



GAO Employees' Organization/IFPTE

Testimony

Before the Subcommittee on Legislative Branch,
Committee on Appropriations, House of Representatives

Comments on GAO's Fiscal Year 2009 Budget Request and Issues of Concern to Agency Employees

Statement of Ronald La Due Lake Chair, Interim Council

U. S. GOVERNMENT ACCOUNTABILITY OFFICE
EMPLOYEES ORGANIZATION/
INTERNATIONAL FEDERATION OF PROFESSIONAL &
TECHNICAL ENGINEERS, AFL-CIO & CLC

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Madam Chair and Members of the Subcommittee:

I am Ron La Due Lake, the recently elected Chair of the GAO Employees Organization's Interim Council, and a specialist in the Applied Research and Methods team. I am pleased to have this opportunity to appear before your Subcommittee today to discuss several topics of importance to GAO employees. These topics include:

- the status of GAO Employees Organization (the Union) and its relationship with GAO management;
- establishing a transparent GAO budget process for GAO employees and the public;
- appropriate funding to enable GAO to sustain a reasonable staffing level to better manage its increasing workload demands;
- reprogramming approval, if necessary, for retroactive across-the-board pay increases for those employees who were denied such increases in 2006 and 2007 consistent with the intent of H.R. 5683, the Government Accountability Office Act of 2008;
- separate and independent budget requests for GAO's Personnel Appeals Board (PAB) and its Inspector General;
- updates on selected union activities.

Before proceeding, I would like to express my appreciation to you, Madam Chair, not only for your work to ensure adequate funding for GAO to meet its responsibilities to Congress and the American people, but also for your support of GAO employees unionization efforts over the past two years which have culminated in our opportunity to speak before you in this forum today. For the first time, the GAO Employees Organization can express directly to you our thoughts regarding GAO budgetary needs and other concerns.

Status of GAO Employees Organization and its Relationship with GAO Management

The GAO Employees Organization represents about 1,760 GAO analysts and auditors, more than 55 percent of GAO's 3,100 total employees, and is committed to establishing a constructive partnership with GAO management on issues that affect not only our bargaining unit members, but the dedicated staff of the entire agency, in offices across the country. All GAO employees (analysts, auditors, specialists, attorneys, and administrative support staff) work in teams to produce high quality work for Congress that help improve government and save taxpayers money. Our expectations are reasonable: to be equal partners in developing policies that influence how we work and to be compensated fairly. GAO employees are proud of the work we do for the Congress and we value GAO's mission and its reputation. Still, last fall GAO analysts voted by a 2-1 margin to establish a union to represent them. We voted this way because we felt we were not equal partners in important matters that directly affected our worklife. We were not provided enough information to evaluate the validity of our concerns.

Since our vote to unionize, we have elected an Interim Council that meets regularly and is comprised of analysts representing each mission team; each field office; newly hired analysts; and various diversity groups. We have formed active committees comprised of these elected representatives and analysts from the bargaining unit who are examining various matters, such as the grievance process, a union constitution and bylaws, membership, legislative relations, and

negotiating a master bargaining agreement. All of these committees are working, on their own time, to get us as quickly as possible to a permanent union governance structure. We hope to achieve this goal within calendar year 2008.

We are committed to establishing a collaborative working relationship with GAO management and strive to be treated as a partner in the process of moving GAO forward. We take seriously our mission to represent bargaining unit employees. Just a few months ago, we expeditiously completed our first negotiated pay agreement with GAO management for 2008. Although the agreement provided a lower average overall percentage pay increase than that of most federal employees under the general schedule (GS) system - which includes guaranteed across-the-board increases, general and quality step increases, and bonuses - we believe that we negotiated a better agreement than GAO initially offered. This negotiated pay agreement included important provisions that guaranteed a minimum pay increase for all employees (including those outside of the bargaining unit) who performed satisfactorily. This guaranteed increase was on par with GS across-the-board increases (sometimes referred to as a cost of living allowance, or COLA) and our agreement also guaranteed that any increases would be effective retroactively to January, unlike the previous two years when GAO's pay increases were delayed for one to three pay periods. Members of the bargaining unit quickly and overwhelmingly ratified our negotiated pay agreement and we are certain that such an agreement would not have been possible were it not for the union.

Soon after completing the 2008 pay negotiations, former Comptroller General (CG) David Walker announced his departure and we have begun to develop a working relationship with Acting Comptroller General Gene Dodaro. Last week the Interim Council hosted an informal 'meet and greet' to congratulate Mr. Dodaro on his new role as Acting CG, and to give him a chance to meet the 39 elected members of the Interim Council in a collegial environment. Mr. Dodaro reiterated his commitment to work with us to improve the working environment at GAO. We are encouraged by the friendly tone of this meeting and by Mr. Dodaro's statement before this Subcommittee on the 2009 GAO budget request, that he was "committed to working constructively with employee union representatives to forge a positive labor management relationship."¹

While we are optimistic that our relationship with management will continue to prosper, our attempts to reach out to GAO management have not always been successful. For example, we were disappointed that GAO management did not proactively share with us their views or suggested changes to H.R. 5683 "Government Accountability Office Act of 2008," even though some of these would directly impact our bargaining unit. While we were pleased that GAO management did agree to meet us after we determined the extent of their proposed changes, we were disappointed that GAO management was not able to meet with us to discuss their FY 2009 budget request before the hearing before this Subcommittee that was held on April 10th, nor have they yet provided any budget documents.

¹ GAO, *U.S. Government Accountability Office: Fiscal Year 2009 Budget Request*, Statement of Gene L. Dodaro, Acting Comptroller General of the United States, GAO-08-616T (Washington, D.C.: April 10, 2008).

In another example, GAO has decided to review all of its performance management systems, and we wholeheartedly agree that this needs to be done. However, we have concerns that we are being asked to be a stakeholder in this process rather than the exclusive representative of bargaining unit employees in terms of soliciting and providing their input. Further, GAO has already gathered a great deal of information about how the performance management system is working through focus groups, several employee feedback surveys, and a Congressionally directed survey of all GAO employees that was recently conducted by the Employee Advisory Council. It seems to us that there is evidence to support some adjustments to the system right away, though it is unclear the extent to which GAO management is considering such timely changes.

Disclosure of Budget Requests and Final Budgets to GAO Employees and the Public

Historically, GAO has not shared detailed budget information with its staff or the public, including neither its annual budget justifications submitted to the Congress nor any ongoing, “real time” reports on planned and actual obligations and expenditures for budget items during the fiscal year. A key mission of GAO is to help the Congress to oversee and analyze the budgets, obligations, and expenditures of federal agencies and while we have considerable expertise within our bargaining unit for budget scrubs, including for large and complex agencies such as the Department of Defense, we are unable to similarly analyze our own agency’s budget.

During our recent negotiations regarding the 2008 pay adjustments, we expressed the desire to work with GAO management to assure that our requests were viable, but we had limited budget information to inform our discussions. We worked with GAO management cooperatively on this matter, and while they provided the cost data and analyses of various pay scenarios that we requested, they provided only high-level budget summary tables and narratives after several requests.

Recently, GAO took a positive step toward budget disclosure, when it issued a report on its contract awards for the past two fiscal years (FY 2006 & FY 2007) as required of executive branch agencies by the Federal Funding Accountability and Transparency Act of 2006. This disclosure revealed, for example, that GAO had paid to employ outside counsel to assist management during GAO employees unionization effort rather than use its own in-house counsel, an item that you, Madam Chair, expressed dismay about in your floor remarks on the House Legislative Appropriations bill last June 22. Federal Workforce Subcommittee Chairman Danny K. Davis and Delegate Eleanor Holmes Norton also offered remarks on June 22, 2007; these oversight efforts revealed that GAO paid nearly \$1 million per year in 2006 and 2007 to its Senior Executives (SES) in bonuses and retention allowances,² while not providing across-the-board adjustments to more than 300 analysts in 2006 and 2007.

² GAO spent \$837,350 in 2006 and \$901,700 in 2007 for SES performance during FY 2005 and FY 2006, respectively. The average SES bonus at GAO for FY 2005 performance was \$13,214, while the average SES bonus at GAO for FY 2006 was \$12,400. GAO has not disclosed information on any bonuses paid this year for FY 2007 SES performance.

Although GAO's budget disclosure of contract expenditures is a step in the right direction in promoting accountability and providing transparency, we believe management should take more proactive steps in making the budget process fully transparent. In order to negotiate responsibly for the interests of the bargaining unit, we would like to work with management to achieve our goals in a fiscally responsible manner by having access to relevant and detailed budget information, including budget justifications.

Madam Chair Wasserman Schultz and members of this Subcommittee, GAO's employees would very much appreciate any assistance you could provide to encourage GAO management to provide full disclosure on its real time operating budget and actual expenditures by budget object class.

Appropriate Funding to Maintain Needed GAO Staffing Levels

The GAO Employees Organization respectfully seeks your continued support for GAO in order to sustain and grow the skilled workforce necessary to provide high quality service to Congress and the American people. As you know, Madam Chair, from FY 2009 Legislative Branch Appropriations hearings before this Subcommittee,³ GAO's full time equivalent (FTE) staff usage is at an all time low of 3,100 FTEs in FY 2008, down 163 FTEs since FY 2003, and markedly lower than GAO's post-World War II highest staffing of 5,400 FTEs prior to the downsizing and mandatory funding reductions of the 1990s. Yet, Congressional requests for our work continue to increase. In fiscal year 2007, we received 14% more requests than we did in 2006 and 17% more than we did in 2005. The first quarter of fiscal year 2008 we received 26% more requests than we did in the first quarter of 2007. In addition to Congressional requests, we received a marked increase in statutorily congressionally mandated work in 2007 as compared with 2006. Potential mandates for GAO work included in proposed legislation during the 110th Congress, currently total over 600, or an 86 percent increase from a similar period in the 109th Congress. In just the past year about 200 of these have resulted in actual mandates for GAO work from such significant legislation as the Consolidated Appropriations Act of 2008, the Defense Authorization Act of 2008, and Implementation of the 9/11 Commission Recommendations. Many of these mandates include new recurring responsibilities such as under the Honest Leadership and Open Government Act of 2007 which requires us to report annually on the compliance by lobbyists of registration and reporting requirements.

While GAO employees are dedicated to doing the important work Congress requests of us, this steady increase in demand for our work has created challenges. Not only is our FTE staff usage at an all-time low of 3,100, but at the beginning of FY 2007, more than 42% of our analyst workforce had been employed at GAO for 5 years or less.⁴ Some GAO analysts are increasingly expected to lead engagements with teams of talented staff who have limited GAO experience. Other analysts are expected to achieve key milestones in their work with a shortage of appropriate staff. For some specialists at GAO, such as mathematical statisticians, survey

³ 110th Congress, Legislative Branch Appropriations for 2009, Hearings Before the Committee on Appropriations, House of Representatives, Subcommittee on Legislative Branch, Second Session, Part 1 Justification of the Budget Estimates.

⁴ GAO, *FY 2007 Performance and Accountability Highlights*, GAO-08-2SP (Washington, D.C.: January 2008).

specialists, data analysts, economists, and methodologists, the departure of a few colleagues has a disproportionate impact on workload and morale. For them, the challenge is how to stretch their limited resources across an increasing number of engagements in order to assure the quality of GAO's products for Congress.

In addition, differences in salary may contribute to departures of and difficulties in retaining entry-level employees at GAO. GAO offers a lower starting salary for many of its entry level analysts than their peers in the GS system. An entry level GS-9 step 1 analyst with a graduate degree employed in the Washington, D.C. area in 2008 could expect to earn \$48,108;⁵ a similarly qualified GAO analyst would earn \$44,402.⁶ GAO pay rates could create an incentive for new staff to gain experience at GAO and then move to other agencies or consulting firms where it is possible to progress in their careers more quickly or earn higher salaries.

Across GAO, the challenge is how to work smarter and stretch our limited resources across an increasing number of engagements in order to assure the quality of GAO's studies, reports, and service for Congress. Therefore, the GAO Employees Organization is very concerned about the impact of the continuing heavy workload on staff morale; these issues make it difficult to sustain not only the quantity of GAO reports and testimonies, but also their quality.

For all of these reasons, we ask that this Committee support GAO's 2009 appropriation budget request such that its capacity can be replenished at the rate needed to meet the increasing and compelling demands of the U.S. Congress, while at the same time not overburdening the on-the-job training and development capacity of the organization's experienced staff. In the meantime, we look forward to partnering with GAO management to address issues and challenges in retaining GAO employees, while providing high quality services to Congress and the American people.

Retroactive Payments to GAO Employees Denied Full Across-the-Board Adjustments in 2006 and 2007

The GAO Employees Organization extends our sincere appreciation for all of the congressional support provided to employees in the effort to form the union and to correct what many employees viewed as unjust pay and performance reviews. Of particular note is the leadership and oversight from Chairman Davis and the Subcommittee on the Federal Workforce, Postal Service, and the District of Columbia to introduce H.R. 5683, that Government Accountability Act of 2008, which provides for the retroactive payment of GAO annual across-the-board adjustments denied to over 300 GAO employees in 2006 and 2007 and sets minimum requirements for the provision of across-the-board adjustments in the future. The GAO Employees Organization supports the passage of H.R. 5683 and is calling on all congressional members to help us by cosponsoring and moving this legislation.

⁵ OPM, Salary Table 2008-DC, Baltimore and Northern Virginia, January 2008 (www.opm.gov/oca/08tables/).

⁶ GAO, Salary Table for Analyst Performance Based Compensation System for DC, Dallas, Denver, Chicago, Seattle, January 6, 2008.

In his first testimony as Acting Comptroller General, Mr. Dodaro stated support for the passage of H.R. 5683 including the payment of across-the-board adjustments denied in 2006 and 2007 and set minimum requirements for across-the-board adjustments in the future that are at least equal to those under the GS system.⁷ According to the Acting Comptroller General, resolution of this matter would be helpful and would permit GAO to move forward on other important human capital initiatives. To this end, we would like to ask you and the Subcommittee to grant, if necessary, reprogramming approval of GAO prior year expenditure accounts so that retroactive payments can be made to all affected employees.

Budget Line Item for GAO Personnel Appeals Board (PAB) and Inspector General

The GAO Employees Organization is committed to supporting the increased independence of its internal oversight organizations, including its Personnel Appeals Board and its Inspector General, to ensure, as Congresswoman Norton has put it, that GAO employees have an independent venue for resolving their grievances and discrimination complaints without fear that the deck is “stacked against them” by GAO management. GAO employees deserve no less than their colleagues in the executive branch when it comes to these important safeguards. H.R. 5638, the Government Accountability Office Act of 2008, also contains important provisions to make GAO’s Inspector General a statutory position.

Recent bills that have passed both the House and the Senate to improve the independence of all agencies’ Inspectors General (IGs) may be applicable to GAO’s IG, if H.R. 5638 were to pass. These improvements include specific criteria for appointment and removal of IGs, the denial of bonuses for IGs, requirements of separate budget submissions for IG offices, easy links from agency Web sites to their IG’s Web sites, guaranteed anonymity for staff who bring claims of fraud, waste or abuse to agency IGs, and required publication and availability of all IG reports.

GAO’s union is supportive of any procedures or processes that will increase and ensure the independence of both its Personnel Appeals Board and its Inspector General. If these bills do not pass, we would be supportive of this subcommittee requiring separate budget submissions for both of these GAO offices to help ensure their independence from GAO management.

Updates on Selected Union Activities

As we are moving forward with the new union, the interim council of the GAO Employees Organization is participating in several initiatives to be sure any personnel practices are fair and non-discriminatory and that employees have appropriate means of recourse to grieve issues.

The GAO Employees Organization continues to be concerned about disparities between performance ratings for African Americans compared with other GAO employees, and limited job leadership opportunities for minority groups. To its credit, GAO management commissioned a study with the Ivy Group, L.L.C., to examine the reasons for disparities in ratings. However, we are disappointed that despite repeated requests to management, the GAO Employees

⁷ GAO, *U.S. Government Accountability Office: Human Capital Initiatives and Additional Legislative Authorities*, Statement of Gene L. Dodaro, Acting Comptroller General of the United States, GAO-08-573T (Washington, D.C.: March 13, 2008).

Organization only got a chance to meet with the Ivy Group upon completion of their work, missing a critical opportunity to discuss its preliminary findings and address employees concerns before a report was finalized. Learning earlier about the study's preliminary findings would have positioned us to better assist GAO management as a partner in implementing recommendations of the study.

Finally, the GAO Employees Organization is working to ensure the current GAO grievance and disciplinary processes get needed improvements to provide alternate paths for dispute resolution, transparency, and equal and fair conditions for both staff and management. For example, the current grievance process promotes a relationship between management and employees in which management renders final decision on cases. Consequently, GAO staff with grievances may be reluctant to use GAO's current grievance process for review and resolution. The Interim Council is studying options for procedures that ensure fairness in the resolution of employee grievances.

Conclusions

In closing, I would like to reiterate our appreciation for the opportunity to testify before your Subcommittee, and look forward to working with you. Thank you for the opportunity to comment on the GAO FY 2009 budget request and to share our views. I hope I have given you some idea of the priorities the GAO Employees Organization has with regard to the use of those funds. I would be pleased to answer any questions that you or other Members of the Subcommittee may have at this time.

Acknowledgments

I would like to acknowledge the contributions of the Interim Council of the GAO Employees Organization. Specifically, I want to thank the members of the Interim Council's Legislative Committee and others for their assistance in preparing for this hearing including Jennie Apter, Debbi Conner, Jacqueline Harpp, Ethan Iczkovitz, Robert Kershaw, Carolyn McGowan, Daniel Meyer, and Henry Sutanto.

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