April 23, 1996

To: Molly Bostrom
White House Domestic Policy Council

Enclosed is the Committee on Appropriations Report on "Making Omnibus Consolidated Rescissions and Appropriations for the Fiscal Year ending September 30, 1996." Please refer to page 108, 4th paragraph. The reference to 501(c)(3) of the Internal Revenue Code has the effect of removing the Forest Service as a national sponsor since we cannot qualify under this classification as a Federal Agency. H.R. 3019 also has the potential to eliminate funding for the FS and increase funding for state sponsors.

In addition, we are enclosing a coversheet received from the Department of Labor, Office of Congressional and Intergovernmental Affairs, indicating that the language has the effect of eliminating the Forest Service as a national sponsor. It also has the effect of increasing funding to State sponsors.

Christine Pytel

Enclosures

Pam VanWie
- FS is in ~~current~~ our interpretation from 2-3 documents
1 with all lang.
2 split changes

Calendar No. 343

104TH CONGRESS 2d Session | SENATE | REPORT 104–236

MAKING OMNIBUS CONSOLIDATED RESCISSIONS AND APPROPRIATIONS FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 1996, AND FOR OTHER PURPOSES

MARCH 6, 1996.—Ordered to be printed

Mr. HATFIELD, from the Committee on Appropriations, submitted the following

REPORT

[To accompany S. 1594]

The Committee on Appropriations reports the bill (S. 1594) making omnibus consolidated rescissions and appropriations for the fiscal year ending September 30, 1996, and for other purposes, reports favorably thereon and recommends that the bill do pass.

22–990 cc

DEPARTMENT OF LABOR

TRAINING AND EMPLOYMENT SERVICES

For training and employment services, the Committee recommends $3,308,978,000, which is more than the House recommendation and less than the original Senate recommendation. This includes $1,093,942,000 for the Job Corps, an increase over the 1995 program level. For year-round youth training, $326,672,000 is provided, which project sponsors have the option to use either for year-round training or for summer jobs. Also included is a $250,000,000 rescission of unneeded unemployment trust fund administrative balances from an extended benefits program (Public Law 102–318) which has been discontinued except for limited activities in a few States. The remaining balances are sufficient to meet future obligations.

The Committee recommendation supports $5,000,000 for the proposal presented to the Secretary for a project to support the employment of people with disabilities, the procurement of essential products through the Industries for the Blind, and the creation of employment mechanisms with corporate sponsors in connection with the X Paralympic Games, and the Committee urges the Secretary to identify as expeditiously as possible funding for this initiative.

For the Community Service Employment for Older Americans Program, the recommendation of $350,000,000 is the same as the House allowance in H.R. 2127. The Committee recommendation maintains the historical split of older worker resources between national and State sponsors, amounting to $273,000,000 (78 percent) and $77,000,000 (22 percent), respectively. However, the Committee understands that the authorizing committee is taking action to revise the Older Americans Act program. Language is included in this appropriations bill to clarify that funds are to be utilized in conformance with a new authorization, if it is enacted.

The Committee encourages the Secretary to award funds to carry out activities under the paragraph (1)(A) of section 506(a) of title V of the Older Americans Act of 1965, as amended, only to entities incorporated under section 501(c)(3) of the Internal Revenue Code. In awarding such funds, the Secretary shall ensure the continuation of services to rural areas and avoid unnecessary displacement of participants by reallocating funds when possible to contiguous quality projects.

WORKER PROTECTION

For worker protection activities, the Committee recommendation includes $1,098,074,000. This includes $288,985,000 for the Occupational Safety and Health Administration, and $196,673,000 for the Mine Safety and Health Administration. For OSHA, included within the recommendation for compliance assistance activities is $24,858,000 for Federal assistance, compared to $13,410,000 enacted in 1995, and $32,479,000 for State onsite consultation programs compared to $31,564,000 in fiscal 1995. The Committee is aware that frontline regional field structure was previously identified entirely under the enforcement activity even though they per-formed compliance assistance activities. In part, this shift in funding addresses the need to clarify the level and nature of activity supported by the agency's budget. However, the recommended funding also represents the Committee's express intention that OSHA increase its reliance on compliance assistance and cooperative efforts with employers while reducing its emphasis on enforcement. Overall Federal enforcement is reduced $29,059,000 below the 1995 enacted level, while compliance assistance is increased by $12,363,000.

The Committee has included a general provision that prohibits the Occupational Safety and Health Administration from promulgating or issuing any proposal or final standard or guideline with respect to ergonomic protection but permits the agency to conduct any peer-reviewed risk assessment activity regarding ergonomics. This provision is identical to section 602 of Public Law 104–19, the emergency fiscal 1995 supplemental and rescissions legislation enacted last July. This provision was not included in the original Senate-reported version of H.R. 2127, the fiscal 1996 Labor, HHS, and Education appropriations bill.

The provision included as section 103 of H.R. 2127, prohibiting funding to implement the President's Executive order concerning striker replacements, is not carried in this new bill; in February 1996, the U.S. Court of Appeals for the D.C. Circuit voided this Executive order.

The Committee has included a provision which restricts certain Labor Department Benefits Review Board and Solicitor's office activities, to insure prompt action on processing backlogged worker's compensation claims, consistent with a recent Supreme Court decision.

TRIBUTE TO JOB CORPS YOUTH

The future of this Nation is dependent on the opportunities, capabilities, and energy of its youth. Similarly, the future of this country is irreparably damaged when its young people are unemployed and unskilled. Job Corps trainees are pursuing a chance to acquire the skills and work experience that will give them a solid start in their working lives. They recognize the value of job training to their lives and the future well-being of this country. The Committee wants to use this occasion to pay tribute to the eight Job Corps trainees, and three railroad employees, who lost their lives in the train collision in Maryland on February 16, 1996.

The Job Corps workers were Dante Swain, 18, Baltimore, MD; Michael Woodson, 16, Philadelphia, PA; Diana Hanvichid, 17, Woodbridge, VA; Lakeisha Marshall, 17, Capitol Heights, MD; Carlos Byrd, 17, Baltimore, MD; Claudius Kesson, 20, Landover, MD; Thomas Loatman, 23, Vienna, VA; and Karis Rudder, 17, Elmhurst, NY.

The railroad employees were: Richard Orr, James Quillan, and James Major, Jr.

UNITED STATES DEPARTMENT OF LABOR

FACSIMILE TRANSMISSION

OFFICE OF CONGRESSIONAL AND INTERGOVERNMENTAL AFFAIRS

200 Constitution Avenue, N.W.
Room S-1325
Washington, DC 20210

Confirmation: 202/219-6141

April 15, 1996

TO: THELMA SONG

DEPARTMENT/COMPANY: USDA

FACSIMILE NUMBER: 205-1225

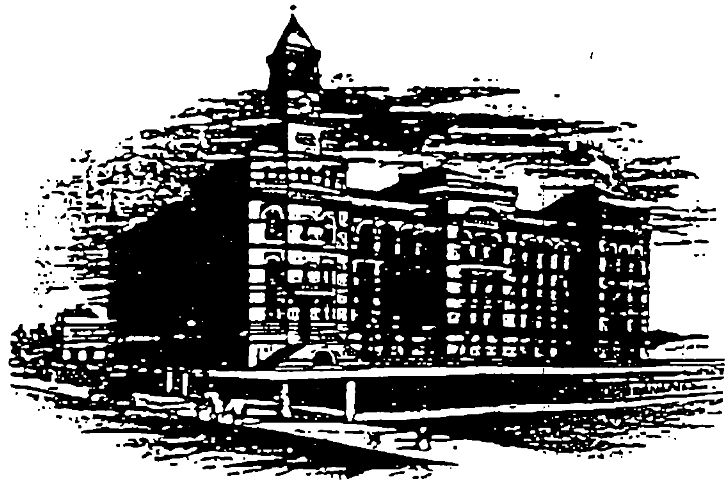
FROM: DARLA LETOURNEAU

NUMBER OF PAGES INCLUDING COVER: 3

FACSIMILE REPLIES:

CONGRESSIONAL AFFAIRS	202/219-5120
INTERGOVERNMENTAL AFFAIRS	202/219-5736
IMMEDIATE OFFICE OF THE ASSISTANT SECRETARY	202/219-5288

MESSAGE: Attached is language in Senate report on Older Workers that has effect of eliminating Forest Service. Same language is to be in conference report, I'm told (in H.R. 3019). I don't have copy of OA reauthorization but I'm told that issue has come up in Authorizing Committee as well. Call if you have any questions.



FACSIMILE TRANSMITTAL

To: Molly Bostrom

FAX No.: 456-7028 ☐Commercial

From: Name: CHRISTINE PYTEL

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Fax No: (202) 205-1181

Date Sent: 4/22

Document Length: Cover + 11 pages

To Confirm Receipt, Call: Helen 205-1709

Memo: SEE ENCLOSED

Christine Pytel

4/22/96

MOLLY -

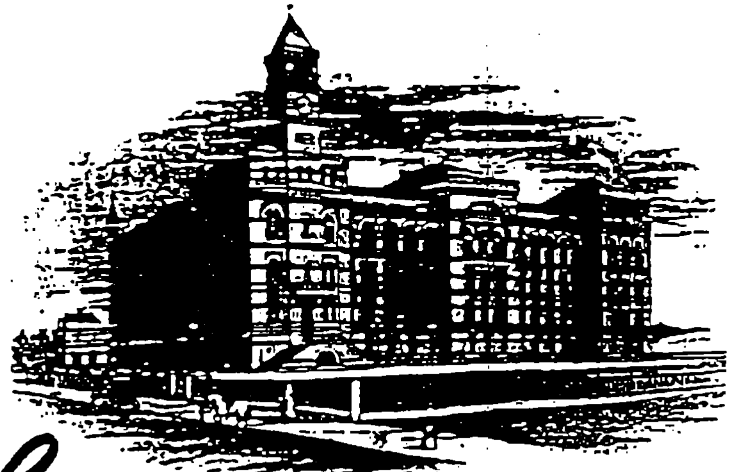
WE WANTED TO SEND YOU A MORE IN DEPTH COPY OF THE CURRENT "EFFECT STATEMENT" RE: FOREST SERVICE PARTICIPATION IN THE SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM.

PER BRIAN BURKE, WE HAVE ENGAGED MIKE MC DONALD OF USDA OFC OF BUDGET & PROGRAM ANALYSIS. HE INTURN WILL COORDINATE WITH CHRIS NOLAN & RUTH SAUNDERS OUR OMB EXAMINERS.

MOLLY, THANK YOU FOR ALL YOUR HELP.

CHRISTINE

(FS) 202/205-1709



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Enclosures

April 22, 1996

The Senior Community Service Employment Program and the Forest Service

The Forest Service mission is to care for the land and serve people. In the management of 191.6 million acres of national forests and grasslands in 44 States and through assistance and cooperation with other nations, State and local agencies, and private landowners, the Forest Service presence is felt in rural and urban communities throughout the United States and even internationally.

Since its inception in 1965, the Senior Community Service Employment Program (SCSEP) has provided training and part-time employment through community service work to people aged 55 and older who meet maximum income constraints. Community service is defined in part as "...conservation maintenance, or restoration of natural resources, community betterment or beautification, pollution control, and environmental quality efforts...." In the 1970's and early 1980's, the primary focus of the SCSEP was to provide supplemental income to older Americans whose income was at or below 125 percent of poverty level. In more recent years, the program focus has shifted somewhat to emphasize training and placement into unsubsidized positions in the community.

The SCSEP provides enrollees with 20 hours per week of subsidized community service employment at the State or Federal minimum wage. The Older American Act of 1965, which authorizes the program, expired on September 30, 1995, and has not yet been reauthorized although both Houses of Congress are considering reauthorizing legislation. In the interim, program funding is being authorized for the coming program year (beginning July 1, 1996) through the Fiscal Year 1996 Omnibus Appropriations Bill now being finalized.

Forest Service/SCSEP Partnership

?no

In 1971 the Forest Service, through Executive Order, became a national sponsor of and host to the SCSEP. The Forest Service is unique among the SCSEP national sponsors as it is the only Federal agency that is a national sponsor. It is also the only organization functioning as both a national sponsor and a host agency for training and placement opportunities. Since 1990, approximately 4,200 funded positions have allowed the Forest Service to employ nearly 5,500 program enrollees per year. Currently the Forest Service operates the program in 38 States, the District of Columbia, and Puerto Rico. (Exhibit I.)

OIG Audit Findings and Recommendations and Forest Service Response

A draft Department of Labor-Office of Inspector General (DOL-OIG) audit, dated March 15, 1996, raised several areas of concern regarding Forest Service management of the SCSEP. Additionally, a March 18, 1996, letter from DOL-OIG to Senator Kassebaum, recommends the Forest Service be dropped as a National Sponsor beginning with the next program year (July 1, 1996). Removal from the SCSEP would be devastating to the Forest Service, its many customers, and most importantly to the 4000+ seniors who depend on the part-time employment for their livelihood. DOL-OIG findings and recommendations and the draft Forest Service responses follow. The Forest Service is formulating the agency response to the DOL-OIG audit. The audit response will be completed by April 26, 1996.

** OIG Finding No. 1 -- The Forest Service did not attain the DOL goal of 20 percent for the placement of enrollees into unsubsidized employment during any of the 3 years covered by this review. Furthermore, USFS enrollee placements were "questionable" and should not have been reported by USFS as "placements."

OIG Recommendation -- a. develop a suitable plan to accomplish its goal of placing 20 percent of the enrollees into unsubsidized employment positions each year, and

b. ensure that USFS field offices (a) discontinue the practice of counting enrollees as "placed" when they are assigned to temporary duty positions, are then re-enrolled to help USFS attain its placement goals, and (b) follow the DOL placement criteria, issued in June 1995 for reporting enrollees as "placements."

Forest Service Response

-- The Forest Service concurs with the part of the finding that states the agency has not attained the DOL goal of 20 percent placement and will develop a plan to accomplish the goal. In fact, the Forest Service is already making improvement toward the DOL goal, and, as noted in the DOL-OIG audit, has moved from 16.41 percent placement in Program Year (PY) 1992 to 18.4 percent placement in PY 1994. It is important to note however that fewer than half of the other grantees in the program during the audit period met the DOL goal. During PY 1992 and PY 1993, 28 of 63 grantees achieved the 20 percent goal. In PY 1994, 21 met the goal.

Suggest dropping

-- The Forest Service does not concur with the part of the finding that states enrollee placements were questionable and should not have been reported as placements. DOL-OIG considered "questionable" our short-term placements wherein enrollees are assigned to "fire watch" duty for about 2 weeks or less, with the understanding that these enrollees would be re-enrolled in the program after their temporary assignments were completed. Such assignments, in their view, do not qualify as unsubsidized employment placements. The agency contends that during the period of this audit, PY 1992-1994, the definition of short-term placements, including fire duty assignments, could be applied to placement goals. This definition remained in effect until June 30, 1995. More importantly, DOL Division of Older Workers Programs agreed that the Forest Service could count fire duty as placements under the DOL policy then in effect. Also there was no limitation on counting unsubsidized placements when the former enrollee returned to the program.

As stated earlier, DOL-OIG audited the Forest Service for PY 1992-1994. Agency accomplishment was challenged and based on policy and a new definition of "placement" issued in June 1995 and not applicable until PY 1995 (July 1, 1995). The Forest Service implemented the new policy in July 1995. We follow and will continue to follow this new policy.

** <u>OIG Finding No. 2</u> -- [The Forest Service] assigns enrollees into subsidized employment positions in its offices and field offices. These types of assignments are not conducive to accomplishing the basic legislative objectives of the program which is to place enrollees into long-term unsubsidized private employment. Also, because USFS does not use "non-Federal" host agencies, the cost per enrollee is higher than when sponsors use "non-Federal" host agencies that contribute to the program under the cost sharing requirements.

<u>OIG Recommendations</u> -- a. [DOL should] evaluate the merits of continuing USFS as a national program sponsor considering it does not have the benefit of private host agency placement assistance, which adversely affects USFS's ability to place enrollees in unsubsidized employment and also results in USFS having higher than average costs per enrollee.

b. [DOL should] apply the same competitive review process to USFS grants that it plans to institute for SCSEP awards to the non-Federal nonprofit organizations, if it determines that the USFS should continue to be a national sponsor.

<u>Forest Service Response</u> -- The agency does not concur with this finding.

-- As the report points out: "Recognizing that USFS came into the program in 1972 (some 24 years ago) under a Presidential Executive Order, the question of whether USFS is complying with the 'non-federal' matching requirement can easily be viewed, at this time, as somewhat of a moot point." The Agency contends that functioning as a host agency, as well as a sponsor has not adversely affected Forest Service ability to place enrollees. The average turnover rate for PY 1992-1994 was 35 percent annually, which allowed for new enrollees to be serviced.

1971?

-- The report also states that since inception "both DOL and USFS apparently believe that because USFS, as a federal agency, could not technically comply with the 'non-federal' mandate of the program, in the same manner other national sponsors do, USFS's funded 'support services,' in lieu of the required 'non-federal' contributions are acceptable."

-- In addition, legislative reauthorization of the program in the 1970's did not preclude the Forest Service from providing funding from agency appropriations.

-- The Forest Service provides training and job opportunities to low income senior citizens in rural areas with little other employment opportunity. Currently, the Forest Service is the only sponsor in 69 counties in approximately 18 states. For example, in 16 counties in Colorado the Forest Service is the only SCSEP sponsor. If the agency does not continue as a national sponsor, it will be virtually impossible to place these enrollees into a SCSEP project operated by another sponsor.

-- While the Forest Service does use appropriated funds to supplement DOL's standard payment per enrollee of $6,061, it is not necessarily spending more money per enrollee than any other national sponsor. Nor is there any additional cost to DOL or the Forest Service, specifically, because the Forest Service is a participant in the program.

-- Forest Service "in-kind contributions" are for fixed costs such as facilities, travel, uniforms, transportation to work sites, and supervision.

-- Eliminating the SCSEP in the Forest Service would not provide cost savings to the Federal Government. In fact, the opposite is true as it would cost more to the agency to provide similar services through full-time Government employees or through contracting the services.

SCSEP employee replacing govt employee (unions) lightning rod for

The Forest Service also disagrees with the DOL-OIG finding that the agency incurs higher costs per enrollee than other program sponsors and hosts.

The SCSEP enrollees contribute significantly to attainment of the agency mission. The agency considers itself to be in compliance with financial direction from DOL and quite successful in administration and national sponsorship of the SCSEP.

See Exhibit II for a summary of Forest Service SCSEP placement accomplishments.

As supporting documentation, enclosed is a March 13, 1996, letter from Secretary Reich to the House Committee on Economic Educational Opportunities in support of keeping the national sponsor structure intact. In this letter, as in his March 19, 1996, letter to the Senate Labor and Human Resources Committee, he praised all of the national sponsors for the successful administration of the SCSEP, stating that program administration costs are in accordance with the DOL's guidance. He stated that "elimination of grants to national sponsors...would significantly diminish the effectiveness of the program." In his view, national sponsors have "demonstrated an exceptional ability to reach out to the grassroots level of communities, serving some of the most disadvantaged members of our society in terms of educational attainment, economic status, and outmoded work skills." Reich also states "certain of the changes being proposed could result in a program that is less efficiently administered, has a reduced emphasis on unsubsidized placements, and serves fewer low-income elderly." (Exhibit III.)

In addition, the November 1995 General Accounting Office (GAO) Report on the SCSEP, shows that GAO found the Forest Service to be the only national sponsor who stayed within DOL's guidelines requiring administrative costs be kept to a maximum of 15 percent of the program costs. (Exhibit IV.)

The "Economic Impacts" section of this paper provides additional support for the agency's response to these findings.

The Forest Service is in basic agreement with the remainder of the findings of the DOL-OIG audit and has already begun to address and correct those issues.

Service to Urban and Rural America

While opportunities exist for enrollees in forest, regional, and headquarters offices in metropolitan areas such as Los Angeles, Albuquerque, Phoenix, Seattle, Denver, Milwaukee, and Washington, DC, most Forest Service-sponsored enrollees work in rural areas. The Forest Service often offers employment assistance in areas where no other national SCSEP sponsor exists. The agency is unique in its ability to reach out to socially and economically isolated seniors in rural counties. For example, in an area that encompasses Idaho, Nevada, Utah, and Wyoming, the Forest Service is the only sponsor in 23 counties servicing 110 enrollees.

In addition to administrative work in these and other areas, enrollees contribute to conservation of America's natural resources and provide service to national forest visitors. Last year alone, the national forests hosted nearly 830 million visits, and the SCSEP enrollees played a vital part in providing a quality outdoor recreation experience through assistance at visitor centers, campgrounds, and environmental education/interpretive sites. One of our best customer service employees is 78-year-old Nemesio Serrano who provides visitor information on the Caribbean National Forest in Puerto Rico. Enrollees also receive training and provide assistance in programs such as timber, wildlife, fire prevention, and rangeland management programs, facility and vehicle maintenance, and research activities. In addition to internal placements, the Forest Service is also placing the SCSEP enrollees in positions in senior citizen centers, State employment and welfare offices, museums, the Retired Senior Volunteer Program (RSVP), and other Federal agencies.

Economic Impacts

The Forest Service offers a network of support services to assure an enrollee's success and assist in finding full or part-time work elsewhere. Skills acquired through Forest Service jobs are transferable to jobs in local community and urban areas; for example campground and grounds maintenance skills to park maintenance or nursery work, recreation program experience to museum or other tourist or visitor information work, etc. Often office experience, including computer skills, is directly comparable to skill needs in positions in other organizations.

In an effort to attain the agency goal of placing about 1,000 seniors per year into positions with better pay and long-term prospects, the Forest Service also works with local community organizations, technical schools, and private industry to improve skills based on identified job opportunities. Many of the skills learned and perfected can be transferred directly to unsubsidized placements in neighboring organizations and industries. For many years, the Forest Service hired the SCSEP enrollees into agency positions. In fact, some enrollees have temporarily left the subsidized program to move to temporary seasonal positions. Unfortunately, Federal downsizing has decreased those and other hiring opportunities.

Private sector job opportunities in rural areas and remote communities are also becoming increasingly scarce due to the rural economic situation. For participants in these areas, the part-time income makes the difference between contributing as a self-sufficient, valuable participant in American society and being supported in whole or part through welfare. In part for this reason, the Forest Service has not yet requested, nor has the Department of Labor (DOL) required of any national sponsor, a maximum duration of enrollment policy. Such limitation would discourage enrollees currently unable to find employment elsewhere and would potentially place some discontinued enrollees onto welfare rolls.

In terms of dollar impacts, the Forest Service finds the SCSEP returns $1.52 for every $1 of DOL funds expended. The SCSEP enrollees accomplished conservation work valued at $40.8 million in PY 1994, based on the agency cost of accomplishing the same work through either outside contracting or with decreasing Forest Service staff. (See Exhibit II for a summary of the value of work accomplished by SCSEP enrollees.) The largest contribution to the Forest Service is in the recreation program at approximately $20.3 million per year. If the SCSEP is discontinued and the Forest Service left without additional funding, service provided to the recreation public will be greatly impacted and accomplishment of mission area objectives jeopardized. This is magnified due to our required downsizing efforts.

As stated above, in addition to the significant contributions to the program objectives, Forest Service managers agree that the senior citizens enrolled in the program are outstanding in their interactions with the public, especially on-site in the national forests.

Exhibit I

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM
PROGRAM YEAR 1995-1996 BUDGET

UNIT	STATE	SLOTS	ENROLLEE WAGES AND FRINGE BENEFITS	OTHER ENROLLEE COSTS	R/S/A LOCAL ADMINISTRATION	R/S/A TRAVEL	TOTAL R/S/A FUNDS	TOTAL WO ADMINISTRATION	TOTAL DOL FUNDS	FOREST SERVICE CONTRIBUTION	GRAND TOTAL
R-1	ID	52	272,038	14,953	12,815	1,500	301,306	12,790	314,096	94,229	408,325
	MT	59	310,875	16,965	14,629	1,500	343,969	14,601	358,570	107,571	466,141
TOTALS		**111**	**582,913**	**31,918**	**27,444**	**3,000**	**645,275**	**27,391**	**672,666**	**201,800**	**874,466**
R-2	CO	99	521,653	28,467	24,507	1,598	576,225	24,461	600,686	180,206	780,892
	NE	15	79,194	4,313	3,720	243	87,470	3,712	91,182	27,355	118,537
	SD	23	121,166	6,614	5,693	371	133,844	5,682	139,526	41,858	181,384
	WY	49	256,970	14,090	12,075	788	283,923	12,052	295,975	88,792	384,767
TOTALS		**186**	**978,983**	**53,484**	**45,995**	**3,000**	**1,081,462**	**45,907**	**1,127,369**	**338,211**	**1,465,580**
R-3	AZ	126	665,179	36,231	31,217	1,373	734,000	31,158	765,158	229,547	994,705
	NM	147	772,123	42,270	36,246	1,594	852,233	36,176	888,409	266,523	1,154,932
	OK	1	5,260	287	247	11	5,805	246	6,051	1,815	7,866
	TX	2	10,530	576	494	22	11,622	494	12,116	3,635	15,751
TOTALS		**276**	**1,453,092**	**79,364**	**68,204**	**3,000**	**1,603,660**	**68,074**	**1,671,734**	**501,520**	**2,173,254**
R-4	CA	2	10,540	576	495	20	11,631	493	12,124	3,637	15,761
	ID	61	320,266	17,540	15,033	616	353,455	15,004	368,459	110,538	478,997
	NV	54	284,744	15,528	13,362	548	314,182	13,337	327,519	98,256	425,775
	UT	155	817,958	44,570	38,383	1,573	902,484	38,310	940,794	282,238	1,223,032
	WY	24	126,006	6,901	5,914	243	139,064	5,903	144,967	43,490	188,457
TOTALS		**296**	**1,559,514**	**85,115**	**73,187**	**3,000**	**1,720,816**	**73,047**	**1,793,863**	**538,159**	**2,332,022**
R-5	CA	459	2,420,558	131,986	113,517	3,000	2,669,061	113,299	2,782,360	834,708	3,617,068
TOTALS		**459**	**2,420,558**	**131,986**	**113,517**	**3,000**	**2,669,061**	**113,299**	**2,782,360**	**834,708**	**3,617,068**
R-6/	OR	180	950,272	51,759	44,581	1,612	1,048,224	44,496	1,092,720	327,816	1,420,536
PNW	WA	155	818,183	44,570	38,382	1,388	902,453	38,308	940,761	282,228	1,222,989
TOTALS		**335**	**1,768,385**	**96,329**	**82,963**	**3,000**	**1,950,677**	**82,804**	**2,033,481**	**610,044**	**2,643,525**
R-8	AL	76	400,844	21,854	18,782	144	441,624	18,746	460,370	138,111	598,481
	AR	100	527,688	28,755	24,725	190	581,358	24,678	606,036	181,810	787,846
	FL	120	633,127	34,506	29,666	228	697,527	29,609	727,136	218,141	945,277
	GA	112	591,276	32,206	27,704	211	651,397	27,652	679,049	203,715	882,764
	KY	105	554,294	30,193	25,972	200	610,659	25,922	636,581	190,974	827,555
	LA	79	416,554	22,717	19,519	150	458,940	19,482	478,422	143,527	621,949
	MS	127	671,110	36,519	31,293	242	739,164	31,376	770,540	231,162	1,001,702
	NC	282	1,488,535	81,089	69,746	537	1,639,907	69,613	1,709,520	512,856	2,222,376
	OK	27	142,234	7,764	6,665	51	156,714	6,652	163,366	49,010	212,376
	PR	70	369,583	20,128	17,318	133	407,162	17,284	424,446	127,334	551,780
	SC	97	512,109	27,892	23,996	184	564,181	23,949	588,130	176,439	764,569

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM
PROGRAM YEAR 1995-1996 BUDGET

UNIT	STATE	SLOTS	ENROLLEE WAGES AND FRINGE BENEFITS	OTHER ENROLLEE COSTS	R/S/A LOCAL ADMINISTRATION	R/S/A TRAVEL	TOTAL R/S/A FUNDS	TOTAL WO ADMINISTRATION	TOTAL DOL FUNDS	FOREST SERVICE CONTRIBUTION	GRAND TOTAL
R-8	TN	151	796,850	43,420	37,337	287	877,894	37,266	915,160	274,548	1,189,708
CONT.	TX	86	453,621	24,729	21,255	164	499,769	21,215	520,984	156,295	677,279
	VA	142	749,631	40,832	35,124	270	825,857	35,057	860,914	258,274	1,119,188
	WV	2	10,560	576	495	9	11,640	494	12,134	3,640	15,774
TOTALS		1,576	8,318,016	453,180	389,597	3,000	9,163,793	388,995	9,552,788	2,865,836	12,418,624
R-9	IL	53	279,800	15,240	13,115	205	308,360	13,090	321,450	96,435	417,885
	IN	39	205,743	11,214	9,644	151	226,752	9,625	236,377	70,913	307,290
	ME	7	36,792	2,013	1,725	27	40,557	1,722	42,279	12,684	54,963
	MI	103	543,114	29,618	25,458	398	598,588	25,410	623,998	187,199	811,197
	MN	127	670,104	36,519	31,410	492	738,525	31,350	769,875	230,962	1,000,837
	MO	120	633,337	34,506	29,536	465	697,844	29,623	727,467	218,240	945,707
	NH	25	131,654	7,189	6,172	97	145,112	6,160	151,272	45,382	196,654
	OH	32	168,832	9,202	7,914	124	186,072	7,899	193,971	58,191	252,162
	PA	59	311,204	16,965	14,587	228	342,984	14,559	357,543	107,263	464,806
	VT	21	110,790	6,038	5,193	82	122,103	5,183	127,286	38,186	165,472
	WI	120	632,861	34,506	29,665	464	697,496	29,608	727,104	218,131	945,235
	WV	69	364,383	19,841	17,079	267	401,570	17,046	418,616	125,585	544,201
TOTALS		775	4,088,614	222,851	191,498	3,000	4,505,963	191,275	4,697,238	1,409,171	6,106,409
NA	NH	6	31,621	1,725	1,481		34,827	1,478	36,305	10,891	47,196
	PA	5	26,392	1,438	1,236		29,066	1,234	30,300	9,090	39,390
	VT	6	31,676	1,725	1,485		34,886	1,481	36,367	10,910	47,277
	WV	5	26,424	1,438	1,237		29,099	1,235	30,334	9,100	39,434
TOTALS		22	116,113	6,326	5,439	-0-	127,878	5,428	133,306	39,991	173,297
FPL	WI	15	79,161	4,313	3,708		87,182	3,706	90,888	27,266	118,154
TOTALS		15	79,161	4,313	3,708	-0-	87,182	3,706	90,888	27,266	118,154
INT	ID	5	26,012	1,438	1,522		28,972	1,230	30,202	9,061	39,263
	MT	1	5,295	287	248		5,830	247	6,077	1,823	7,900
	UT	12	63,447	3,451	2,972		69,870	2,966	72,836	21,851	94,687
TOTALS		18	94,754	5,176	4,742	-0-	104,672	4,443	109,115	32,735	141,850
NC	IL	6	31,700	1,725	1,485		34,910	1,481	36,391	10,917	47,308
	IN	3	15,838	863	742		17,443	740	18,183	5,455	23,638
	MI	1	5,277	287	247		5,811	247	6,058	1,817	7,875
	MN	5	26,400	1,438	1,236		29,074	1,236	30,310	9,093	39,403
	MO	2	10,559	576	495		11,630	494	12,124	3,637	15,761
TOTALS		17	89,774	4,889	4,205	-0-	98,868	4,198	103,066	30,919	133,985

SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM
PROGRAM YEAR 1995-1996 BUDGET

UNIT	STATE	SLOTS	ENROLLEE WAGES AND FRINGE BENEFITS	OTHER ENROLLEE COSTS	R/S/A LOCAL ADMINISTRATION	R/S/A TRAVEL	TOTAL R/S/A FUNDS	TOTAL WO ADMINISTRATION	TOTAL DOL FUNDS	FOREST SERVICE CONTRIBUTION	GRAND TOTAL
NE	OH	4	21,120	1,150	989		23,259	987	24,246	7,274	31,520
	PA	5	26,392	1,438	1,236		29,066	1,234	30,300	9,090	39,390
	WV	9	47,563	2,588	2,228		52,379	2,223	54,602	16,381	70,983
TOTALS		18	95,075	5,176	4,453	-0-	104,704	4,444	109,148	32,745	141,893
PSW	CA	23	121,442	6,614	5,688		133,744	5,677	139,421	41,826	181,247
TOTALS		23	121,442	6,614	5,688		133,744	5,677	139,421	41,826	181,247
RM	AZ	2	10,277	576	495	353	11,651	494	12,145	3,643	15,788
	CO	13	66,415	3,738	3,218	2,295	75,666	3,212	78,878	23,663	102,541
	SD	1	5,109	287	247	176	5,819	247	6,066	1,820	7,886
	WY	1	5,085	287	247	176	5,795	246	6,041	1,812	7,853
TOTALS		17	86,836	4,888	4,207	3,000	98,931	4,199	103,130	30,938	134,068
SE	GA	22	116,186	6,326	5,442		127,954	5,431	133,385	40,015	173,400
	NC	9	47,523	2,588	2,226		52,337	2,222	54,559	16,368	70,927
	SC	3	15,844	863	742		17,449	741	18,190	5,457	23,647
TOTALS		34	179,553	9,777	8,410	-0-	197,740	8,394	206,134	61,840	267,974
SO	AL	11	58,039	3,163	2,718		63,920	2,713	66,633	19,990	86,623
	AR	7	36,952	2,013	1,731		40,696	1,727	42,423	12,727	55,150
	LA	10	52,747	2,876	2,471		58,094	2,466	60,560	18,168	78,728
	MS	21	110,988	6,038	5,198		122,224	5,188	127,412	38,224	165,636
	TX	2	10,553	576	494		11,623	493	12,116	3,635	15,751
TOTALS		51	269,279	14,666	12,612	-0-	296,557	12,587	309,144	92,744	401,888
IITF	PR	24	126,761	6,901	5,937		139,599	5,925	145,524	43,657	189,181
TOTALS		24	126,761	6,901	5,937		139,599	5,925	145,524	43,657	189,181
WO	DC	8	42,352	2,300	1,983		46,635	1,979	48,614	14,584	63,198
	VA	7	36,967	2,013	1,731		40,711	1,728	42,439	12,734	55,173
TOTALS		15	79,319	4,313	3,714	-0-	87,346	3,707	91,053	27,318	118,371
GRAND TOTALS		4,268	22,508,142 1/	1,227,266 2/	1,055,520	27,000 3/	24,817,928	1,053,500 4/	25,871,428	7,761,428	33,632,856

1/ Includes $35 per enrollee slot for physical examinations.
2/ Average cost per enrollee slot is $287.55.
3/ Travel dollars for the SCSEP Advisory Group.
4/ Includes $345,000 for PY 95 OWCP costs.

NOTE: The SCSEP statistics are included in the FY 1996 Program Budget Advice.

FOREST SERVICE SCSEP PROGRAM ACCOMPLISHMENTS

Enrollee Placements

	PY 1992	PY 1993	PY 1994
Authorized Positions	4,308	4,323	4,429
Number Served	5,686	5,476	5,554
Number Placed	703 (16%)	707 (16%)	855 (18%)

Value of Work Accomplished (in dollars)

	PY 1992	PY 1993	PY 1994
Recreation	$19,798,727	$19,779,424	$20,316,733
Fish & Wildlife Mgmt.	1,029,140	892,892	754,507
Range Management	442,143	583,832	586,859
Timber Management	681,104	448,921	445,007
Water & Soil	371,565	353,711	334,734
Facilities Off-Center	432,215	283,624	73,369
Facilities On-Center	405,803	516,787	353,463
Other Facilities	5,625,810	5,840,313	5,173,984
Protection*	439,567	338,058	173,349
Research	1,142,534	872,320	1,006,133
Administration**	9,519,347	9,647,771	9,783,443
All Other***	2,080,618	1,487,111	1,753,137
Total	$41,968,513	$41,044,764	$40,754,718

Enrollee Characteristics

	PY 1992	PY 1993	PY 1994
White (not hispanic)	4,368	4,248	4,350
Black (not hispanic)	597	603	567
Hispanic	475	404	401
Am.In/Al.Na.	208	185	206
Asian/Pac. Isl.	38	36	30
Total	5,686	5,476	5,554

*Protection: All activities to protect and maintain forests and rangelands
**Administration: All administrative support work accomplished through Human Resource Programs (HRP); i.e., clerical, receptionist, recruitment, etc.

***All Other: All other work accomplished through HRP not included in the other categories, i.e. work for other public organizations, geometronics, search and rescue, emergency work, etc.

E X E C U T I V E   O F F I C E   O F   T H E   P R E S I D E N T

11-Apr-1996 04:40pm

TO: Molly Brostrom

FROM: Pamela B. VanWie
Office of Mgmt and Budget, HRD

SUBJECT: Forest Service letters

I spoke with Larry Matlack about the letters you faxed over from the Forest Service and the DOL OIG. He stated that the Administration would continue to support funding for all national contractors, including the forest service.

While this issue may come up in the appropriations process (when we see some language) it may also become an issue in reauthorization so we may want to be looking for it in future versions of the Older Americans Act reauthorization.

I have sent copies of the letters to Ken for his information.

Thanks. Please let me know if you need more information from us.

- only 501 c3
- IG had more
  → subs'd emplmt → leg doesn't require unsub'd emplymt
  → lttr overly critical
- Did Hill request this audit?
- Impact stmts?
- Go thru OMB - examiner → 2 pts of OMB

U.S. Department of Labor

Inspector General
Washington, D.C. 20210

MAR 1 8 1996

The Honorable Nancy Landon Kassebaum
Chairman, Committee on Labor and Human Resources
United States Senate
Washington, D.C. 20510-6300

Attention: Kristen Welsh

Dear Chairman Kassebaum:

Under the provision of Section 4(a) of the Inspector General Act (Public Law 95-452), I am required to review existing and proposed legislation relating to the Department of Labor (DOL) programs and operations and make recommendations to the Congress about the impact on DOL programs. Accordingly, since the Older Americans Act, which expired on September 30, 1995, is now being considered by both the Senate and House of Representatives for reauthorization, I am apprising you of the results of our recently-completed audit of the DOL Senior Community Service Employment Program (SCSEP) grants to the U.S. Department of Agriculture's Forest Service (USFS).

As you know, SCSEP is authorized under Title V of the Older Americans Act of 1965, as amended. The primary purpose of the program is to promote useful and meaningful roles for disadvantaged individuals, over the age of 55, by providing subsidized part-time community service employment which ultimately will lead to unsubsidized private employment.

As part of this audit, we reviewed the costs that were claimed by USFS for grants for the period July 1, 1992 to June 30, 1995. On March 15, 1996, we sent a draft audit report to USFS for review and comment.

In many ways, USFS is unique among the current ten SCSEP national sponsors. The Forest Service, which became a national sponsor (as a result of a 1971 Executive Order), is the only organization participating in SCSEP which acts as both a national sponsor and as a host agency. While the USFS assigns its enrollees to work in National Forests and in its offices (about 20 hours a week and are paid with SCSEP funds), other SCSEP sponsors assign enrollees to work in local community service organizations such as schools, nursing homes, and hospitals. This type of training hopefully will lead to the placement of enrollees into permanent, unsubsidized jobs. Unfortunately, there is little opportunity for USFS enrollees to be placed into permanent unsubsidized jobs after working in a National Forest as an enrollee under SCSEP. Therefore, USFS assignments have not been conducive to accomplishing the basic SCSEP objectives of placing enrollees into long-term, unsubsidized employment.

Furthermore, because SCSEP has no limits on the amount of time an enrollee can remain in the program, many USFS enrollees remain in the program for many years. Our review of USFS enrollee files showed that the average age of its enrollees is 65 years, and many enrollees have been in the program for over 5 years. In contrast, we understand that AARP, another national sponsor, has an internal policy allowing enrollees to remain in the program for only 2 years. SCSEP is a temporary training program designed to assist enrollees to obtain permanent employment; however, the USFS component has become a <u>subsidized, long-term</u> public employment program. This is contrary to the basic purpose of SCSEP. Most USFS enrollees live in rural areas adjacent to the National Forests and, as such, are provided part-time employment in the National Forests. However, the continued assignment of enrollees in this manner prevents other needy low-income adults from being brought into the program.

not True

where else would they find employment

During our audit, we noted several other problems. DOL grant provisions established a 20 percent annual goal for placing enrollees into unsubsidized employment. Unfortunately, USFS did not attain this goal during <u>any</u> of the 3 years covered by our review. Program information at USFS locations we visited showed that some USFS enrollee "placements" were, in fact, questionable. For the most part, enrollee placements we considered questionable involved short-term placements to "fire watch" duty for 3 days up to 2 weeks. Further, USFS and the enrollees agreed that they would be re-enrolled in the program after their temporary assignments. We do not believe that such temporary assignments qualify as unsubsidized employment placements. This obviously results in misleading reporting of placements and raises serious questions as to how successful USFS has been in meeting its overall placement goals.

Wrong

Consequently, because Federal agencies such as USFS are at somewhat of a disadvantage in attempting to achieve the goals of the program, we believe that reauthorization of SCSEP should consider the disadvantages of having Federal agencies as national sponsors. We, therefore, are recommending that DOL evaluate the merit of continuing USFS as a national sponsor. In the event DOL concludes that USFS should continue as a national sponsor, then DOL -- at a minimum -- should competitively review all SCSEP grant awards, as recently recommended by the U.S. General Accounting Office.

We also noted that USFS's enrollee costs are greater than they are for the non-Federal national sponsors. For example, USFS costs per enrollee is about $7,300; whereas, for the other national sponsors it is approximately $6,000. As you know, SCSEP legislation requires that at least 10 percent of the program costs must come from "non-Federal" sources. Because USFS does not use private host agencies to assist it, there is no financial support from non-Federal sources. USFS contends, as it has since it became a national sponsor in 1972, that it does provide "support services" to assist the program. These support services, generally in the form of USFS salaries and related expenses, are funded from USFS regular annual appropriations and, as such, are not non-Federal contributions.

We recommend that your Committee consider whether SCSEP -- an employment and training program designed to assist low-income adults in obtaining permanent unsubsidized employment -- should be used, instead, for a different purpose -- providing beneficial employment for low-income adults in rural areas. If the Congress concludes that this is also a worthy objective, then perhaps it should be addressed by a different program.

Accordingly, we suggest your Committee consider USFS's use of its slots which has to a large degree resulted in enrollees staying in the program for years and becoming permanent part-time subsidized employment not achieving the legislatively-prescribed goals of the program. In this regard, the Committee should also consider establishing time limits for individuals to remain in the program.

Should you desire, we would be pleased to meet with you or members of your staff to discuss these matters in greater detail and assist you in developing appropriate legislative language to address these issues. I can be reached on (202) 219-7296.

Sincerely,

Charles C. Masten
Inspector General

April 11, 1996

To: Molly Bostrom
White House Domestic Policy Council

Here is information promised in our telephone discussion Wednesday afternoon.

The Forest Service (FS) has served as a National Sponsor for the Senior Community Service Employment Program (SCSEP) for 24 years. We are the only Federal agency that is a National Sponsor. We primarily serve rural, isolated, seniors in communities surrounding the National Forests. SCSEP funding is from Title V of the Older American's Act (OAA) through a grant from the Department of Labor (DOL).

The FS grant for program year 1995, funded through June 30, 1996, is for $26.8 million for 4,429 positions. We serve over 5,500 seniors annually and contribute 30 percent in-kind from FS appropriations. In-kind contributions may consist of charges for real property and equipment, and value of goods and services directly benefiting and specifically identifiable to the grant program. In program year 1994, 41 percent were women and 22 percent were minorities. FS unsubsidized placement was 18.4 percent while National Sponsors as a group placed 27.4 percent.

The FS is a HOST AGENCY. The seniors perform 20 hours a week of work experience, as well as receive training and support services in FS offices and on the National Forests. In addition, the FS hosts a few seniors to community organizations.

Since the 1970s, community service employment has been defined in the Regulations for OAA to include "... conservation maintenance, or restoration of natural resources...." The value of the work accomplished by SCSEP enrollees currently is $40.8 million annually. Over $20 million benefits the recreation program. Other FS programs such as fish and wildlife, range, timber, and soil and water management also benefit.

In the absence of reauthorization of the OAA, funding for program year 1996 beginning July 1, 1996, must come from the Continuing Resolution (CR) now being finalized.

Erroneous and misleading information from a recent DOL-OIG audit was forwarded directly to Senator Kassenbaum (letter enclosed). The FS fears that our continued participation as a National Sponsor is in jeopardy. DOL and FS fully support the Administration's desire to keep the National Sponsor structure intact and to transfer the program to Health & Human Services (HHS) when reauthorized to strengthen advocacy for seniors.

Your help is needed! Language in the CR and in subsequent reauthorization of OAA must allow the FS to be a host agency as well as to subcontract with other organizations.

If the FS is dropped as a National Sponsor in program year 1996 beginning July 1, 1996, the impacts will be devastating. It will:

- o greatly impact the services provided to the public using our recreation areas and jeopardize accomplishment of the FS mission. This is magnified due to our required downsizing efforts. Also, an election year greatly increases the visibility of this program.

- o result in over 4,000 disadvantaged seniors back on the welfare roles in just a few months.

Thanks in advance for your action on this critical issue.

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(703) 235-8840

/s/ Brian Burke

Enclosure

CP
4/11/96

KA
4/11/96