
 - selected for referral based on occupational specialities

referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order
4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,
Washington, D.C., April 3, 1972.

Mr. EDWARD R. KEMP,
Region III, Domestic and Anti-Poverty Operations, ACTION,
Philadelphia, Pa.

DEAR MR. KEMP: This is to inform you that as result of reorganization, your position of VISTA Program Field Analyst, GS-301-11/2, \$13,753 per annum, Region III Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-11/2 and the competitive area has been identified as Region III Domestic and Anti-Poverty Operations, ACTION. You are in retention group IIA, with a service computation date of 9/28/68.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Program Analyst, GS-345-12/1, \$15,866 in the Office of Domestic and Anti-Poverty Operations in Washington. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this promotion and reassignment. If you accept the position of Program Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$925.40.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$925.40. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be recredited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION, Region III. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Customhouse, Second and Chestnut Sts., Philadelphia, Pennsylvania 19106. The appeal may be submitted at any time from the date you receive this letter by not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N.W. Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.

2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:

- at or below displaced employee's former grade
- are either vacant or filled by Tenure Group III employees

3. *Manner of Referral by the Civil Service Commission:*

- selected for referral based on occupational specialties
- referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order

4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,

Washington, D.C., April 3, 1972.

Mrs. DOROTHY M. KENNEDY,
Region VII, Domestic and Anti-Poverty Operations,
ACTION, Kansas City, Mo.

DEAR MRS. KENNEDY: This is to inform you that as result of reorganization, your position of VISTA Program Field Analyst, GS-301-12/1, \$15,866 per annum, Region VII Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-12 and the competitive area has

been identified as Region VII Domestic and Anti-Poverty Operations, ACTION. You are in retention group IB, with a service computation date of 11/29/56.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Resources Analyst, GS-301-13/1, \$18,737 per annum in the Office of Domestic and Anti-Poverty Operations, Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of promotion and reassignment. If you accept the position of Resources Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$11,731.12.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$11,731.12. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be recredited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Director for Management, ACTION Region VII. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, 1256 Federal Building, 1520 Market Street, St. Louis, Missouri 63103. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N.W., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

MISS SUE JO LOWERY,
*Region IV, Domestic and Anti-Poverty Operations, ACTION,
Atlanta, Ga.*

DEAR MISS LOWERY: This is to inform you that as result of reorganizations, your position of VISTA Field Analyst, GS-301-11/2, \$13,753 per annum, Region IV Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-11 and the competitive area has been identified as Region IV Domestic and Anti-Poverty Operations, ACTION. You are in retention group IB, with a service computation date of 10/11/67.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Resources Analyst, GS-301-12/1, \$15,866 in the Office of Domestic and Anti-Poverty Operations in Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Resources Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$1189.80.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$1189.80. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be credited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION Region IV. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Atlanta Merchandise Mart, 240 Peachtree St., N.W., Atlanta, Georgia, 30303. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group 17), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N.W., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.

2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:

- at or below displaced employee's former grade
- are either vacant or filled by Tenure Group III employees

3. *Manner of Referral by the Civil Service Commission:*

- selected for referral based on occupational specialties
- referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order

4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,
Washington, D.C., April 3, 1972.

Mr. LEONARD A. OLLICE,
Region VI, Domestic and Anti-Poverty Operations,
ACTION, Dallas, Tex.

DEAR MR. OLLICE: This is to inform you that as result of reorganization, your position of VISTA Program Field Analyst, GS-301-11/4, \$14,641 per annum, Region VI Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-11 and the competitive area has been identified as Region VI Domestic and Anti-Poverty Operations, ACTION. You are in retention group IB, with a service computation date of 2/1/65.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Program Analyst, GS-345-12/1, \$15,866 per annum in the Office of Domestic and Anti-Poverty Operations in Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Program Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$2041.60.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$1189.80. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be recredited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION Region IV. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Atlanta Merchandise Mart, 240 Peachtree St., N.W., Atlanta, Georgia 30303. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a

signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Committee. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N. W., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.

2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:

- at or below displaced employee's former grade
- are either vacant or filled by Tenure Group III employees

3. *Manner of Referral by the Civil Service Commission:*

- selected for referral based on occupational specialties
- referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order

4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,
Washington, D.C., April 3, 1972.

Mr. CHARLES M. SAUVAGE,
Region X, Domestic and Anti-Poverty Operations ACTION,
Seattle, Wash.

DEAR MR. SAUVAGE: This is to notify you that you will be promoted and re-assigned to the position of Resources Analyst, GS-301-15. Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C., effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the

Office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for promotion and reassignment because of the valuable combination of experiences which you will bring to bear to the programs of the Federal Assistance Review Office. Your assignments have included Chief, VISTA Operations, Field Operations Representative and CAP Field Representative. The skills and strengths which you have acquired in these assignments will be especially helpful to us in the task of reviewing, analyzing and recommending action on problems related to the utilization and distribution of resources—in areas such as Personnel Management, manpower planning and grants management.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this promotion and reassignment. If you decline this promotion and reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this promotion and reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

Mr. RICHARD L. SHACKLETT,
Region VII, Domestic and Anti-Poverty Operations,
ACTION, Kansas City, Mo.

DEAR MR. SHACKLETT: This is to inform you that as result of reorganization, your position of VISTA Program Field Analyst, CS-301-12/2, \$16,395 per annum, Region VII Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-12 and the competitive area has been identified as Region VII Domestic and Anti-Poverty Operations, ACTION. You are in retention group IIA, with a service computation date of 11/22/69.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's needs to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of promotion and reassignment to Program Analyst, GS-345-13/1, \$18,737 per annum in the Office of Domestic and Anti-Poverty Operations, Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Program Analyst in Washington, D.C., your promotion and reassignment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$1010.61.

Severance pay is paid at the same amount as your basic compensation per pay period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$1010.61. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be recredited to you

for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Director for Management, ACTION Region VII. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, 1256 Federal Building, 1520 Market Street, St. Louis, Missouri 63103. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C. or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, N.W., Washington, D.C. 20526, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment, and therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligibles on Civil Service registers.

2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are:

- at or below displaced employee's former grade
- are either vacant or filled by Tenure Group III employees

3. *Manner of Referral by the Civil Service Commission:*

- selected for referral based on occupational specialities
- referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order

4. *Restrictions on Filling Positions by Other Methods:*

The Civil Service Commission will not certify from register of eligibles employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,
Washington, D.C., April 3, 1972.

Mr. WILLIAM F. STATON,
Region VI, Domestic and Anti-Poverty Operations, ACTION,
Dallas, Tex.

DEAR MR. STATON: This is to notify you that you will be reassigned to the position of Program Analyst, GS-345-14, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign highly experienced personnel from the Regions.

You have been selected for reassignment because of the special strengths which your background will provide to the Federal Assistance Review Office. Your experience as Supervisory VISTA Field Analyst; Chief, Training and Technical Branch; Area Coordinator; and Field Representative, will be exceptionally helpful in the management planning and operations efforts of the Federal Assistance Review Office. Your job skills and strengths give you a unique capability to review, analyze and recommend appropriate action on such management problem areas as manpower planning and personnel management.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this reassignment. If you decline this reassignment or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing your separation from the agency.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ACTION,
Washington, D.C., April 3, 1972.

Mr. LEVI M. TERRILL, Jr.,
Region IV, Domestic and Anti-Poverty Operations,
ACTION, Atlanta, Ga.

DEAR MR. TERRILL: This is to inform you that as result of reorganization your position of VISTA Program Officer, GS-301-13/2, \$19,362 per annum, Region IV Domestic and Anti-Poverty Operations, ACTION will be abolished effective May 5, 1972.

In accordance with the regulations governing reduction-in-force, your competitive level has been identified as GS-301-13 and the competitive area has been identified as Region IV Domestic and Anti-Poverty Operations, ACTION. You are in retention group 1B, with a service computation date of 12/21/63.

There is no available position in your competitive area at your present grade level.

In consideration of your retention rights and ACTION's need to make effective use of your experience and qualifications, the most reasonable offer of continued employment which ACTION can make to you is that of Resources Analyst, GS-301-13, \$19,362 per annum in the Office of Domestic and Anti-Poverty Operations, Washington, D.C. Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you accept or decline this offer of continued employment. If you accept the position of Resources Analyst in Washington, D.C., your reassign-

ment will be effective May 7, 1972. If you decline the position, or if you fail to reply in writing within the ten (10) calendar days allowed, you will be separated through reduction-in-force procedures at the close of business May 5, 1972.

You are entitled to the severance pay provisions of 5 USC 5595, which provide for the payment of severance pay to employees who are involuntarily separated from the Federal Service, not by removal for cause on charges of misconduct, delinquency, or inefficiency. Your severance pay fund, computed under the provisions of this law, amounts to \$3302.72.

Severance pay is paid at the same amount as your basic compensation per day period immediately prior to your separation and may not exceed one year's pay at that rate. Therefore your maximum severance pay will be \$3302.72. No deductions will be made from your severance pay other than withholding for Federal and State income tax purposes. If you are reemployed by the Federal Government or the municipal government of the District of Columbia before the expiration of the period covered by payments of severance pay, the payments shall be discontinued beginning with the date of reemployment and the services represented by the unexpired portion of the period shall be recredited to you for use in any subsequent computation of severance pay. Your severance pay fund will be recomputed, of course, in accordance with any pay increase which may occur prior to the effective date of your separation.

You may examine the U.S. Civil Service Commission reduction-in-force regulations and inspect the applicable retention registers on which your name and the names of other employees of the Agency appear in the office of the Deputy Regional Director for Management, ACTION Region IV. Any questions you may have concerning the regulations on this action may be directed to that office.

If after reviewing the regulations and the applicable retention registers, you believe there has been a violation of your rights and privileges under the reduction-in-force regulations, you may appeal the action in writing to the Appeals Examiner, Civil Service Commission, Atlanta Merchandise Mart, 240 Peachtree St., N.W., Atlanta, Georgia. The appeal may be submitted at any time from the date you receive this letter but not more than fifteen (15) days after the effective date of your separation. Such an appeal must give specific reasons why the action is considered improper.

Your name will be placed on ACTION's Reemployment Priority List. As long as your name remains on this list, you will be considered for placement in any positions in the Agency in your competitive area for which you are qualified and available. Your name will be on this list for one (1) year (if a Group II), two (2) years (if a Group I), from the date of your separation unless: (1) you submit a signed written request that it be removed, or (2) you accept full time, non-temporary employment in the competitive civil service, or (3) you decline an offer of full time, non-temporary employment in a position in the competitive area at a grade not lower than the grade from which you were separated.

You are also entitled to benefits under the Displaced Employee Program of the U.S. Civil Service Commission. This program provides placement assistance to Group I and Group II employees within any one Civil Service region or within the metropolitan area of Washington, D.C., or both. You may apply at any time after receipt of notice of reduction-in-force but no more than ninety (90) days after the date of your separation. Your SF-171 must be submitted through the Personnel Office, 806 Connecticut Avenue, NW., Washington, D.C. 20525, as soon as possible. Benefits available under this program are shown on attachment I to this letter.

After your separation, you will receive, in accordance with 5 USC 55, a lump sum payment for all unused annual leave accrued through the last full pay period prior to your separation, not exceeding thirty (30) days, or the amount carried forward into the leave year in which you are separated whichever is greater. Any leave which exceeds the maximum permissible, as defined above, cannot be included in the lump sum payment and, therefore, should be taken prior to your separation. If you are reemployed by a Federal agency which is subject to Chapter 63 of Title 5, United States Code, within three (3) years from the date of your separation, your unused sick leave balance at the date of your separation, will be recredited to your account.

Sincerely,

CHRISTOPHER MOULD,
Associate Director for Domestic and Anti-Poverty Operations.

ATTACHMENT I—BENEFITS OF CSC DISPLACED EMPLOYEE PROGRAM

Group I employees are given the benefits of the Displaced Employee Program for two (2) years, Group II employees one (1) year, from the date of separation. These benefits include:

1. *Priority Referral.* This is the formal referral of displaced employees by the Civil Service Commission to agencies to be considered for employment ahead of eligible on Civil Service registers.
2. *When Made.* Based on requests from agencies for eligible candidates to fill positions, the Civil Service Commission makes priority referrals of displaced employees for positions expected to last more than one year which are :
 - at or below displaced employee's former grade
 - are either vacant or filled by Tenure Group III employees
3. *Manner of Referral by the Civil Service Commission:*
 - selected for referral based on occupational specialties
 - referred to agency in subgroup order recommending that they be considered in that order, but it is not mandatory to select in that order
4. *Restrictions on Filling Positions by Other Methods:*
The Civil Service Commission will not certify from register of eligible employees nor grant direct hire authority for any position for which a displaced employee is available and entitled to priority referral.

ACTION,

Washington, D.C., April 3, 1972.

Mr. CHARLES J. TOOKER,
Region IX, Domestic and Anti-Poverty Operations,
ACTION, San Francisco, Calif.

DEAR MR. TOOKER: This is to notify you that you will be promoted and re-assigned to the position of Program Analyst, GS-345-15, Federal Assistance Review Office of the Office of Domestic and Anti-Poverty Operations with a duty station of Washington, D.C. effective May 7, 1972.

The Federal Assistance Review Office has been established as a long range planning group to study and analyze program and management systems needs, first to further the effective decentralization of the Domestic and Anti-Poverty program effort to the Regions, and later to maintain a continuing review of possible program and management systems improvements. The priority of the office's mission and the high calibre of talent needed for its staffing has led to the reluctant decision to reassign experienced personnel from the Regions.

You have been selected for promotion and reassignment because of the unique blend of experience which you possess. Your assignments include Program Officer, Supervisory Field Analyst and Associate Peace Corps Director in Bogota, Colombia. These assignments have enabled you to acquire a breadth and depth of program knowledge which will be very helpful in reviewing, analyzing and recommending appropriate actions in the areas of decentralization of authority and responsibility, coordination within the federal structure, and coordination between the field structure and recipients of federal assistance.

Normal travel and movement expenses will be authorized.

Please advise me in writing within ten (10) calendar days of receipt of this letter whether you will accept or decline this promotion and reassignment. If you decline this promotion and reassignment, or fail to reply in writing within ten (10) calendar days allowed, such action will be a basis for proposing your separation from the agency.

If you accept this promotion and reassignment, but fail to report for duty at 806 Connecticut Avenue, N.W., Washington, D.C. on May 8, 1972, your action will constitute grounds for proposing separation from the agency.

Sincerely,

CHRISTOPHER MOULD,

Associate Director for Domestic and Anti-Poverty Operations.

Senator CRANSTON. I believe the employees were initially given 10 days to decide whether to accept the transfer or face separation. Is that correct?

Mr. BLATCHFORD. They were given 10 days to make the decision and 30 days to arrive.

Senator CRANSTON. What was the alternative they were given if they did not choose to transfer?

Mr. BLATCHFORD. At that time, in the letter which contained Civil Service language, we noted that declination could be grounds for termination. In the first two cases that came forward to Mr. Mould, and he worked it out for them to stay. I am stating now that we are going to do the same with all.

Senator CRANSTON. How were the employees selected for transfer? Was one qualification that at least some of them were considered dissidents in their regional offices? The reason I use that word is that Mr. Butler, in a memorandum talked of one of the people to be transferred, as a ringleader of dissension. Mr. Butler used that language.

Mr. BLATCHFORD. The only direction I gave in setting up the FAR program was that people have field experience. I am not aware myself of any other qualifications.

I might add, Senator, that I have had experience in doing this once before in the Peace Corps. When I came to the Peace Corps, it was evident to me that it was too centralized in Washington. Too many decisions were made in the Director's office. Too much was done in Washington. We did some contract work with people in Washington to try to decentralize it, and their recommendations provided for more centralization and more decisionmaking in Washington. It was a very discouraging report.

So, I went out to the field, and I brought country directors back from Colombia and Africa to the headquarters office and had them tell us how we should decentralize out to the field.

They did an excellent job. They are more knowledgeable in telling Washington how to decentralize. It was very successful, and as a result we had much greater decentralization to the field and great savings of time and effort in personnel in Washington. I hope our FAR program can have the same result. This is the principal purpose for establishing it. I would like to have Mr. Mould state whether he has set any other standards than those in his picking.

Mr. MOULD. We did review, of course, each individual situation in the regions affected as we were structuring the field structure for the agency. To call this a reorganization is in a way erroneous. We have been reviewing region by region all the personnel that would come from each region to figure out what strengths they have. Necessarily, we take into account weaknesses, and that has been true in all the regions.

Senator CRANSTON. Mr. Blatchford, you have indicated you were bringing your best field people now into Washington for assignment to the FAR program, and you required their expertise for the decentralization effort and afterwards they will be sent back to the field.

Yet it stated in the Butler memorandum that Gabriel Sarain will be either terminated or transferred. I would like you to explain that discrepancy.

Mr. BLATCHFORD. We need the most knowledgeable people in Washington. There is no question about that. I think, Senator Cranston, that what we are referring to is a memorandum which was written by the San Francisco Regional Director to himself, a personal note which he jotted down, which he put in his desk, which he at one time thought of sending to Washington but decided not to send.

It was locked in his desk and later stolen from the locked desk. This memorandum, consequently, because of some of the things he said to himself, has caused some great concern.

We appreciate this opportunity to clarify. I knew nothing about the memorandum myself. I do not think anyone in Washington did, until it was put in the newspapers or sent around. We have spent a lot of time looking at it and trying to figure out what it meant. I think Mr. Mould has been most actively involved. He is Washington supervisor for the San Francisco Regional Office, and he can answer best from his own knowledge.

Senator CRANSTON. Yes. Could you give us any information on how the employees were selected for transfer? What were the criteria basically used in that?

Mr. MOULD. Senator, you are referring to those offered transfer to Washington as those distinguished from transfer to other regions?

Senator CRANSTON. Right.

Mr. MOULD. Again, we looked at their program capabilities as of prime concern. We looked at the matter of what administrative or managerial background they have, because of the intended Federal Assistance Review units. There is concern both with program decentralization and program obligation authority, as well as management and administrative procedure decentralization.

So both factors were taken into account in reviewing personnel. I would want to say, as well, we did not take the "cream of the field" in terms of bringing all the best program people out of the field. I think the variety of levels of skills represented in those who were offered transfer are obvious. Some were offered an opportunity to come to Washington based on my judgment and in the judgment of the respective regional director. We felt it was an opportunity for career growth which was not present in the region.

In other cases, there are persons who were offered transfers who are probably at the zenith of their program experience.

Senator CRANSTON. I am confused by the original position taken, that you were bringing your best people to Washington, but they were subject to dismissal if they wouldn't come to Washington.

Mr. BLATCHFORD. There has really essentially been no change. Technically they are subject to dismissal if they don't accept the assignment. That is Civil Service regulations, and it is required for us to let them know what their rights are, as well as what the rights of the agency are.

Therefore the letters they received say that. It is not our intention to do so, as was evidenced in the first two cases that came forward that personally asked for review of their situation.

They were granted that ability right away by Mr. Mould to stay in their regions.

Senator CRANSTON. When were those decisions made, datewise, on those two people?

Mr. MOULD. I would want to check the record, Senator Cranston. I believe they were all within the last 7 days, but I will have to furnish that for the record.

(The information referred to follows:)

Review of situation requested by :

ACTION decision date

Pamela Finley..... March 29, 1972

John Horan..... April 3, 1972

Senator CRANSTON. Does any Civil Service regulation require you to suggest to a very fine member of your team that if the person won't transfer, he may be fired?

Mr. BLATCHFORD. Yes, we have to notify him that it is grounds for being terminated if he doesn't accept a certain position.

Senator CRANSTON. That is a formal requirement, even though you have no intention of doing it?

Mr. BLATCHFORD. Yes, I believe it is.

Senator CRANSTON. Is there any prohibition against advising the person that you don't really mean that?

Mr. BLATCHFORD. I think that is what Mr. Mould has tried to do, certainly.

Senator CRANSTON. I think it would be a shock to receive that kind of memo if you think you are doing a good job and find your talents seemingly given a low appraisal by the organization you are working for.

Mr. BLATCHFORD. I agree with you, and I think that is part of the cause for the reaction.

Senator CRANSTON. I was interested in how many were holdovers and how many were appointed since January 1969. How many of these employees excluding the two we have discussed have accepted these proposed transfers to Washington?

Mr. MOULD. Mr. Chairman, I am advised informally that approximately 10 individuals have indicated in writing to their respective regional directors that they would accept the transfer to Washington.

I have not personally seen their letters of acceptance, but I have been told by phone.

(The information referred to follows:)

Employee :	<i>OEO, EOD date</i>
Godwin, Vincent.....	December 22, 1969
Graves, Fletcher.....	April 13, 1971
Kemp, Edward.....	September 11, 1970
Terrill, Levi.....	October 20, 1967
Bass, Joseph.....	May 4, 1969
Jackson, Charles.....	December 16, 1968
Lowery, Sue.....	October 11, 1967
Bruch, Joseph.....	June 14, 1967
Gault, George.....	September 17, 1965
Ellis, Leslie.....	November 4, 1965
Ollice, Leonard.....	October 14, 1967
Beemont, William.....	July 31, 1966
Kennedy, Dorothy.....	September 18, 1966
Shacklett, Richard.....	January 25, 1971
Tooker, Charles.....	July 28, 1968
Horan, John.....	January 9, 1967
Sauvage, Charles.....	January 14, 1969

Senator CRANSTON. There are seven unknown?

Mr. MOULD. Yes.

Senator CRANSTON. If you have made a decision not to dismiss, what will be done with those who cannot come here for personal reasons?

Mr. MOULD. We shall ask them immediately to advise their respective regional directors what their preferences are for job functions in the regions. We shall then review positions in that region and work out what I hope will be a mutually agreeable resolution, case by case.

Senator CRANSTON. To be precise now, if any number of the 17 decline transfer to Washington they will be entitled to remain in the regional office without any reduction in grade or pay?

Mr. MOULD. Correct.

Senator CRANSTON. As I understand it, under your reorganization and decentralization policy, there will be many more regional positions created. Indeed, many already have been created. Is that correct?

Mr. BLATCHFORD. That is correct.

Senator CRANSTON. How many more regional positions have you developed as of today, as compared to, say, 6 months ago?

Mr. MOULD. I regret, Senator, we have to give you a somewhat complicated answer, because of the shift. Stop me if it gets too long.

At the time of the merger, the agency inherited 199 slots, or positions, in the field by transfer from previous parent organizations, primarily VISTA. Approximately 20 of those were so-called support personnel. The others were generally in the programing function. This is by and large true, because as you are undoubtedly aware, VISTA regional offices were supported by OEO personnel such as General Counsel, public affairs and so on. VISTA was able to share these support functions without providing their own. So what transferred was really a program group. We initially took the step of designating the then VISTA administrator in each region additionally as the acting regional ACTION director for each of the 10 regions.

We developed in the fall a regional organization plan as to how we would structure the regional offices. We also worked out with the Office of Management and Budget the agency's slot ceilings allocation for fiscal year 1972, we arrived at a situation where we concluded that we could have 312 positions in the field in the aggregate for the 10 regions, so that we do grow in the field when fully staffed, from 199 positions as of July 1 under the circumstances I described to 312 for the 10 regions projected by the end of June.

Senator CRANSTON. Were these employees proposed for transfer given an opportunity to apply for publicly advertised, newly created regional positions after they received their formal notification on April 3 of their proposed transfer to Washington?

Mr. MOULD. No, but I would explain it this way. If an individual, asked on April 3 to transfer to Washington, had not applied for a previously advertised and closed position for which he would be qualified, he nonetheless can be transferred into one of those previously advertised positions if the agency chooses, and he agrees.

Senator CRANSTON. It is my impression that in the San Francisco regional offices as well as others, these new regional positions were advertised for an application period which closed immediately prior to the time these employees were given their formal transfer notice.

Is that correct?

Mr. MOULD. You are talking about the advertising?

Senator CRANSTON. For the newly created positions in the regional offices. Those were announced and the time you could apply to get them expired on a date just prior to the time these people received their transfer announcements.

Mr. MOULD. I believe they closed on Friday, and the following Monday, April 3, notifications were given. I think it is important, Senator Cranston, to show that these organizational changes and structures in the field were not suddenly sprung on everyone.

As early as October 28, the Director of our Office of Staff Placement and I went to Dallas, where we convened all 10 regional VISTA administrators who were also acting regional administrators for the ACTION agency. We conducted a full day's briefing on the organizational plans for the field, including how this was affected by the Federal assistance review program of the administration.

I then directed those acting regional directors to return to their regions and immediately hold meetings with their entire staffs to explain this to them. This was done within the first week of November. It was also pointed out that as part of that entire process, in order ultimately to accomplish our intended field structure, it would involve the abolition of old position descriptions that obtained prior to the merger and the creation of new positions which they would have to follow.

SENATOR CRANSTON. Of course, under Civil Service regulations informal discussions are not substitutes for formal notifications. Is that not correct?

MR. MOULD. I understand that.

SENATOR CRANSTON. To make a point clear about the transfers and rights of employees, if an employee who is presently among the 10 who has accepted transfer to the District of Columbia, changes his mind now that the agency has announced what appears to be a different position, is it guaranteed that he will have the same rights if he decides he doesn't want to accept the transfer as those who did not make up their minds before?

MR. MOULD. Yes, I think that is clearly within the spirit of what Mr. Blatchford has already stated. We would want to make it crystal clear again, to quote Mr. Blatchford, that we are not trying to force terminations by the offer of transfers to Washington.

SENATOR CRANSTON. And the ones who have accepted the transfers will have that option?

MR. MOULD. They will have that option.

SENATOR CRANSTON. How long do you anticipate the new decentralization plan will occupy the employees who accept transfers?

MR. BLATCHFORD. It is hard to say. It took about 4 to 6 months in the Peace Corps, but this is much more comprehensive than that.

SENATOR CRANSTON. I would say it would last at least a year, wouldn't you?

MR. MOULD. Senator, we are not sure. If it was anything less than a year, I would be amazed, given the complexity of the variety of systems and problems that have to be addressed. I would think it would be more like a year and a half to 2 years.

I would also point out that in any event I would foresee on a continuing basis over the years a need for this kind of unit. The size would perhaps diminish over the next year and a half to 2 years. How large the long-run optimum size would be, I am not sure.

SENATOR CRANSTON. Can you give us and them any firm assurance as to the time period during which they will continue in employment with ACTION?

MR. MOULD. These are career civil servants, and all their rights will be protected. These are permanent positions, not temporary appointments, that we are offering.

SENATOR CRANSTON. It is my understanding that it was not until yesterday that you sent to each of the employees involved in this a

full-job description of their new proposed responsibilities in Washington even though they were given formal notification last Monday.

Mr. MOULD. It was the day before yesterday that we sent the descriptions to the regions. We had published the vacancies according to civil service regulations. Part of the problem, Senator Cranston, is the uncertainties surrounding those we have asked to transfer to Washington with the specific slots. Thus, what slots remain open is unknown because we do not know who among those offered the transfer will accept. Should a certain number, given the skills they have, choose not to come, we would have to shift the arrangement.

Senator CRANSTON. Is the present thought that those accepting the transfer would be here a year or a year and a half and then go back to the field?

Mr. MOULD. They would not necessarily return to the field. It would depend on what our needs are in the headquarters and the field and, again, their skills and situations.

Senator CRANSTON. You indicated in your earlier remarks that the new program manager in Washington is an important part of your agency function? Is that particular position authorized by law?

Mr. MOULD. I am not sure which position you are referring to. You mean the—

Senator CRANSTON. The program manager at the Office of Program and Policy Development in Washington.

Mr. BLATCHFORD. That is a Presidential appointee.

Senator CRANSTON. That is covered by law?

Mr. BLATCHFORD. Yes.

Senator CRANSTON. The whole office, with 25 positions then?

Mr. MOULD. I want to make sure we are talking about the same unit.

Mr. BLATCHFORD. The policy and program office, if that is what you are referring to for all of ACTION, the Director is a Presidential appointee. It was created in the reorganization plan No. 1 of 1971, and its basic job is to oversee policy development and to administer the supplemental requests for \$16 million.

Senator CRANSTON. Was justification for that presented to the appropriations committee?

Mr. BLATCHFORD. Yes.

Senator CRANSTON. Would you provide for the record whatever you submitted to them on that?

Mr. BLATCHFORD. Yes.

(The information referred to follows:)

SUMMARY DETAIL OF SUPPLEMENTAL REQUEST BY ACTION

A detailed summary of the programs which would benefit from the authorization and appropriation of an additional \$16 million to ACTION during fiscal 1972 is in the supplemental request submitted earlier. This supplemental request would complete the provision of funds intended for new and innovative programs which were requested by the President in the message accompanying Reorganization Plan No. 1 of 1971. All the programs will be operated under the authority of Parts A and B of Title VIII of the Economic Opportunity Act of 1964, as amended.

Included in the supplemental request are monies intended to strengthen and improve the service offered by VISTA volunteers to poverty communities. Specifically, the funds requested will permit the training during the remaining months of FY 1972 of a group of volunteers, and the obligation of funds at this time to ensure comprehensive and effective in-service training for VISTAs during FY 1973.

Senator CRANSTON. Assuming all the very best purposes and intentions regarding the reorganization, it seems to me that there is a rather serious credibility problem, at least in the region IX ACTION office, where 14 employees, as you know, have petitioned me and Senator Tunney and nine other Congressmen and Senators for a congressional investigation of what they have characterized as a conspiracy to violate sections 595, 600, and 601 of title 18 of the United States Code, which sections deal with the use of employment by the United States in order to influence a Federal election, or for a reward for political activity in support of political party candidates, and they also deal with the deprivation of or attempt or threat to a private person on account of a political activity in support of or in opposition to any political candidate.

I understand these 14 employees have referred this matter to the U.S. attorney and have formally requested an investigation.

It seems to me fair to say that ACTION does appear to have a credibility problem in terms of its notification procedures originally followed for carrying out the proposed transfers. It is for the purpose of trying to clear up this credibility problem at a crucial time for the ACTION agency, as I indicated to you last night in our discussion, with respect to today's hearings, Mr. Blatchford, that it is appropriate for Congress to examine this matter carefully, and say that when you are asking to increase the domestic operations and receive substantial funding increases that you have indicated you think you should have, and it is for that reason that I have requested you to bring to Washington this morning Mr. John A. Butler, and I would appreciate it if he could join you as a witness at this time.

Mr. BLATCHFORD. Yes. Mr. Butler got on the midnight plane and he just arrived.

Senator CRANSTON. I have one last question for you while he is coming up.

When you appeared last year at confirmation, there was concern about your own political activities as Director of ACTION and the Peace Corps and the point was raised. Concern about this is heightened when we see decisions are made to avoid "irreparable damage to the election campaign."

That is another cause for our concern and the reason for the line of questioning I propose to ask.

Mr. BLATCHFORD. We welcome the opportunity to try to clear it up.

Senator CRANSTON. Mr. Butler, I am grateful to you for coming on such short notice and for flying all night to be with us at this hearing. I regret the circumstances that made it necessary, in my judgment, for you to come on such short notice. The night before I was on the "red eye" so I know what it is like to do that.

I am aware of the very difficult circumstances involved in your coming here.

Mr. Butler, as I indicated to Mr. Blatchford, I believe we must try to understand all the surrounding circumstances and implications of the March 13, 1972, memo marked "for eyes only" which I believe bears your signature to Mr. Chris Mould, Associate Director for Domestic Relations.

Copies of this memorandum, as you well know, were made public at a press conference in San Francisco last week on April 4, and also at

the Foreign Relations Committee hearing on April 7, and it and other documents have been the subject of considerable attention in San Francisco and Los Angeles newspapers, as I am sure you are also aware.

In view of the publicity and the very serious allegations made by 14 of your regional office employees, I feel it is appropriate and indeed required that the Congress in evaluating future directions and funding levels for the ACTION agency conduct a full and fair investigation into this matter.

I believe you have a copy of this memorandum as well as the memo entitled "Implications of Effects of Staffing Problems" from R.R.P. to J.A.B., which I believe was sent to you by Mr. Russell Pratt sometime prior to your memo on March 13, as well as a copy of the April 2 letter from Rosetta Gainey to the Director of the U.S. Civil Service Commission Office in San Francisco.

If you don't have copies of those documents we will be glad to provide you with copies at this time.

Mr. BUTLER. I have them.

Senator CRANSTON. Are you the author of the March 13 memo?

Senator EAGLETON. Let me break in if I may at this point, Senator. This is not intended to be dramatic or showmanship or what have you, but as a lawyer I feel obliged to caution the witness that, since this matter has been referred to the U.S. attorney's office for whatever action the U.S. attorney might see fit to take, any testimony he gives here today could at a later date, if need be, be used against the witness.

This is not to try to frighten the witness, but it is an argument brought up since it has been referred to the U.S. attorney, and hence he proceeds at his own risk and at his own volition, if he decides to answer the question.

Do I make that clear?

Mr. BUTLER. Yes.

Mr. BLATCHFORD. Mr. Chairman, we did not know that had been submitted to the U.S. attorney. I would like to confer with counsel for ACTION on that. I think it puts a different light on it.

Senator EAGLETON. We will declare a 5-minute recess so that all individuals have an opportunity to consult all other individuals, and not be pressured into anything untoward.

(Whereupon, a brief recess was taken.)

Senator EAGLETON. The committee hearing will once again be in order. We have had about a 15-minute recess. During that recess, it is my understanding that Mr. Butler and Mr. Blatchford consulted with Mr. Cordova, who is the General Counsel or legal counsel of the ACTION agency.

Likewise Mr. Blatchford and Mr. Cordova consulted with Senator Cranston and myself, and thus I will ask Mr. Cordova if he would give us his full name and the accurate title of the position he holds with the ACTION agency and ask him if he has any statement he would like to make on behalf of the agency at this time.

Mr. CORDOVA. Thank you. My name is Jorge Cordova. I am General Counsel of ACTION. We were not aware until Senator Cranston mentioned it that an investigation by the U.S. attorney in San Francisco is in process.

Senator EAGLETON. Or is possible.

Mr. CORDOVA. Or is possible, we are not sure at this time, concerning these memorandums.

Senator CRANSTON. I would like to make one clarifying remark. We do not know if an investigation is underway. Our information is that one has been requested by employees involved.

Mr. CORDOVA. We did not know even that. But under the circumstances, I definitely feel that it would be improper for Mr. Butler to testify any further, and I have advised him of this, and I believe he would like to confirm that understanding personally.

Senator EAGLETON. Fine. Realizing again that we are not here to try to extract any statement from you against your will or to intimidate you, we must caution you, and I felt obliged to, that what you say here could be used against you in a court of law if some investigation were to go forward by the U.S. attorney in California.

Mr. BUTLER. I was not aware last night when I left San Francisco and had agreed to come here that there was a possible investigation by the U.S. attorney in San Francisco.

On advice of counsel, as he has indicated, I believe that it would not be appropriate for me to comment at this time on this memo. I will defer to his advice.

Senator CRANSTON. Does your position include an unwillingness, sir, on advice of counsel, even to indicate that you are the author of the memorandum?

Mr. BUTLER. I prefer not to comment on the memo at this time.

Senator CRANSTON. On what grounds?

Senator EAGLETON. Let the record show that it will satisfy this chairman that Mr. Butler declined to answer any further questions on this matter on the advice of the counsel of the ACTION agency.

Mr. Butler has not had a chance, quite obviously, to consult with a counsel or attorney of his own personal choice.

In my judgment Mr. Cordova has given the proper advice to Mr. Butler, and it will stand on the record with me and will need no further explanation, that he declines to answer on advice of counsel.

Senator CRANSTON. That is satisfactory.

Mr. BUTLER. Based on advice of counsel, I prefer not to comment.

Senator EAGLETON. You may be excused, Mr. Butler, and Mr. Cordova likewise.

I yield to Senator Cranston.

Senator CRANSTON. I would like to ask Mr. Blatchford a question; Mr. Blatchford, you explained in your opening statement that this was a memo to himself from Mr. Butler, as I understand it.

Mr. BLATCHFORD. That was my understanding.

Senator CRANSTON. If it was a memo to himself, why did he sign it?

Mr. BLATCHFORD. I understand he thought he might send it, but in fact did not send it.

Senator CRANSTON. He also addressed it to Mr. Mould and indicated carbon copies to you and Mr. May in a rather formal presentation.

Do you know whether the contents were communicated by telephone or any other way to any of those people?

Mr. BLATCHFORD. I don't know. They were not to me.

Senator CRANSTON. I would like to ask that the entire memorandum appear in the record at this point, and I would like to read a few sections.

I think it would be rather obvious what sort of questions I would have directed to the witness had he been able and willing to testify. The memo starts with the following statement:

"As you and I have discussed a number of times over the past few weeks, the personnel situation in region IX has reached a critical point. You indicated to me that early this week letters would be addressed to all members of the region IX staff and that they would be hand delivered by Washington personnel next Monday, March 20. It is because of my concern over what might be in those letters and the cumulative impact that they might have on my staff that I felt it appropriate to write to you at this time.

"I am quite aware that this is a particularly difficult time in ACTION's growth cycle. If we are to develop a team that all of us would like to build to maximize the long-term growth of ACTION, it is imperative that certain individuals be either transferred or terminated from the region IX staff. As long as the number of people involved in this transfer/reduction is held to a minimum I am certainly in favor of it. However, over the last 10 days three different individuals whom I had hoped to retain on my staff have been rejected by various Washington personnel, and because of this the list of transfers/terminations has become alarmingly long."

Among the developments anticipated if the matter is not handled carefully were the following 4 points:

"1. A strong possibility that other members of the staff might resign in sympathy with the dissidents.

"2. Some extremely adverse publicity and investigations by unfriendly Congressmen.

"3. The strong prospect of a lawsuit against us and/or other senior staff members.

"4. Adverse publicity and deterioration of morale that might do irreparable damage to the election campaign, ACTION's image in the region, and last but certainly not least, our ability to function efficiently."

That seems to be an old arrangement of priorities. I am dropping to the bottom of the page.

"Offer Chick Tooker an opportunity in Washington, preferably on Connie Newman's staff. This is perhaps the most important element in all of these personnel changes. Tooker is no doubt the ringleader in the dissension movement, and since he is a highly qualified programmer and an individual for whom Connie Newman seems to have a good deal of respect, I believe we would thwart any adverse action he might take by offering him an opportunity (hopefully one which might appear to be a promotion) on at least a temporary basis on Connie's staff. I am not at all sure he would accept a job in Washington, but I think one should be offered to him. If, on the other hand, he is either terminated or transferred to the boondocks, ACTION will have both lost a very bright guy and opened themselves to the possibility of very adverse publicity.

"4. James Sherman should be offered the State directorship of California. He is a knowledgeable programmer, has extensive Peace Corps experience, and would fit well into our present opera-

tions. Since Russ Pratt, Mel Najarian, and I are all located here in San Francisco, I would not expect to use the California State director to any great degree in political activities. Therefore, whether or not Sherman could be regarded as a 'political heavy-weight' is somewhat irrelevant since he would not be utilized in this capacity."

Solution 5 is:

"5. I believe Steve Gordon should remain in his present position as a personnel specialist. Although admittedly he does not have the qualifications that Alan May would desire, he is acceptable to Karen Pease, who would be his supervisor, and he had done a competent job on our staff. I am concerned that if we were to transfer him, we would be both losing a good man and adding fuel to the adversaries' fire.

"6. John Horan should, I feel, be offered the opportunity to be the Older American's coordinator. I received word that Peter Monk believes that Horan was involved in the Brown campaign in 1962. Karen Pease is attempting to run down more information on this at this time, but since John would also be assigned here in San Francisco, I don't see any way that he could harm us politically."

Mr. Blatchford, in regard to that statement regarding Steve Gordon, who admittedly does not have the qualifications Alan May would desire, do you know to what that refers?

Mr. BLATCHFORD. No, I do not.

Senator CRANSTON. Are there qualifications that Mr. May as personnel director has laid down that don't relate to the normal civil service job qualifications?

Mr. BLATCHFORD. Not to my knowledge.

Senator CRANSTON. I think it is obvious what sort of questions would have ensued, and I might indicate 2 or 3.

I would have asked when and under what circumstances it was decided not to transmit that memorandum through the mail or by like ways, and exactly what Mr. Pratt meant when he indicated the potential impact of a lawsuit could easily spread to the November elections and whether influencing the November elections is a legitimate subject of concern for a classified civil servant such as Mr. Pratt.

Title 18, United States Code, section 595, makes it a crime for any employee of the United States to use his official authority to influence the election to Federal office of any candidate, and I would like to know exactly what is meant by the language "None of these people are dangerous politically."

One of the points I read seems to imply that Mr. Pratt would be expected to be involved in considerable political activities. I obviously would like to ask what was meant by that.

Since the position of State directorship of the State of California for which position James Sherman was being considered is a classified civil service position, I am curious as to what it mattered in terms of his filling that position whether or not he would be regarded as a "political heavyweight."

I think that is enough of that. There are quite a few others, but I won't belabor the matter at this point. I do want to make clear to you, Mr. Blatchford, that I do not quarrel at all with your intentions to decentralize certain programmatic responsibilities in ACTION.

My concern is the manner in which you propose to implement such plan and the fairness and even handedness with which employees were treated and whatever political inferences we are entitled to draw as a result of the coming to light of that "eyes only" memo, and we do not know at this time whether an investigation has been launched by the U.S. attorney.

I expect to ask the Civil Service Commission to look into the matter to determine if all Civil Service Commission requirements were met. I know Senator McGee, who is chairman of the Post Office and Civil Service Committee, is also going to inquire into the appropriateness of the reorganization.

He has had one of his staff people present during this hearing who has been most helpful to us. I think I have nothing further at this time.

Senator EAGLETON. Mr. Blatchford, the full memo of March 13, 1972, from J. A. Butler to Christopher Mould, Acting Associate Director for Domestic Operations, has been placed in the record. Senator Cranston has read appropriate parts thereof to explain his potential questioning.

The memo signed by Butler, addressed to one of your chief deputies, marked "eyes only" appears to me to be an interoffice memo. What caused you to come up with the judgment that this was purely a sort of a remembering process? That Butler drew this for his own eyes and ears and did not have it sent to Mr. Mould or others that are indicated as carbon copy recipients, to wit, yourself and Mr. Alan May?

Mr. BLATCHFORD. I conjecture that because he never sent the memorandum. He put it in his desk drawer and locked it there for several days until it was stolen. That makes me think he did not plan to send it.

Senator EAGLETON. To use your own words, the basis of your coming up with that conclusion was surmise on your part.

Mr. BLATCHFORD. That is right.

Senator CRANSTON. And have you discussed the contents of the memo with him prior to yesterday?

Mr. BLATCHFORD. No, I have not discussed the contents of this memo with him at all.

Senator CRANSTON. I would like to add one point, that we will ascertain whether or not the U.S. attorney intends to conduct an investigation, and we will ask him to proceed expeditiously if he does, and if he does not, we would like to have a reconvening and an opportunity to have these questions answered.

Mr. BLATCHFORD. We want you to know we are very happy to cooperate. We asked Mr. Butler to come. Our legal counsel has advised each of us that if this is under investigation we should not proceed, but I want you to know what my policy has been and the policy of the agency has been since it has been created. All my speeches have been in line with this, and all memoranda to the field and general counsel have continually said that this should not be in any way a political agency other than the President's appointments that he makes himself.

In the other appointments in VISTA and the regions that we have been discussing, we have insisted that no politics be involved, that people be chosen on the merits and we have instructed all volunteers and staff on the Hatch Act, and so forth.

We insist internally that this posture be maintained.

Senator CRANSTON. Do you agree that this memo for whatever purpose written, given the contents, can raise doubts as to whether or not

here there are other policies being pursued by some people in ACTION?

Mr. BLATCHFORD. Well, I gather by your impression you already have raised doubts, and they are there.

Senator CRANSTON. Are they legitimate doubts based upon what is in the memo?

Mr. BLATCHFORD. I think that the doubts have been raised, and I do not think this is the place for me to go into the line of questioning as to the legitimacy of the questions raised.

Senator CRANSTON. It raises a question in my mind if the policies that you are seeking to pursue are those you state, how successful you have been in making that clear to all subordinates in the organization, and I wonder if this was written only for himself why he wrote it, such a memo with all the political considerations, to himself and what he intended to do in the light of these conclusions?

Mr. BLATCHFORD. I think that is of concern to all of us, and I was out of the country when this came up. I have never seen a copy of it. To my knowledge, it has never been sent, and I agree with what Mr. Butler's actual intentions in writing it. I guess those will be the subject of an investigation.

Senator CRANSTON. Thank you very much.

(Subsequently, the following information was submitted by the ACTION Agency regarding the outcome of these personal matters.)

The attached information is in response to Senator Cranston's question regarding the employment status of seventeen persons in ACTION Domestic Operations who were asked in April, 1972 to accept reassignment to a headquarters Federal Assistance Review Office.

ORIGINAL REASSIGNMENT REQUEST

Employee	From	To	Action taken
Godwin, Vincent	Chief, VISTA Operations Division, GS-301-15, region III.	Program analysis officer, GS-345-15, District of Columbia	Accepted.
Graves, Fletcher	Supervisor program analyst, GS-301-13, region III	Program analyst, GS-345-13, District of Columbia	Transferred to Department of Justice.
Kemp, Edward	Program field analyst, GS-301-11, region III	Program analyst, GS-345-12, District of Columbia	Accepted.
Ferrill, Levl	Program officer, GS-301-13, region III	Resources analyst, GS-301-13, District of Columbia	Assistant to Deputy for P. & T.
Bass, Joseph	VISTA program analyst, GS-301-13, region IV	Program analyst, GS-345-14, District of Columbia	Accepted.
Jackson, Charles	Field analyst, GS-301-11, region IV	Resources analyst, GS-301-12, District of Columbia	State program officer, GS-301-11 (Alabama/Mississippi) accepted.
Lowery, Sue	Field analyst, GS-301-11, region IV	Resources analyst, GS-345-12, District of Columbia	Accepted.
Bruch, Joseph	Program field analyst, GS-301-13, region VI	Resources analyst, GS-301-14, District of Columbia	VISTA Coordinator, GS-301-13.
Gault, George	Program field analyst, GS-301-13, region VI	Resources analyst, GS-301-13, District of Columbia	State program officer (Louisiana) GS-301-13.
Ellis, Leslie	Personal services (VISTA) GS-301-15, region VI	Resources analyst, GS-301-14, District of Columbia	State program director (New Mexico) GS-301-14.
Office, Leonard	Program field analyst, GS-301-11, region VI	Program analyst, GS-345-12, District of Columbia	State program officer (Oklahoma) GS-301-11.
Beemont, William	Personnel officer, GS-201-13, region VII	Resources analyst, GS-301-14, District of Columbia	Administrative officer, GS-345-13, region VII.
Kennedy, Dorothy	Program field analyst, GS-301-12, region VII	Resources analyst, GS-301-13, District of Columbia	State program officer (Nebraska) GS-301-12, accepted.
Tooker, Charles	Program officer, GS-301-14, region IX	Program analysis officer, GS-345-15, District of Columbia	Headquarters Office of Evaluation based in San Francisco, pending conclusion of discussion on long-range plans.
Horan, John	Program officer, GS-301-13, region IX	Special Assistant, Deputy PD for P. & T., GS-301-13	SCORE/ACF Coordinator, GS-301-14.
Sauvage, Charles	Chief, VISTA Division, GS-301-14, region X	Resources analyst, GS-301-15, District of Columbia	Resignation effective May 19, 1972.
Shacklett, Richard	Program field analyst, GS-301-12, region VII	Program analyst, GS-345-13, District of Columbia	State program officer (Kansas) GS-301-12, accepted.

FAR PERSONNEL

Name	Position	Grade
Bass Joseph F.	Program analyst	GS-14
Faison, L. R. ¹	Secretary-typing	GS-6
Godwin, Vincent R.	Program analysis officer	GS-15
Hammer, Jeffrey M.	Program analyst	GS-13
Hill, Douglas S. ²	Resources analyst	GS-13
Johnson, Alfred P. ²	Program analysis officer	GS-15
Johnson, Veronica E. ²	Resources analyst	GS-12
Kemp, Edward R.	Program analyst	GS-12
Lowery, Sue Jo	do	GS-12
Thomas, Audrey L. ²	Resources analyst	GS-11
Traficanti, Angelo J.	do	GS-14
Gause, Thomas ²	Resources analyst officer	GS-15
Dunn, Rosina ³	Secretary-stenographer	GS-7

¹ Hired from outside of agency.

² Reassigned from inside agency through merit promotion.

³ Recent transfer from region VIII at request of Miss Dunn.

Senator EAGLETON. I have one final question for Mr. Mould. Mr. Mould, one sentence in the Butler March 13th memorandum reads, "When you," meaning Mould, "Alan May and I met in my office on January 6 and 7, we agreed that Chick Tooker should be transferred to another assignment and Gabriel Sarain and Claudette McCroey should be either terminated or transferred."

My question is: Did you meet on January 6 and 7 with Butler and Alan May in Buter's office?

Mr. MOULD. Mr. Chairman, as far as I know, short of going back to my diary, that is an accurate statement. I did meet approximately at that time in that office with Mr. Butler.

Senator EAGLETON. That is all I have.

Oh, the record of this hearing will remain open for an indeterminate period of time. Should it develop on further inquiry that no criminal investigation is imminent or pending with respect to Mr. Butler, the committee reserves the right to request him to come back as a witness at that undetermined date.

Likewise, should Mr. Butler on consulting with an attorney of his own choice decide that he would like to testify, the committee will be reconvened to take testimony from him should he desire to testify.

(The documents referred to follow:)

April 3, 1972

Honorable Alan Cranston
Honorable John Tunney
Honorable Pete McCloskey
Honorable Phillip Burton
Honorable James Maillard
Honorable Ronald Dellums
Honorable Jerome Waldie

Honorable Patsy Mink
Honorable Howard Cannon
Honorable Sam Steiger
Honorable Paul Fannin

Gentlemen:

On behalf of the named civil service employees on the attached sheet, I am urgently requesting that you investigate what we consider violations of the Hatch Act in the San Francisco Regional Office of ACTION

The attached documents and civil service complaint indicate that political party affiliation is a serious consideration in the rehiring of former VISTA staff as well as new ACTION staff. Since these positions come under the competitive civil service, we believe that there is a conspiracy to violate Title 18, U.S. Code 595, 600, and 601. The persons who would appear to be involved in the conspiracy are:

- Joseph Blatchford, Executive Director - ACTION
- Alan May, Director of Personnel - ACTION
- Christopher Mould, Acting Director - Domestic and Anti-Poverty Operations - ACTION
- Mei Najarian, General Counsel, Region IX ACTION
- Karen Pease, Personnel Officer, Region IX ACTION
- John Butler, Regional Director - Region IX ACTION
- Charles Ebbecke, Executive Director (OCP), ACTION
- Nick Crow, Associate Director, (OCP), ACTION
- Don L. Brown, Regional Director, (OCP), ACTION
- Tom Joyce, Deputy Regional Director, (OCP), ACTION
- Charles Booker, Regional Personnel Office, Region IX ACTION
- Russell Pratt, Deputy Director - Programs and Training

We ask for this Congressional investigation as soon as possible since positions are being filled at the present moment and if our allegations are true, the entire hiring policy of ACTION is illegal.

Yours very truly,

Charles J. Tooker
Michael Aguirre
Michael Dale
Walter ...
...
Gabriel ...

Claudette McCoy
John ...
Willie ...
...
...
...
Mary Jane ...

ATCL Local 3607

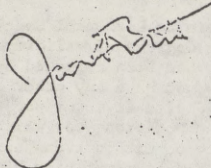
ACTION

Region IX
100 McAllister Street
San Francisco, California 94102

March 13, 1972

John A. Butler, Regional Director

Personnel changes in Region IX



"EYES ONLY"

Mr. Christopher Mould, Acting Associate Director for Domestic Operations

As you and I have discussed a number of times over the last few weeks, the personnel situation in Region IX has reached a critical point. You indicated to me that early this week letters would be addressed to all members of the Region IX staff and that they would be hand-delivered by Washington personnel next Monday, March 20. It is because of my concern over what might be in these letters and the cumulative impact that they might have on my staff that I felt it appropriate to write to you at this time.

I am quite aware that this is a particularly difficult time in ACTION's growth cycle. If we are to develop a team that all of us would like to build to maximize the long-term growth of ACTION, it is imperative that certain individuals be either transferred or terminated from the Region IX staff. As long as the number of people involved in this transfer/reduction is held to a minimum I am certainly in favor of it. However, over the last ten days three different individuals whom I had hoped to retain on my staff have been rejected by various Washington personnel, and because of this the list of transfers/terminations has become alarmingly long.

I have indicated below the problem as I see it, what I am afraid will happen if we do not treat it discretely, and my suggested solution.

PROBLEM: When you, Alan May and I met in my office on January 6 and 7, we agreed that Chick Tooker should be transferred to another assignment, and Gabriel Sarain and Claudette McCroey should either be terminated or transferred. I agreed with the disposition of each of these three individuals although, as you will recall, I also indicated that Chick Tooker had been an important contributor to the programming strength of this region and I felt that he could be a valuable man somewhere on the ACTION staff in a programming capacity. At that time I indicated to you that both Washington and I had made a commitment to James Sherman, former Peace Corps Country Director, and I felt I should bring him on board as soon as possible. It was my understanding that all other members of the staff (each of whom I felt was a competent individual) would remain in the Region IX organization.

Over the last several weeks I have suggested that Jim Sherman be appointed State Director of California, John Horan be Coordinator for Older Americans,



Mr. Christopher Kozlowski

March 23, 1972

and Steve Gordon remain as Personnel Specialist. For a number of reasons, with varying degrees of validity in my opinion, each of these three recommendations has been rejected by Washington over the past ten days. Since I do not have any other slots that I can see for any of these three individuals, it is my present feeling that if they are not acceptable for the positions for which I have recommended them, they will also have to be either transferred or terminated (or, in Sherman's case, we could just not hire him, even though we told him four months ago that we had a position for him on the Region IX staff).

Quite naturally the insecurity of my staff over how they will fit into the new organization has steadily increased. I have endeavored to boost morale to the extent I felt it was possible, but unfortunately all of the employees are anxiously awaiting clarification from Washington as to what positions, if any, they will be offered in the future, and the longer they wait the more impatient they become.

Recently I have learned that one or more members of the staff have been in consultation with attorneys and apparently some Congressmen. Rumor has it that these individuals are very closely watching the course of events over the next several weeks and I believe that if we are not very careful in how we handle this personnel situation we may expect the following:

1. A strong possibility that other members of the staff might resign in sympathy with the dissidents.
2. Some extremely adverse publicity and investigation by unfriendly Congressmen.
3. The strong prospect of a lawsuit against me and/or other senior staff members.
4. Adverse publicity and deterioration of morale that might do irreparable damage to the election campaign, ACTION's image in the region, and, last but certainly not least, our ability to function efficiently.

SUGGESTED SOLUTION: I think it would be possible to minimize the adverse affect of these personnel matters by taking the following actions next Monday:

1. Transfer Claudette McCrocy to Atlanta as she has requested.
2. Transfer Gabriel Sarain if possible, although if this cannot be accomplished terminate him in some legal fashion.
3. Offer Chick Tooker an opportunity in Washington - preferably on Connie Newman's staff. This is perhaps the most important element in all of these personnel changes. Tooker is no doubt the ring-leader in the

Mr. Christopher Mould

March 13, 1972

disension movement, and since he is a highly qualified programmer and an individual for whom Connie Newman seems to have a good deal of respect, I believe we could thwart any adverse action he might take by offering him an opportunity (hopefully one which might appear to be a promotion) on at least a temporary basis on Connie's staff. I am not at all sure he would accept a job in Washington, but I think one should be offered to him. If, on the other hand, he is either terminated or transferred to the boondocks, ACTION will have both lost a very bright guy and opened themselves to the possibility of very adverse publicity.

4. James Sherman should be offered the State Directorship of California. He is a knowledgeable programmer, has extensive Peace Corps experience, and would fit well into our present operations. Since Russ Pratt, Mel Najarian and I are all located here in San Francisco, I would not expect to use the California State Director to any great degree in political activities. Therefore, whether or not Sherman could be regarded as a "political heavyweight" is somewhat irrelevant since he would not be utilized in this capacity.

5. I believe Steve Gorden should remain in his present position as a Personnel Specialist. Although admittedly he does not have the qualifications that Alan May would desire, he is acceptable to Karen Pease, who would be his supervisor, and he has done a competent job on our staff. I am concerned that if we were to transfer him, we would be both losing a good man and adding "fuel" to the adversarial "fire".

6. John Moran should, I feel, be offered the opportunity to be the Older Americans' Coordinator. I received word that Peter Monk believes that Moran was involved in the Brown campaign in 1962. Karen Pease is attempting to run down more information on this at this time, but since John would also be assigned here in San Francisco, I don't see any way that he could harm us politically.

SUMMARY: In brief, I am more than happy to go along with the personnel decisions that you and Alan May agreed to last January. Since that time, however, a series of isolated personnel "vetoes" have put Region IX in a very difficult position. I have discussed this matter extensively with Russ Pratt and Mel Najarian and all of us feel that the cumulative effects of what presently is contemplated by Washington would be disastrous to our region. In view of this, I would ask you to encourage the Washington Personnel to reconsider these matters. Please let me know your feelings on this.

John A. Dutler

JAB:tv
cc: Jos.H.Blatchford
Alan M.May

MEMORANDUM
 TO: JAB
 FROM: RGP ✓

SUBJECT: IMPLICATIONS OF EFFECTS OF STAFFING PROBLEMS

I. PROBLEM:

The hurdles in the system create a potential necessity of transfer of Tooker, Moran, Gordon, Saarain, and McCroey, and acceptance of Sherman only as Nev. Dir, and potential non-acceptance of Gale as Hawaii Dir.

2. Effects of the problem;

a. Without the above staff, PFI and the Region, will be without staff in Hawaii, ~~Alaska~~ Calif. possibly Nevada, and without OAVP and Score/Ace Coordinators, and without P.O.s in So. Cal., Ariz., . This is 4 or maybe 5 senior program field staff, and two key program officers. This vacancy will last for at least one month, and more probably 5 to 8 weeks (due to normal personnel processing. If staff are hired within that time, they will be inexperienced in the 9th region, and will take 2 months to 4 or 5 months to become familiar with the program.

The impact of the foregoing is obvious: there will be no, repeat no, new Vista, OAVP, Score/Ace, RSVP, FGP projects. Furthermore, maintenance of existing projects is marginally possible. The result of this is literally no ACTION agency in the 9th region, and 4 in the most important state in the country; result, no Agency goals are achieved. On the contrary, the Administrations stated program objectives will very likely fail.

b. If the foregoing occurs, it is possible that other staff such as Hall, Gale, and possibly Ehmman, may consider resignation; any one of these would cause greater deterioration of a.

c. A potential lawsuit involving 1 to all 5 people mentioned in the Problem (it is easy for 4 to add their names to a complaint without any risk or cost) would make pgh. a escalate into an extremely bad public issue, and the same results in a. would ~~still~~ still occur. The public issue could not be ~~won~~ won, or even mitigated ~~to a great~~ by this Agency (either the 9th or Washington). The results of the public issue would easily be focused on the entire State, its electorate, and then to the national Agency. This effect places the problem in pgh. at the level of a national or Agency wide level.

d. The potential impact of pgh. c. would easily spread to the November elections (mainly because we would not have concrete progress to show on the project level), and could seriously ~~and~~ damage Action in budget hearings on the FY 73 and FY74 budgets.

e. The lawsuit would no doubt personally involve you, and possibly me as defendants.

Possible Solutions:

- a. Present the problem and options to Bill Inglis immediately, and if necessary to Joe Blatchford. This must be resolved by mid-week, before final plans for personnel actions take place.
- b. The arguments that are relevant are:
 1. Effects of the problem are so large that options 1, 2, 3, or 4, must be followed.
 2. All options are:
 - a. Programmatically sound and are responsible management decisions you would make in any other operating enterprise.
 - b. There is no risk incurred from potential political diversions of staff because (1) our evidence indicates that none of these people are dangerous politically either due to lack of a track record, capability, or motivation, and (2) WE have management responsibility for all decisions, and all job behavior and activities of all these people.
 - c. There is now, or will be soon, a complete senior staff of acceptable people in the key posts. There is no longer any need, except for Cal. Dir, of having an acceptable flavor to the appointment.
 - d. With these options the larger objectives of the Agency and the Administration can be achieved. The Agency's program development and budget submissions can be on the clearly identifiable path to achievement by Oct. and the Administration's goal for the poverty community, and the senior citizens. and the november elections can be assured.

If options 1,2,3, or 4 are not followed, it seems clear that the above mentioned goals will not be achieved.

What is most important? A GS 13 post, or the larger objectives that will certainly affect 4 states, and perhaps the national objectives?

Our position is completely consistent with and soundly based on the larger goals.

Final note:

It is important to remember:

1. The current crisis is a completely new problem of a much larger dimension than the former individually focused issues. This is not a re-run; it is a completely new matter for fresh examination.

2. We have been told many times that the Regional Dir. has the final management authority on personnel issues; i.e. even though there exists a process in which the 3rd, 5th, and 10th floors all play a

part, the Dir. has the final vote, or in effect, the final voice.

Further, I have been told very clearly, that the only remaining sensitive posts are the State Dir., Calif., and others, though Calif. was the emphasis, and with the latter position, we can agree.

3. This is probably the ultimate issue on which we must establish our strength. It appears necessary to utilize all resources, because if we do not now use them, there may not be any other issue for which they will be required.

Recommendation:

Friday:

1. Karen to find out background data to clear up any questions;
2. 171s to come immediately to us, and a memo from Karen about others on the way. (over Howe)
3. Contact Mould and if necessary Inglis on the position; Request Monday resolution. Because of new DO may necessitate 4. directly.

Monday:

4. If no progress on c. arrange D.C. meeting for Wed. with JHB.
5. I will interview all staff in question for record purposes.
6. You and I will review as many 171s as possible, with Thelma present for a memo record.
7. Find out who is coming from D.C. Personnel and determine how they will operate.
8. Consider one week delay on 7.

Forgive my lengthy monologue Jack; and my delving into approaches which you must decide; I cannot avoid it however, since the entire matter lies within the complete guts of my operation. I cannot see how I can do any kind of job without a successful result on this issue.

2120 A Fillmore Street
 San Francisco, California 94115
 April 2, 1972

Mr. A. T. Friley, Director
 United States Civil Service Commission
 450 Golden Gate Avenue, Room 11467
 San Francisco, California 94102

Dear Mr. Friley:

I wish to file a formal complaint against both the executive agency ACTION and the parties employed by ACTION listed below. I wish to charge certain of these parties with conspiracy to violate and with violation of Civil Service laws and other federal statutes which prohibit political and racial discrimination in the hiring and promotion of persons to and within federal agencies. Among the remedies set out below, I am seeking immediate reinstatement to the position with ACTION from which I was dismissed, and the removal from ACTION, as mandated by federal law, of all employees who were party to the political and racial discrimination to which I have been subjected.

As required by the Federal Personnel Manual, Ch. 733, Sec. 2-1, I am reporting these violations to the Office of General Counsel, United States Civil Service Commission. I have been advised by your office that this letter is sufficient to start proceedings on the charges contained herein. I would appreciate receiving from your office any rules of procedure that are applicable in this situation. I am by this letter designating Thomas J. Mack to act as my authorized representative before the Civil Service Commission. Mr. Mack's and my addresses for receipt of notice and documents are set forth below.

The parties in this matter are as follows:

Joseph Blatchford, Executive Director - ACTION
 Alan May, Director of Personnel - ACTION
 Charles Ebbecke, Executive Director - Office of Citizens Placement (OCP)
 ACTION
 Nick Crow, Associate Director, OCP, ACTION
 Bruce Mazzie, Director of Recruitment, OCP, ACTION
 Don L. Brown, Regional Director, OCP, ACTION
 Tom Joyce, Deputy Regional Director, OCP, ACTION
 Charles Booker, Regional Personnel Officer, ACTION

Prior to February 25, 1972 I was employed in San Francisco as a secretary to the Regional Director of the Office of Legal Services in the Office of Economic Opportunity. On February 25, 1972, I became the first person in the San Francisco Regional Office of Economic Opportunity to cross-over under OEO's Career Mobility program from a clerical category to a professional category. I was at that time promoted to the position of Program Assistant in the Operations Division of OEO. By agreement between OEO's Office of Legal Services and the Operations Division, I was to start work as a program assistant on March 16, 1972.

Mr. A. T. Briley
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April 2, 1972

During this period ACTION posted and advertised for the position of Administrative Assistant to the Regional Director of ACTION. Since this position entailed greater responsibility, greater career potential and a larger salary, I made application for the position. Approximately 40 people were interviewed and I was selected for nomination from a narrowed field of six.

Mr. Thomas Joyce, the Deputy Regional OCP Director, who was in charge of interviews for the position, advised me that I would be transferring from OEO to ACTION as a civil service GS employee, to be paid for 90 days on a GS scale at the same rate as I was receiving at OEO, at GS 7/2, \$9,335. On July 1, at the beginning of the new fiscal year I was to receive from ACTION a GS 9, \$11,046 or if a GS position was not possible, I was to be paid on the Foreign Service Scale (FSS), at a salary of \$10,500. I agreed to all of this.

On March 10, 1972, Donald Brown, the Regional Director of OCP, sent his written nomination of me, together with forms 171, 50, 85, PC Form 1336 (Intelligence Background Information Form) and fingerprint cards to Bruce Mазzie, Director of Recruitment, Charles Ebbecke, Executive Director of OCP, Nick Craw, Associate Director of OCP.

On March 14, 1972, Tom Joyce, the Deputy Regional Director of OCP informed me orally by telephone that my personnel papers had been approved and signed in Washington and that my entrance on duty date was to be March 22, 1972. Mr. Joyce and Mr. Brown were aware that my acceptance of the position at ACTION would mean a separation by transfer from my recent promotion to a professional at OEO. Two days later, on March 16, 1972 I spoke again with Mr. Joyce, this time in person; and he re-confirmed that things were settled and that I was to report for duty on March 22, 1972, and that I could safely inform OEO that I was going to ACTION.

Since I had received this assurance and had twice been told that my papers had been signed and that my hiring had been accomplished, I immediately advised my supervisor that I would be transferring to ACTION.

Later the same day, in a conversation related in more detail below, Mr. Joyce again assured me matters were settled. By agreement, Mr. Joyce and I decided that it would be preferable to begin on Monday, March 27, 1972 rather than March 22, 1972 in order to coincide my transfer with the beginning of a pay period.

One week later, Donald Brown, the Regional Director of OCP and Mr. Joyce's immediate supervisor, told me in person in his office that I had been hired and I was to start March 27, 1972. The next day, Mr. Joyce once more stated that my papers had been signed and that he would expect to see me that Monday.

On Monday, March 27, 1972, I began work for ACTION. I was given orientation materials, was assigned a desk and equipment, had my name and telephone number entered in the ACTION telephone directory and began working as the Regional Administrative Assistant. I involved myself, under Mr. Joyce's direction, in employee time card matters and in W-4 tax form matters. I worked a full day on March 27, 1972 at duties assigned by Mr. Joyce, and until about 3:30 pm the next day on March 28, 1972.

Mr. A. T. Briley

April 2, 1972

Page 3-

On March 28, 1972, Mr. Joyce changed his story and told me that my personnel papers were not approved and that I would not be accepted for employment by ACTION, and that I did not have a job.

This dismissal was the result of political discrimination against me for being a registered Democrat. The first evidence of this discrimination occurred on March 16, 1972, Mr. Joyce requested me to come to his office. There I was told by Mr. Joyce that Mr. Joyce's supervisor, Donald Brown, had called him from Los Angeles and told Joyce that ACTION in Washington wanted me questioned regarding my connection with San Francisco Mayor Alioto and California State Assemblyman Willie Brown. I was grilled by Mr. Joyce as to my "close" connection with these gentlemen. I assured him that I had no such connection, and did not even know these two gentlemen personally. Mr. Joyce, in my presence, telephoned back to Mr. Brown and stated that he had had an "eyeball to eyeball confrontation" with me and had been assured by me there was no connection. After he hung up on Mr. Brown, I asked Mr. Joyce who had made the statements that I was closely connected to Mr. Alioto and Mr. Willie Brown. Mr. Joyce replied that Mr. Charles Booker of the Regional ACTION Personnel Office had stated that I was a close friend of Mayor Alioto's and had political ties to Assemblyman Brown. I have since been informed that Mr. Joyce told another ACTION employee that Mr. Booker had said that I was a Democrat and that he (Booker) had his own people in mind for the job of Administrative Assistant. Mr. Booker is a Republican and a former member of Governor Reagan's staff.

The next evidence I had that I was being politically discriminated against came on the day I began to work for ACTION. Mr. Joyce on March 27, 1972, as stated above, again told me that my papers were approved but said a political investigation would be done on me. He assured me not to worry.

The next day, March 28, 1972, I again went to work as the Administrative Assistant. Being nervous that I had not yet received my personal copy of the Form 50 personnel action, I asked Mr. Joyce, who said not to worry, that Washington would soon be sending my papers out to San Francisco. Later that afternoon I heard a rumor from an OEO employee that there were going to be "drastic" changes at ACTION. This employee advised me to try to get my job back at OEO. I went to Mr. Joyce with this information and he said, "let me call Nick Crow in Washington." Nick Crow is the Associate Director of OCP in Washington and holds the appointment power for my position under a written delegation of authority from Joseph Blatchford, Executive Director of ACTION.

In my presence, Mr. Joyce, inquired by telephone as to the status of my personnel papers. After some conversation, Mr. Joyce hung up and told me that my papers had been sent "to the White House" for clearance and that "they refused to sign". He stated further that Joseph Blatchford had refused to sign my papers. He told me I did not have a job.

The next day, being extremely upset, I requested the assistance of Thomas J. Mack, Regional Director of OEO's Office of Legal Services, for whom I worked prior to my cross-over promotion to Program Assistant at OEO. Mr. Mack, an attorney, and I met with Mr. Joyce and his supervisor, Mr. Brown, the Regional

Mr. A. T. Briley

April 2, 1972

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Director of OCP. Mr. Mack asked these gentlemen why I was not working for ACTION any longer. Mr. Brown stated that he was not certain but that he thought Washington would not permit me to be employed as a civil service GS employee. He thought that Washington ACTION was now requiring that the position be filled as foreign service, FSS position.

Mr. Mack and I then pointed out that under the original hiring arrangements that I was willing to be appointed at either the GS or FSS scales and inquired why I was not being offered the position at the FSS scale. Mr. Brown gave no reasons, merely stating that this would not be done, that "it would do no good". He did admit that the position was still there to be filled and that an offer would at some time be made to someone. The only thing Mr. Brown would agree to do was to call Mr. Craw in Washington to find out the reasons for the dismissal. Since that conversation, Mr. Brown has been unavailable and Mr. Joyce affects to know nothing about anything.

On March 31, 1972, Mr. Mack reached Mr. Craw by telephone. Mr. Craw admitted to Mr. Mack that he was the person with the appointing authority and that he had signed his approval on the Form 52, Request for Personnel Action. Mr. Craw further stated that the appointment had been stopped in Washington ACTION personnel, that he did not know why it had been stopped but that he had not inquired why it had been stopped, and that Mr. Mack would have to talk to "the expert" on these matters, Alan Mey, who is apparently in charge of personnel. Mr. May so far has been unavailable.

This sudden ignorance and lack of interest on the part of all those who had a hand in my appointment can only result from their failure to obtain political clearance for me. These are the same men who had approved my appointment in the first place and who had joined in a written nomination which praised my abilities as "qualified", "outstanding", and "a tremendous asset." Suddenly, six men who had approved what they felt to be a particularly qualified candidate refuse to lift a finger to assist me to retain my position. This unusual reticence corroborates the evidence of political discrimination provided by my earlier political grilling and their admissions regarding political inquiries.

I further charge that I have been racially discriminated against with regard to my dismissal as Administrative Assistant. I would have been the only permanent Black female in the Regional Office of Citizens Placement. A white person nominated on the same date for a similar position in the same Regional Office of Citizens Placement has been hired and retained while I have been hired and dismissed. This is an office where the regional director is a white male, his deputy director is a white male, his special assistant is a white male, and his executive secretary is a white female. His six area managers are white males, and his four Washington superiors who had a hand in my dismissal are white males. And I am informed that a white female is being transferred from Los Angeles to handle the job from which I have been dismissed. I can only conclude from these circumstances that being a Black female has lessened my chance for fair play from the above persons and that I have been discriminated against not only because of my politics but also because of my race.

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The steps taken by ACTION have left me in a state of acute mental distress and have severely damaged my career. I left OEO as a Program Assistant, with civil service status as a "professional."

At the inducement of ACTION, I gave OEO notice of my separation by transfer, gave up my Program Assistant position and my new career at OEO. OEO is not obligated to offer me any return employment and is in fact unable to offer me my former professional status in OEO since my position has already been committed to someone else. I have been forced to return to a clerical position in OEO's Office of Legal Services, a closed-ended typing position I had worked long, hard and successfully to move up from.

If I am not reinstated by ACTION, I will have suffered a \$1,700 reduction in pay and will have lost the opportunity offered by the ACTION position for career-building administrative experience in personnel, travel processing, imprest funds, contracting and purchase orders, payroll, and other administrative matters.

I ask that the Commission expedite a hearing on this complaint and require the implementation of the following remedies:

1. That, pending a hearing on these charges, ACTION be prohibited from filling the position of Regional OCP Administrative Assistant from which I have been dismissed.

2. That ACTION be prohibited from effecting the performance of the functions of that position by any other ACTION employee.

3. That I be immediately reinstated as Regional OCP Administrative Assistant.

4. That those civil service and foreign service employees be removed who have by their actions as set out above violated the provisions of the Hatch Act and other federal civil and criminal statutes and regulations.

5. That these persons be investigated for possible violation of the federal criminal provisions contained in 18. U.S. Code 595, 600, 601 and other statutes which make racial and political intimidation, discrimination and favoritism criminal offenses.

6. That the Commission take whatever steps necessary to stop, correct, and prevent in the future, the reportedly massive violation of federal laws by those top ACTION personnel who have established a political clearance system for federally protected civil service and foreign service jobs, under which as many of these protected jobs as possible are being given only to those of the same political persuasions as those top ACTION employees.

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Unless immediate action is taken on this complaint, there will be no justice available either to myself, or to those other ACTION employees who have suffered or will continue to suffer political and racial discrimination in their civil service careers.

Sincerely yours,

Rosetta Gainey

ROSETTA GAINEY

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cc. Joseph E. Archford, Executive Director - ACTION
.. Alan M. .. Director of Personnel - ACTION
.. Charles Ebbelcke, Executive Director - Office of Citizens Placement (OCP)
ACTION
Nick Crow, Associate Director, OCP, ACTION
Bruce Mazzie, Director of Recruitment, OCP, ACTION
Don L. Brown, Regional Director, OCP, ACTION
Tom Joyce, Deputy Regional Director, OCP, ACTION
Charles Booker, Regional Personnel Officer, ACTION

Senator EAGLETON. Without any further ado, then, the committee is adjourned.

(Whereupon, at 10:33 a.m. the joint subcommittees recessed, subject to call of the Chair.)



