

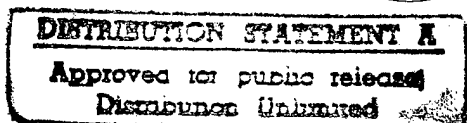
GAO

Report to the Ranking Minority Member,
Subcommittee on Civil Service,
Committee on Government Reform and
Oversight, House of Representatives

July 1997

FEDERAL WORKFORCE

Agencies' Policies and Views on Flexiplace in the Federal Government



19970821 047

DTIC QUALITY INSPECTED 3



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

General Government Division

B-272880

July 3, 1997

The Honorable Elijah E. Cummings
Ranking Minority Member
Subcommittee on Civil Service
Committee on Government Reform
and Oversight
House of Representatives

Dear Mr. Cummings:

In January 1993, the Office of Personnel Management (OPM) and the General Services Administration (GSA) issued a report summarizing the results of a pilot that began in 1990 and tested the concept of working at locations other than the traditional government office. This concept, then known as flexiplace in the federal government and telecommuting in the private sector, was tested by over 500 federal employees from 13 agencies. The report, which focused on working at home, concluded that flexiplace provided significant benefits to participants, worked well with employees who were proven performers, and was ready for governmentwide implementation.

This report responds to a request by Representative James P. Moran, the former Ranking Minority Member, that we review the implementation of flexiplace since completion of the pilot. Specifically, we agreed to (1) describe federal efforts to promote flexiplace; (2) review federal agencies' policies and the extent to which they permit flexiplace; (3) determine the extent to which federal employees have used flexiplace, as well as the characteristics of these employees and the work they have done under flexiplace; (4) ascertain whether agencies and federal employees' unions have identified any barriers that inhibit flexiplace implementation; and (5) determine whether agencies believe that flexiplace has caused operational difficulties, including abuse of flexiplace.

Scope and Methodology

The term "flexiplace" was initially coined during the pilot as an abbreviation for "flexible workplace." Since the completion of the flexiplace pilot, OPM has adopted the term "telecommuting" to define workplace arrangements that allow an employee to work away from the traditional work site, either at home or at another approved alternative location. Although the terms "flexiplace" and "telecommuting" are often used interchangeably, for the purposes of this report, we use the term

flexiplace only when describing work arrangements that are consistent with OPM's definition. We found this restrictiveness to be necessary because some federal officials attach a meaning to the term telecommuting other than that which is contemplated by OPM's definition. The other meaning attached to the term involves traditional management decentralization initiatives, such as the establishment of local offices that produce benefits (including improved customer services and satisfaction) without necessarily being more geographically convenient to the employees providing the services.

In developing this report, we obtained general information on flexiplace policies and views on flexiplace use from officials in the 17 departments and independent federal agencies¹ with the greatest numbers of employees. Collectively, these departments and agencies employ about 95 percent of federal employees. From these 17 departments and agencies, we then judgmentally selected 5 departments and 3 independent agencies for a more detailed review, which forms the basis of this report. Our intention in selecting this sample was to include departments and independent agencies that (1) employed a large number of federal civilian personnel, (2) varied in the nature and extent of their experience with flexiplace, and (3) permitted examination of any variances in flexiplace policies and efforts to promote flexiplace. We did not attempt to determine, however, the extent to which flexiplace arrangements could or should have been undertaken or the effectiveness of existing arrangements. Because we did not use a representative sample, the results of this review cannot be projected to the entire federal workforce.

We identified and analyzed 21 policy documents from the departments and agencies selected and visited and interviewed agency officials in 26 locations, mostly in agencies' headquarters and in their field offices in Denver and San Francisco. The agency officials we interviewed were either flexiplace coordinators or other personnel knowledgeable about flexiplace in their agencies, and they predominantly worked in human resources departments, although a lesser number were program or office managers. During these interviews, we gathered information on the extent of flexiplace use, agencies' identification of barriers to implementing flexiplace, and agency officials' views on operational difficulties attributable to flexiplace. We did not seek to question or verify either the

¹For the purpose of this report, the term "department" refers to cabinet level organizations within the executive branch, such as the Department of Transportation (DOT) and the Department of Labor (DOL). "Agency" refers to either the next organizational subdivision within these departments, such as the Federal Highway Administration within DOT, or an independent agency within the executive branch, such as the Environmental Protection Agency (EPA).

perceptions held by agency officials or the data provided on the use of flexiplace. In addition, we interviewed nine union representatives to solicit their views on flexiplace, and interviewed OPM, GSA, and DOT officials in Washington, D.C., to identify federal efforts to promote flexiplace. We also visited telecenters (which are facilities for use by the employees of many agencies as alternative work sites) in Virginia and California. Appendix I describes in detail the objectives, scope, and methodology of our review.

Our review was conducted from June 1996 to May 1997 in accordance with generally accepted government auditing standards. We provided a draft of this report to the heads of the departments and agencies discussed in this report for their review and comments. Their comments are summarized at the end of this report.

Results in Brief

OPM, GSA, and DOT have assumed lead roles in promoting flexiplace. OPM promotes awareness of flexiplace, provides guidance on its implementation, and distributes the results of its research on flexiplace. GSA manages and markets federal telecenters. In addition, DOT and GSA provide leadership for an interagency working group formed as part of the National Telecommuting Initiative Action Plan in January 1996. A goal of the plan is to increase the number of federal flexiplace participants by the end of fiscal year 1998 to 60,000, or about 3 percent of the federal civilian workforce, a percentage roughly equivalent to conservative estimates of telecommuting in the private sector. DOT also promotes flexiplace and distributes flexiplace literature to the general public as part of its effort to decrease transportation-associated congestion and pollution.

The 21 policies we reviewed varied in their coverage, generally applying to personnel within individual departmental and independent agencies, one or more federal regions, or specific Department of Defense (DOD) locations. Although none of the five departments we contacted had blanket written policies that covered all employees in all geographic locations, five agencies within three departments and two independent agencies we contacted had such agencywide policies.

About half of the nearly 99,100 employees at the locations we visited were covered by formal flexiplace policies. Because of limitations within these policies, however, about 28,000 of the employees covered by flexiplace policies were, in effect, excluded from flexiplace participation. Limitations restricted participation to the medically disabled or members of a certain occupation. In contrast, despite the absence of formal policies at five

locations we visited, some of the managers there permitted flexiplace. This resulted in the majority of the employees at these locations who were not covered by a policy, in effect, having the potential to participate in flexiplace.

Flexiplace use appears to have increased since OPM's 1993 estimate of 3,000 to 4,000 participants. A survey completed in July 1996 by the President's Management Council (PMC)² estimated that there were 9,000 telecommuting participants. This number included participants who would fit within a broader definition of telecommuting, but on the other hand, it did not include all participants that would meet OPM's definition. Aside from the PMC estimates, at the 26 locations we visited, agencies estimated that about 4,700, or nearly 5 percent of their employees, participated in flexiplace. We did not determine whether the flexiplace arrangements we observed represented the universe of available opportunities or whether they were effective.

Agency officials told us that most flexiplace participants' occupational categories were professional in nature, such as engineer, attorney, management and program analyst, and computer specialist. Officials reported the use of both regularly scheduled and episodic flexiplace—the latter for completing short-term project-based work. According to agency officials, writing, reading, telephoning, and computer work were the most common tasks performed by flexiplace participants.

Agency officials and union representatives identified management resistance as the greatest barrier to implementing flexiplace programs. They reported that many managers had to see their employees to believe they were working, as opposed to managing by results. They also recognized that some jobs do not lend themselves to flexiplace arrangements and cited other barriers, such as a lack of computers at alternative work sites, the handling of sensitive data, employee reluctance or indifference with regard to participation, and the lack of a formal flexiplace policy.

Agency officials believed that few operational difficulties arose from flexiplace. They cited only a few isolated instances of abuse of the

²The PMC was established in 1993 to advise and assist the President and Vice President in ensuring that the reforms adopted as a result of the National Performance Review (a study that recommended ways to eliminate unnecessary bureaucracy and improve customer service to taxpayers) are implemented throughout the executive branch. This council is chaired by the Deputy Director for Management of the Office of Management and Budget, and members include the chief operating officers of 18 executive branch agencies, the Director of OPM, the Administrator of GSA, the Secretary of the Cabinet, and other officials as designated by the President.

program. One official said that the use of flexiplace caused a drop in productivity, while several others believed productivity increased as a result of flexiplace. Similarly, agency officials cited few problems with contacting flexiplace participants at alternative work sites or coordinating their schedules, and these problems were subsequently solved.

Background

No specific statute exists that explicitly authorizes or forbids flexiplace. OPM has administratively determined that agencies can develop and implement flexiplace programs. President Clinton has also encouraged agencies to develop family-friendly programs, including flexiplace, through memorandums addressed to the heads of executive agencies in 1994 and 1996.

OPM and GSA established instructional guidelines in 1990 to assist agencies in implementing flexiplace programs. These guidelines recommended that an agency should first identify reasons for establishing a program, and that program benefits should accrue to both the employer and the employee. According to OPM and GSA, reasons for agencies to establish flexiplace programs include improved recruiting and retention of employees, increased productivity, and a reduced need for office space. Reasons for employees to participate in flexiplace include the opportunity to reduce commuting time; lowered personal costs in areas such as transportation, parking, food, and wardrobe; improvement in the quality of worklife and morale accruing from the opportunity to balance work and family demands; and removal of barriers for those with disabilities who want to be part of the workforce. OPM and GSA guidelines stressed the fact that flexiplace is not a substitute for child care because young children can frequently produce distractions that prevent the successful completion of work at home.

OPM updated the 1990 guidelines in 1993. In this update, OPM asserted that flexiplace is a management option rather than an employee benefit, and that flexiplace should be voluntary and should not change the terms and conditions of employment. OPM recommended that agencies develop written policies and procedures, appoint a flexiplace coordinator, conduct training sessions for flexiplace employees and their supervisors, and establish written work agreements that schedule flexiplace episodes. Although flexiplace is a management option, OPM recognized that under 5 U.S.C. Chapter 71, labor unions representing employees have the right to negotiate on the manner in which flexiplace programs are implemented and on the impact of programs on employees.

OPM cautioned agencies that the nature of the work, together with the characteristics of both the employee and supervisor, must be suitable for flexiplace. OPM defined suitable work as tasks that can be conducted independently of the work location for at least part of the week. Work that requires extensive face-to-face contact, according to OPM, is generally unsuited for flexiplace. OPM also said that employees who participate in flexiplace programs should be well organized, highly disciplined self-starters who require little supervision and who have received at least fully successful ratings. OPM recommended that supervisors should be comfortable with managing by results rather than by observation.

Federal Efforts to Promote Flexiplace

Since its January 1993 report on the results of the flexiplace pilot, OPM has continued to promote flexiplace to other federal departments and agencies. OPM maintains a Work and Family Program Center to promote flexiplace awareness by publishing leaflets on flexiplace resources, writing about flexiplace in newsletters, operating a computer bulletin board to disseminate and exchange flexiplace information, and offering workshops on flexiplace. OPM has also published descriptive brochures on flexiplace, continues to make available to federal agencies the results of the flexiplace pilot, and has recognized other agencies with awards for promoting work and family programs, including flexiplace. In addition, OPM has disseminated information through direct mailings to personnel directors and heads of executive departments and agencies.

Also since 1993, GSA has promoted flexiplace through the establishment, management, and marketing of facilities that provide alternative office settings for federal employees who would otherwise travel longer distances to work. These facilities, known as telecenters, are equipped with modern workstations, telephones, computers, modems, and facsimile machines, and are generally shared by employees of multiple agencies. Initially established in Maryland and Virginia by fiscal year 1993 appropriations, federal telecenters were also established in Oklahoma City; Seattle; Chicago; Atlanta; Charles Town, West Virginia; and a number of northern and southern California communities. GSA has also established partnerships with local and municipal governments to arrange for the use of their telecenters by federal employees. A more detailed discussion of federal telecenters appears in appendix II of this report.

Flexiplace gained additional promotional emphasis in 1993 as a result of a National Performance Review recommendation that the President issue a directive requiring agencies to implement flexiplace policies. The

President's July 1994 memorandum to the heads of executive departments and agencies had a family-friendly focus and encouraged these departments and agencies to develop flexible work arrangements, including flexiplace, and to adopt appropriate policies. Through a similar memorandum in 1997, Vice President Gore also encouraged agencies to increase opportunities to telecommute.

Federal efforts to promote flexiplace were also linked to the Climate Change Action Plan issued by the President and Vice President in October 1993. The plan was, in part, a response to the threat of global warming and outlined directives aimed at decreasing U.S. greenhouse gas emissions, including transportation-associated pollution. One of these directives instructed DOT to implement a federal flexiplace pilot project with the goal of inducing 1 to 2 percent of federal employees to work at home at least 1 day per week. Since the plan's inception, DOT has promoted flexiplace by publishing and distributing information to the public on flexiplace and by assisting GSA and the PMC in their efforts to promote flexiplace.

In response to the Climate Change Action Plan, the PMC developed the National Telecommuting Initiative Action Plan in January 1996. The plan, developed by an Interagency Telecommuting Working Group cochaired by DOT and GSA, calls for increasing the number of federal telecommuters to 60,000 by the end of fiscal year 1998. This goal represents about 3 percent of the federal civilian workforce, a percentage roughly equivalent to conservative estimates of participation in the private sector. The plan is a multiphased project that calls for estimating current telecommuting participation, assessing logistics, promoting telecommuting, and implementing programs and pilots. Other members of the Working Group are the Departments of Agriculture (USDA), Defense, Education, Energy, Health and Human Services, the Interior, State, and Veterans Affairs; and EPA, Small Business Administration, Social Security Administration (SSA), and OPM.

In June 1996, President Clinton issued a memorandum to heads of executive departments and agencies reaffirming his commitment to federal telecommuting usage. He also adopted the PMC's national goal of achieving 60,000 federal telecommuters by the end of fiscal year 1998 and directed executive departments and agencies to review, develop, utilize, and expand opportunities for telecommuting so that the PMC's goal would be attained.

Flexiplace Coverage Varied by Organization

The 21 flexiplace policies we reviewed generally applied to employees in individual departmental or independent agencies, or in specific federal regions or locations, rather than to all employees in a department. About one-half of the employees at the 26 locations we visited were covered by flexiplace policies, but the majority of covered employees were in effect excluded from participating by some type of limitation in the policies. Some policies limited participation to employees who were medically disabled or in a specific occupation. In addition, policies generally prescribed the type of work to be done as tasks which could be performed away from the office and which were quantifiable or measurable.

Most Policies Covered Offices in Specific Federal Regions or Locations

Most of the policies we reviewed varied in their coverage. Of the 21 policies we reviewed, 14 applied to personnel either within (1) headquarters, (2) a specific federal region, (3) more than one federal region, or (4) specific DOD locations. In headquarters, for example, DOL's policy covered only selected Local Union 12 bargaining unit employees, within a flexiplace pilot, who worked in the Washington, D.C., area. Also, only EPA employees working in offices within federal regions 8 and 9 were covered by the EPA's federal region 8 and 9 policies, respectively. In contrast to EPA's regional policies, the DOT Office of Motor Carriers' policy covered employees in offices within all federal regions. In addition, the Naval Air Weapons Center's policy that we reviewed applied only to employees working at the Point Mugu, California, location. These 14 policies are described in tables III.2, III.3, III.4, and III.5.

Although none of the policies were departmentwide in coverage, five agencies within three departments and two independent agencies had agencywide policies that covered all their employees in all geographic locations. These agencies were the Federal Aviation, Federal Highway, and Federal Railroad Administrations within DOT; the Natural Resources Conservation Service within USDA; the Defense Finance and Accounting Service within DOD; GSA; and SSA. These seven policies are described in table III.1.

Policy Limitations Affected Flexiplace Participation

Although about 47,000 (47 percent) of the nearly 99,100 employees at the 26 locations we visited were covered by formal flexiplace policies, about 28,000 of these employees were in effect excluded from participation because of limitations within policies. For example, two of the policies we reviewed limited flexiplace participants mainly to medically disabled employees, which in effect excluded most employees covered by the

policy from actually participating at any given point in time. To illustrate, of the estimated 4,000 employees in Denver who were covered by the Defense Finance and Accounting Service's policy, 3 individuals who were disabled were allowed to temporarily work at home for periods during 1994 to 1996. Similarly, according to agency records, fewer than 25 of the 13,305 SSA headquarters employees participated under the flexiplace policy that limited participation to those with certain medical conditions.

In addition, one policy that we reviewed limited participation to employees in a specific occupation. The memorandum of understanding between the National Treasury Employees Union (NTEU) and SSA management limited participation to attorney advisors in SSA's Office of Hearings and Appeals.

In the five locations we visited that had no formal flexiplace policies, the majority of the employees nevertheless had the potential ability to participate in flexiplace arrangements. For example, approximately 6,000 EPA headquarters employees were not covered by a formal policy because their unions had not yet approved management's draft policy. Agency officials told us, however, that they generally allowed flexiplace participation and that about 50 headquarters employees occasionally worked at home under guidelines from a previous pilot. In contrast, about 4,662 employees in three of the five locations that were not covered by flexiplace policies worked in offices where agency officials said they generally did not permit employees to participate in flexiplace.

Flexiplace Policies Generally Prescribed Types of Work and Work Arrangements

In addition to containing restrictions that excluded employees from participating in flexiplace, most agency policies specified the type of work employees could perform while on flexiplace and the types of work arrangements that were permissible. Ten of the policies we reviewed specified the type of work that could be done while on flexiplace as tasks that could be accomplished away from the traditional office. In addition, 6 of these 10 also specified that work had to be quantifiable or measurable.

Nineteen of the 21 policies we reviewed also specified the nature of flexiplace arrangements permitted. GSA and EPA recognized two basic types of arrangements: regular flexiplace, in which employees are to work a certain number of regularly scheduled days each week at an alternative workplace, and episodic flexiplace, in which employees are to work away from the office on a temporary basis for short periods of time to complete discrete projects. Twelve of the policies we reviewed permitted only

regular flexiplace, while two policies allowed only episodic flexiplace, and five policies permitted both regular and episodic flexiplace. About an equal number of agencies reported that their personnel participated in episodic arrangements as opposed to regular arrangements, despite fewer policies permitting episodic flexiplace.

Extent of Flexiplace Usage

The PMC estimated that about 9,000 federal employees out of approximately 2 million executive branch employees, or less than 0.5 percent, telecommuted in 1996. Although this estimate may not directly correlate with the 1993 estimated flexiplace participants, flexiplace participation does appear to have increased from the 3,000 to 4,000 estimated by OPM in 1993.

Unrelated to the PMC's estimate, agency estimates showed that nearly 5 percent of employees participated in flexiplace at agency locations we visited. Participation at these locations may have been higher than in the federal government in general because we purposely selected some locations that had active flexiplace programs.

Agency officials reported that employees used flexiplace primarily for personal benefits but also to avoid office interruptions. These employees, according to agency officials, were in professional occupations, and they carried out such tasks as writing, reading, telephoning, and working on the computer while on flexiplace.

Flexiplace Use Appears to Have Increased

A survey completed in July 1996 by the PMC's Interagency Telecommuting Working Group indicated that telecommuting had increased since the completion of the flexiplace pilot in 1993. This survey requested members of the PMC and a number of smaller agencies to estimate the number of their telecommuting participants. From estimates supplied by 33 agencies, the PMC estimated that, governmentwide, 9,000 federal employees were telecommuting.

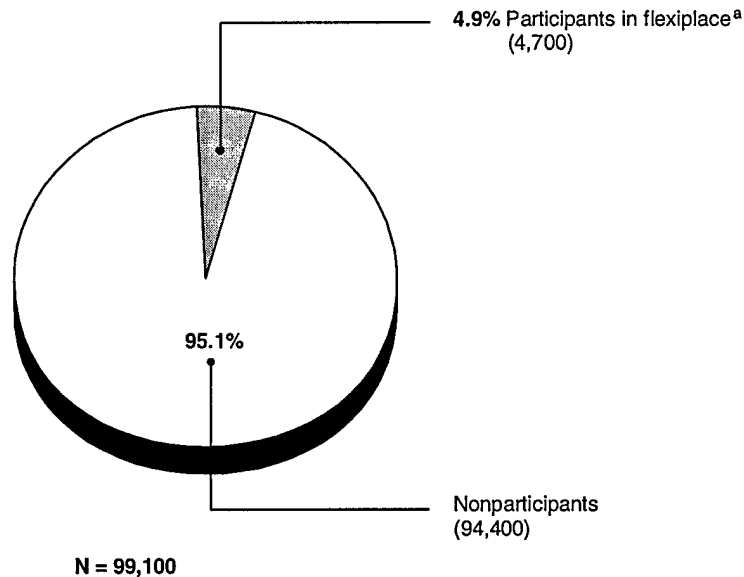
The PMC estimate included participants who would fit within a broader definition of telecommuters but did not include all flexiplace participants. For example, SSA used PMC's definition, which in some respects was broader than OPM's. Under that definition, SSA reported a total of 1,939 telecommuters, including 800 personnel working at contact stations, which are small temporary SSA offices designed to directly serve the public, and 1,000 administrative law judges who traveled to various

hearing offices. An SSA official said SSA counted administrative law judges and personnel working at contact stations as telecommuters because it considered these employees to be included in the mobile/virtual office category of the PMC's telecommuting definition. This category consists of the activities of field representatives, mobile managers, inspectors, and traveling technical support employees—those who may work in multiple locations or environments, including customer sites, hotels, cars, or at home. According to an SSA official, these employees contribute to decreasing air pollution and traffic congestion and to increasing customer service, all of which are among the goals of PMC's National Telecommuting Initiative.

Conversely, DOL did not include all flexiplace participants in the estimate it supplied to the PMC. DOL's estimate, which was used in the PMC estimate of 9,000 telecommuters, consisted entirely of 581 formal participants in 2 ongoing flexiplace pilots. Realizing that this estimate did not include a large number of field safety inspectors who were informally participating, DOL subsequently resurveyed the number of participants and determined that the total number of participants was actually 3,426.

We also asked officials at the 26 locations we visited to estimate the number of their flexiplace participants, using OPM's definition. According to the information they provided, nearly 5 percent of the approximately 99,100 employees at the 26 agency locations we visited participated in flexiplace. This information is summarized in figure 1 and presented for each of the 26 locations in appendix IV.

Figure 1: Flexiplace Participation at Locations Visited



^aParticipants include both those covered and those not covered by formal policies.

Source: GAO analysis.

Flexiplace Reportedly Associated With Various Benefits

Agency officials told us that employees' use of flexiplace arrangements had various benefits. They said that employees reported benefiting by an increase in their productivity and morale, and a decrease in their commuting time, interruptions, sick leave use, and personal costs. Some agency officials said that flexiplace resulted in a decreased need for office space, an increased ability to recruit and retain employees, lessened environmental impacts, and greater opportunities for disabled employees.

Often cited by agency officials as one of the main reasons for using flexiplace, productivity gains of professional staff are reportedly difficult to define, much less measure. Yet some organizations and some agencies we visited were able to measure productivity gains among some of their staff who used flexiplace. For data entry clerks, computer programmers, and word processors who produce measurable outputs, productivity gains in the neighborhood of 20 to 25 percent are attributed to telecommuting in the literature. Similarly, within SSA's Office of Hearings and Appeals in Salt Lake City, a manager documented a 25-percent increase in the number of

cases prepared by hearing assistants who worked under flexiplace arrangements. During OPM's pilot, supervisors reported that 39 percent of their staff on flexiplace showed improved work output, and that 10 percent or fewer showed a decrease in output. Similarly, the combined results of DOL's 2 pilots showed that 32 percent of the 238 supervisors believed that staff increased their quantity of work as a result of flexiplace, as opposed to about 14 percent who believed quantity dropped. Seventy-three percent of the 426 employees in these pilots believed their quantity of work increased under flexiplace.

Agency officials we spoke with also reported reasons cited by employees for not using flexiplace. The most common reason cited was a feeling of isolation while working at home. Other reasons agency officials reported were the perception by employees that flexiplace could be career limiting, the presence of family members at home who would interrupt their work, the lack of adequate work space at home, and a lack of self-discipline. They told us that the best flexiplace participants are disciplined self-starters who need little supervision.

Flexiplace Was Reportedly Used Primarily by Professionals

Agency officials said that most employees using flexiplace were in professional occupations. They told us that the staff members most frequently using flexiplace were employed as engineers and engineering technicians, attorneys and paralegals, program and management analysts, computer personnel, investigators, and inspectors. Agency officials also said that flexiplace was used by personnel specialists, scientists, administrative personnel, technical information specialists, contract personnel, budget and financial analysts, accountants, architects, and employee development specialists.

According to agency officials, employees reported that writing, reading, telephoning, and computer work were the most common tasks accomplished while on flexiplace. Other tasks that agency officials reported participants doing on flexiplace included analysis, reviewing and evaluating, preparing legal briefs and decisions, planning, and researching.

Management Resistance Was Cited as the Largest Barrier to Implementing Flexiplace

Agency officials and union representatives told us that management resistance was the largest barrier to implementing flexiplace programs. They explained that some managers and supervisors resisted allowing staff to participate in flexiplace because they did not believe that employees were working unless they could see them. Almost half of the agency officials and union representatives that we interviewed cited lack of adequate equipment, such as computers and dedicated phone lines in the home, as a barrier. Fewer of them identified the nature of the job and handling of sensitive data as barriers. We did not attempt to determine the accuracy or appropriateness of these views.

Management Resistance Cited Most Frequently as Barrier to Flexiplace

Management resistance has been frequently cited as an obstacle in the literature on telecommuting in the private sector, and it was recognized as a major impediment in the 1993 report on the flexiplace pilot. In their training guide for managing telecommuters, GSA and DOR pointed out that the role of management has changed from managing by observation to managing by results and that managers who resisted this change faced a major challenge in embracing flexiplace.

Agency officials and union representatives we interviewed cited management resistance as the largest barrier to implementing flexiplace programs. Management resistance was cited as the largest barrier by 16 of the 28 agency officials and 7 of the 9 union representatives we interviewed. All but nine of the agency officials and all but two of the union representatives we interviewed said that management resistance was a problem in implementing flexiplace programs.

Because OPM recommended that flexiplace participants be self-starters who need little supervision, several agency officials questioned why managers were resistant. They said that the behavior and work ethic of employees did not change when they worked at home, so managers should not worry about their ability to supervise these employees while they were on flexiplace. In the surveys of supervisors participating in DOL's 2 flexiplace pilots, 77 percent of the 237 respondents reported that supervising an employee on flexiplace was about the same as, or compared favorably with, supervising the same employee prior to flexiplace.

Several agency officials told us they had had success in overcoming management resistance by training supervisors or by exposing them to flexiplace arrangements. Supervisors in the DOL pilots mentioned earlier

were both trained and exposed firsthand to flexiplace, and 73 percent of them said that they would want their staff to continue working under a flexiplace arrangement if given the opportunity.

Other Barriers to Implementing Flexiplace Also Cited by Agency Officials

Although never cited as the largest barrier to implementing flexiplace, a lack of adequate equipment was identified as a barrier by 12 of the 28 agency officials and 4 of the 9 union representatives we interviewed. Agency officials said that budgetary constraints prevented them from buying computers and modems for flexiplace participants and from installing secondary phone lines in their homes for accessing the agency's local area network. Some agencies solved this problem in part by lending participants surplus computers and laptops.

Five of the 28 agency officials and 1 of the 9 union representatives believed that the nature of the job was a barrier to implementing flexiplace. They explained that some jobs, like receptionist and some clerical positions, required extensive face-to-face interaction with the public and with other employees and therefore were not amenable to flexiplace. Other jobs, such as air traffic controller and janitor, were site-dependent and could not be performed at alternative work sites. However, they said that most jobs had some tasks that could be performed away from the traditional office, and some managers suggested grouping these tasks into a single day to allow for a flexiplace arrangement.

Five of the agency officials and one of the union representatives we interviewed said that the handling of sensitive data was a barrier. SSA officials said that claims representatives in the Office of Operations worked daily with databases containing financial information on applicants and that they believed the public would feel uncomfortable knowing that employees were using these data at home. These officials said that the databases could be accessed securely from employees' homes, but that security measures would be expensive to install.

Barriers less commonly cited by agency officials and union representatives included lack of a flexiplace policy, burdensome paperwork, and employee reluctance or indifference. Lack of a flexiplace policy was also cited as a barrier for some of the agencies that had no policy but nevertheless had a few flexiplace participants. Burdensome paperwork, according to agency officials, was associated with participants completing flexiplace work agreements. Employee reluctance reportedly arose from employees fearing that flexiplace participants were at a disadvantage for

promotions because they were seen less in the office. Agency officials suggested these barriers could be overcome by establishing flexiplace policies, keeping associated paperwork to a minimum, and managing by results rather than by observation.

Few Operational Difficulties Were Attributed to Flexiplace

Agency officials reported few operational difficulties as a result of flexiplace arrangements. Although agency officials told us that some managers initially feared participants would abuse flexiplace arrangements, these officials reported few instances of abuse. Of the approximately 4,700 personnel who were participating in flexiplace at the office locations we reviewed, agency officials mentioned only 6 definitive instances of abuse. Similarly, few problems with contacting employees, securing their attendance for important meetings, or coordinating employee coverage of the office at critical times were reported. Only one agency official said that productivity decreased as a result of flexiplace, whereas, as discussed previously, several officials believed that productivity increased.

The majority of these agency officials were flexiplace coordinators within human resource departments and office or program managers. Due to time constraints, we did not contact individual supervisors who would have had more direct experience with supervising employees participating in flexiplace arrangements.

Agency Comments

The Departments of Agriculture, Defense, Housing and Urban Development (HUD), Labor, and Transportation, as well as EPA, GSA, OPM, and SSA, provided oral comments on a draft of this report. The agencies generally agreed with the report's contents. GSA and SSA suggested that we point out that the PMC and OPM define telecommuting somewhat differently. We made revisions to various sections of the report to account for the different definitions. Some agencies provided comments of a technical nature, or to clarify points, which we have incorporated where appropriate.

We are sending copies of this report to Representative James P. Moran, the original requestor; the Chairman of the Subcommittee on Civil Service, House Committee on Government Reform and Oversight; other interested congressional committees and members; the Secretaries of the Departments of Agriculture, Defense, Housing and Urban Development,

Labor, and Transportation; the Administrator of the General Services Administration; the Directors of the Office of Management and Budget and the Office of Personnel Management; the Commissioner of the Social Security Administration; and other interested parties. We will also make copies available to others upon request.

Major contributors to this report are listed in appendix V. If you have any questions about this report, please contact me on (202) 512-8676.

Sincerely yours,

A handwritten signature in cursive script that reads "L. Nye Stevens". The signature is written in dark ink and is positioned above the printed name and title.

L. Nye Stevens
Director
Federal Management and
Workforce Issues

Contents

Letter	1
Appendix I Objectives, Scope, and Methodology	20
Appendix II Telecenters	24
History	24
Costs of Washington, D.C., Area Centers	25
Benefits	25
Use	26
Other Federal Telecenter Initiatives	27
Appendix III Agencies' Policies Reviewed	29
Appendix IV Flexiplace Use Reported by Agency Officials Within Locations Visited and Contacted	33
Appendix V Major Contributors to This Report	34
Tables	
Table III.1: Flexiplace Policies Implemented Agencywide	29
Table III.2: Flexiplace Policy Implemented in Headquarters	30
Table III.3: Flexiplace Policies Implemented Within Multiple Federal Regions	30
Table III.4: Flexiplace Policies Implemented Within a Single Federal Region	31

	Table III.5: Flexiplace Policies Implemented at a Single DOD Facility	32
Figure	Figure 1: Flexiplace Participation at Locations Visited	12

Abbreviations

DOD	Department of Defense
DOL	Department of Labor
DOT	Department of Transportation
EPA	Environmental Protection Agency
GSA	General Services Administration
HUD	Department of Housing and Urban Development
MOU	memorandum of understanding
NTEU	National Treasury Employees' Union
OPM	Office of Personnel Management
PMC	President's Management Council
SSA	Social Security Administration
USDA	Department of Agriculture

Objectives, Scope, and Methodology

This report responds to a request by Representative James P. Moran, the former Ranking Minority Member of the Subcommittee on Civil Service, House Committee on Government Reform and Oversight, that we review the implementation of flexiplace since completion of the 1990 to 1993 flexiplace pilot. Specifically, we agreed to (1) describe federal efforts to promote flexiplace; (2) review federal agencies' policies and the extent to which they permit flexiplace; (3) determine the extent to which federal employees have used flexiplace, as well as the characteristics of these employees and the work they have done under flexiplace; (4) ascertain whether agencies and federal employees' unions have identified any barriers that inhibit flexiplace implementation; and (5) determine whether agencies believe that flexiplace has caused any operational difficulties, including abuse of flexiplace.

The term "flexiplace" was first coined during the pilot as an abbreviation for "flexible workplace." Since the completion of the flexiplace pilot, OPM has adopted the term "telecommuting" to define workplace arrangements that allow an employee to work away from the traditional work site, either at home or at another approved alternative location. Although the terms "flexiplace" and "telecommuting" are often used interchangeably, for the purposes of this report, we use the term flexiplace only when describing work arrangements that are consistent with OPM's definition. We found this restrictiveness to be necessary because some federal officials attach a meaning to the term telecommuting other than that which is contemplated by OPM's definition. The other meaning attached to the term involves traditional management decentralization initiatives, such as the establishment of local offices that produce benefits (including improved customer services and satisfaction) without necessarily being more geographically convenient to the employees providing the services.

To obtain general information on federal flexiplace programs within the executive branch, we contacted all cabinet-level departments and independent agencies with more than 10,000 employees as of June 1995. These 17 departments and independent agencies employed over 95 percent of the federal civilian workforce. From these departments and agencies, we obtained basic information on flexiplace policies and the extent to which their personnel used flexiplace. We also obtained estimates of flexiplace participation that were collected by the PMC from its members and from a number of smaller agencies.

To describe federal efforts to promote flexiplace, we contacted and interviewed knowledgeable officials in the three agencies that we

identified as having taken the lead in promoting flexiplace. We interviewed OPM, GSA, and DOT officials in Washington, D.C.; reviewed documents they provided; and scanned pertinent electronic bulletin boards and the Internet. We also visited GSA-sponsored telecenters in Virginia and California.

We then judgmentally selected five departments and three independent agencies for a more detailed review. Because we did not use a representative sample, the results of this review cannot be projected to the entire federal workforce. The intent of our selection strategy was to obtain a mix of departments and agencies that varied in the nature and extent of their experience with flexiplace, encompassed a large number of federal civilian personnel, and permitted examination of any regional variations in flexiplace policies and efforts. We chose the Washington-Baltimore area because the headquarters of the departments and agencies we reviewed are located there and because we were told by GSA that about one-third of all flexiplace participants worked in this area. We selected San Francisco because it is the seat of federal region 9 and because of traffic and congestion problems in the city. We chose Denver because it is the seat of federal region 8 and is located in the interior of the country. The eight departments and independent agencies we selected had one or more components or offices in each of these three locations. In total, we visited 26 locations.

We chose DOD because it has the largest number of civilian personnel. We chose GSA because of its lead role in promoting flexiplace through establishing telecenters, and we selected DOT because it promoted flexiplace to reduce transportation-associated pollution. We selected DOL based on the recommendation to review its program by knowledgeable officials in GSA. We chose EPA because the agency reported having varying local policies. We also selected several agencies based on their estimates of telecommuters supplied to the PMC. We chose SSA because it reported having the largest number of telecommuters, and we selected USDA and HUD because they reported having few or no telecommuters.

To review federal policies and the extent to which they permitted flexiplace, we collected and examined written policies and guidelines from department and agency officials in headquarters and in field locations we visited. We did not examine any policies that were in draft form awaiting approval by agency officials. We reviewed flexiplace policies to determine the extent to which they addressed the types of employees allowed to participate, the types of work permitted, and the types of flexiplace

arrangements allowed. When necessary, we contacted officials to clarify policy information. Because DOT and USDA delegated policy formulation to their component agencies, we requested that they each provide policies from their two largest civilian components, which excluded DOT's Coast Guard, and from one agency recommended by department officials. In response, within DOT, we obtained policies from the Federal Aviation Administration, the Federal Highway Administration, and the Federal Railroad Administration. Likewise, within USDA, we obtained policies from the Forest Service and the Natural Resources Conservation Service. Because the Navy, one of DOD's largest employers of civilian personnel, was recommended by DOD officials for our review, we asked agency officials also to submit policies from the two other largest departments employing civilian personnel: the Army and the Air Force. Neither the Army nor the Air Force had a final departmentwide policy in effect at the time of our review. The Navy supplied policies covering the employees at two California locations that they suggested we visit.

To further describe the extent to which federal employees used flexiplace, to ascertain whether agencies identified any barriers to implementing flexiplace programs, and to determine whether agency officials believed flexiplace caused operational difficulties, we interviewed department and agency officials responsible for flexiplace oversight for each of the eight departments and independent agencies in the Washington-Baltimore area, Denver, and San Francisco. Most of these officials were flexiplace coordinators within human resource departments, but a smaller number were office or program managers. Due to time constraints, we did not survey or interview individual supervisors who may have had more direct experience with supervising employees participating in flexiplace arrangements. Also, we did not attempt to determine the extent to which flexiplace arrangements could or should have been undertaken or the effectiveness of existing arrangements. Further, we did not seek to question or verify perceptions held by agency officials or data provided on the use of flexiplace.

Within the Washington-Baltimore area, we interviewed department and agency officials with Navy, Forest Service, EPA, GSA, DOL, HUD, SSA, and DOT. In Denver and San Francisco, we interviewed or contacted agency officials in SSA's Office of Hearings and Appeals and its Office of Operations, and regional offices of HUD, GSA, EPA, the Forest Service, and the Federal Highway Administration. Because DOL had separate guidelines for flexiplace pilots in the field and in headquarters, we also interviewed the DOL flexiplace coordinator in Denver. Because the Navy had no large

facilities in Denver, we contacted the flexiplace coordinator with the Defense Finance and Accounting Service Center, the largest DOD facility in Denver. We identified large DOD facilities in the San Francisco area as possible candidates for a site visit. However, it appeared that the nature of the work done at these sites would not be conducive to flexiplace arrangements. Therefore, at the recommendation of the Navy, we visited the Naval Surface Warfare Center in Port Hueneme, California, and the Naval Air Weapons Center in Point Mugu, California.

To obtain additional information on barriers and operational difficulties, we conducted two additional interviews with knowledgeable departmental officials at DOD and USDA in Washington, D.C. We also interviewed nine union representatives with the American Federation of Government Employees and the National Federation of Federal Employees to solicit their views.

At each of the eight departments and agencies that were included in our review, we interviewed agency officials knowledgeable about the telecommuting participation estimates provided to the PMC, to determine how they were calculated. At the 26 locations we visited, we obtained the agencies' current estimates of flexiplace participation but did not verify their accuracy.

We provided a draft of this report to the Departments of Agriculture, Defense, Housing and Urban Development, Labor, and Transportation, as well as to EPA, GSA, OPM, and SSA. Their comments are discussed in the body of this report.

We did our work between June 1996 and May 1997 in accordance with generally accepted government auditing standards.

Telecenters

History

The U.S. private sector and other countries began experimenting with telecenters several years before the first federal experiments. The first neighborhood telecenter opened in France in 1981, and others opened shortly thereafter in Sweden, Switzerland, Jamaica, Japan, and the United Kingdom. These early telecenters were established to slow the pace of rural-to-urban employee migration, to foster economic development, to capitalize on lower wages and operating costs in outlying areas, and to promote a less stressful environment. In 1985, Pacific Bell established the first telecenter in the United States.

Federal telecenters were first established through appropriations for fiscal year 1993 when Congress designated \$5 million to fund telecenters in Maryland and Virginia. Telecenter sites were selected based on GSA's observation that 16,000 federal employees commuted at least 75 miles each way on congested roads in the Washington, D.C., metropolitan area. In the spring of 1993, GSA began working in partnership with state and local governments in the Washington area, and by December 1994, the Washington area had four telecenters—one each in Hagerstown, Maryland; Charles County, Maryland; Winchester, Virginia; and Fredericksburg, Virginia. These telecenters had a total of 80 workstations, 143 participants, and a 55 percent utilization rate. Twenty organizations in 10 executive branch departments and agencies used these 4 centers.

Congress continued to fund telecenters through fiscal year 1996, establishing additional telecenters in the Washington area. As of February 1, 1997, there were nine GSA-funded and leased telecenters in the greater Washington, D.C., area. According to GSA, at least eight other centers are expected to be operating in the Washington area by the end of 1997.

Telecenters in the Washington, D.C., pilot provide state-of-the-art equipment that may be better than equipment provided by employers for use at the office or at home. Equipment can include cubicles, open work areas, some private offices, facsimile and copy machines, high speed personal computers and modems, printers, separate voice and data lines, local area networks, various software packages, and voice mail. Centers often have a site manager to offer technical help to users, and some centers offer video conferencing capabilities.

Although none of the Washington area telecenters were affiliated with day care centers, eight of the nine telecenters were in close proximity to day care facilities. At least three of these telecenters were located within

walking distance of day care centers. Other day care centers were within a 5- to 15-minute drive from the eight telecenters.

Costs of Washington, D.C., Area Centers

According to a GSA official, GSA charged agencies participating in the Washington pilot a low of \$25 per month for use of a single workstation 1 day per week, to \$100 per month for use of a single workstation 5 days per week. He said that the fee covered all operating expenses except for long distance telephone charges. He also said that memorandums of understanding (MOU) were signed by participating agencies and GSA's Office of Workplace Initiatives, and that these MOUs were administered by telecenter managers. These agreements described the number and type of workstations needed by agencies, the cost and billing procedure, the hours of operation, and the equipment to be provided at the telecenter. Employee supervision was the responsibility of the employee's immediate supervisor.

A GSA official anticipated that appropriations earmarked for the Washington area telecenters will be depleted by the end of fiscal year 1999, at which time it is planned that these telecenters will be self-supporting. He said that, in the interim, the cost to participating federal agencies will rise over a 3-year period until agencies incur 100 percent of the operating costs, which are approximately \$500 per workstation per month. He said the future cost to participating federal agencies will be determined by each individual telecenter, but that this cost will be less than that for private sector participants. This official further said that, when this cost increase occurs, participating agencies will need to at least offset the increased charges by reconfiguring central office space and reducing facilities costs.

Plans also call for the centers to be opened to the general public. In 1996, Congress enacted legislation allowing for the opening of telecenters to nonfederal employees if the centers are not fully utilized by federal employees. User fees comparable to commercial rates are to be charged.

Benefits

Telecenters can be utilized by either single employers or by many employers. The single employer telecenter is used by employees of only one firm, organization, or government entity. Single employer telecenters are typically used by large organizations that wish to assume a more decentralized structure and who already have multiple facilities in which excess space is available for use as telecenters. Multiemployer telecenters

are typically used by more than one organization and can provide the opportunity for smaller organizations to participate in telecommuting without assuming the financial burden of establishing their own centers.

According to a 1994 report by the Institute of Transportation Studies, University of California, Davis,¹ in comparison to working at home, telecenters can provide greater security for confidential information and greater assurance to supervisors that employees are being productive. A telecenter coordinator said that managers who may not be enthusiastic about home-based flexiplace may be more supportive of employees working at telecenters because the setting is similar to an office environment. The report further said employers' liability for personal injury may be better controlled at a telecenter than at home. A GSA official said telecenters have safeguards to ensure a safe work environment.

A GSA interim report on federal interagency telecommuting centers² said that telecenters can provide employees an alternative office setting that is nearer their home, thereby decreasing their commuting distance. Federal employees we interviewed who favor working at telecenters over working at home cited several advantages of telecenters. These included a better separation of home and work, the ability to socially and professionally interact with other people, access to high quality telecenter equipment, and the opportunity to work in a professional atmosphere.

The University of California report said that telecenters can have community and environmental benefits as well. It said that, while home-based flexiplace requires no commuting time at all, commuting time to telecenters is less than to a central office, which reduces traffic congestion, air pollution, road repairs, and fuel consumption. The report also suggests that telecenter users can increase their support of the local economy and have more time for community involvement as a result of working in the local community.

Use

According to GSA, as of November 1996, of the 9,000 federal employees who were telecommuting, about 500 of these employees used telecenters nationwide. Of these participants, approximately 355 were in the Washington, D.C., area. Federal agencies in the Denver area reported an

¹Telecommuting Centers and Related Concepts: A Review of Practice. Institute of Transportation Studies, University of California, Davis (Davis, California: March 1994).

²GSA, Office of Workplace Initiatives, Interim Report: Federal Interagency Telecommuting Centers, March 1995.

absence of federal telecenters in Denver because their use would result in no appreciable reduction in commuting time; Denver's traffic is not as heavy as that in other major metropolitan areas, such as Washington and Los Angeles. A GSA official in San Francisco said that a shortage of federal funding has limited the establishment of telecenters in that region. A DOT official said that, in addition to this reason, interest in San Francisco telecenters has declined as the interest in home-based telecommuting has increased.

The University of California, Davis, report suggests that one reason for this minimal use of telecenters nationwide is that management does not want to pay rent for telecenter space and also maintain central office space for telecommuters. The report further suggests that this barrier could be partially overcome by eliminating permanent personal work space for groups of telecenter users and instead renting work space at a telecenter for their use on a reservation basis. A regional GSA official told us that agencies are reluctant to reduce central office space without the assurance that telecenters will survive when federal appropriations are discontinued. Another GSA official said that federal agencies may not see any cost savings until they eliminate at least 10 to 20 workstations in their central offices. He added that decreasing agencies' central office space will ensure the continuation of telecenters. He observed that this pattern of decreasing office space has existed in the private sector and has led to significant telecommuting in some major corporations. He pointed out that the latest national figures show 9 million telecommuters.

As with other flexiplace arrangements, management resistance was cited by agency officials, as well as by the University of California, Davis, report, as a common barrier to both single and multiemployer telecenters. They indicated that, because managers believed they could not effectively supervise remote employees, telecommuting opportunities were often restricted to those workers with independent and professional jobs. Some agency officials also suggested that ensuring the security of proprietary information was a barrier in considering the use of telecenters. However, the University of California, Davis, report suggests that this barrier may be overcome with advanced technology and the use of private offices or secured file cabinets.

Other Federal Telecenter Initiatives

In 1994, GSA established three emergency telecenters in Los Angeles after the Northridge earthquake, using emergency federal building funds. Three telecenters in the north and west ends of the city provided 98 workstations

so that federal workers could avoid commuting on badly damaged roads into Los Angeles. According to GSA's interim report on federal telecommuting centers, two of these centers closed at the end of 1994 due to high rental costs and low utilization.

In March 1995, PMC's National Telecommuting Initiative identified 30 additional cities for telecommuting projects based on such factors as air pollution, the potential for improved customer service, the size of the local federal community, and geography. As of February 1, 1997, 20 GSA-funded telecenters existed nationwide in cities such as Atlanta, Oklahoma City, Chicago, Seattle, and San Francisco.

GSA also developed telecenter partnerships with state agencies such as the California Department of Transportation (Caltrans) to relieve traffic congestion, conserve energy, and improve air quality in the state of California. Partners in this effort included regional transportation management authorities, local economic development offices and redevelopment agencies, state and county fairs, community colleges, and public school systems. The regional GSA office also established telecenters in vacant federal office space in the San Francisco area.

Agencies' Policies Reviewed

Table III.1: Flexiplace Policies Implemented Agencywide

Department or agency	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
Natural Resources Conservation Service (USDA)	Written policy	Managers, supervisors, and employees	Tasks that can be performed away from the traditional office; work assignments should be specific and measurable	On recurring assignments or on special occasions
Defense Finance and Accounting Service (DOD)	Written policy	Permanently or temporarily disabled employees with acceptable medical documentation	Work that requires thinking, writing, data analysis, and little face-to-face contact	Portion of work week must be spent in regular office
Federal Aviation Administration (DOT)	Handbook containing flexiplace guidance applicable agencywide, supplemented with additional guidance applicable to regional offices	Does not specify	Portable work activities that can be performed effectively outside the of office; tasks that are easily quantifiable or primarily project-oriented	Predetermined schedule identifying specific days and times; recommended to be limited to no more than 2 days per week
Federal Highway Administration (DOT)	Agency cover letter attached to departmental personnel letter, updated by memorandum and supplemented with additional guidance	Does not specify	Work that does not require participants to be in their assigned duty locations at all times; task-based work, certain compliance work	Up to the lesser of 5 days or 45 hours for task-based participants
Federal Railroad Administration (DOT)	Written policy supplemented with local guidance	All supervisors, managers, and employees at all grade levels	Specific and measurable tasks that can be performed away from the traditional office	Does not specify
GSA	Written GSA order dated 9/26/96	Does not attempt to limit types of employees, but includes employees affected by short-term injury or illness, pregnancy and paternal reasons, and an unusable office; implementation for union members is contingent upon completion of labor obligations	When telecommuting is done for infrequent periods of time, projects and assignments should have short turnaround times or require intense concentration; type of work not specified when telecommuting is done for longer periods of time	Infrequent periods of time, such as for 1 day, scheduled periods for up to 6 months; and regularly scheduled periods for over 6 months that may be extended annually
SSA	Written policy	Severely handicapped employees who have a severe medical illness or injury	Does not specify	Predetermined schedule

Source: GAO analysis of agencies' policies.

**Appendix III
Agencies' Policies Reviewed**

Table III.2: Flexiplace Policy Implemented in Headquarters

Department	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
DOL	Written guidelines for pilot	Selected Local 12 bargaining unit employees in the Washington, D.C., metropolitan area	Portable work that can be performed effectively outside of the office; tasks that are easily quantifiable or primarily project-oriented, such as reading proposals and reviews, analysis and research, writing, and computer programming	Established work schedules identifying days and times employees work on flexiplace; agreements must provide for at least 1 day per week in the office

Source: GAO analysis of agencies' policies.

Table III.3: Flexiplace Policies Implemented Within Multiple Federal Regions

Department or agency	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
DOL	Written guidelines for a pilot	Selected field positions throughout DOL in selected regions	Not specified	Established work schedule that provides for a minimum time in the office, such as 2 or 3 days per week
SSA	Written memorandum of understanding between SSA and NTEU multiregional employees	All NTEU bargaining unit employees with at least 1 year experience in their occupation	Work that can be performed at an alternative site without impairment to the mission of the agency	In accordance with a work plan that specifies days the employee will be in and out of the office
SSA	Written memorandum of understanding between SSA and NTEU Chapter 224 employees	Attorney advisors in the Office of Hearings and Appeals with at least 2 years experience who work at least 4 days per week	Does not specify	One day per week for full-time employees
Office of Motor Carriers within the Federal Highway Administration (DOT)	Written policy	Office of Motor Carriers field operations employees	Does not specify	Field workers eligible on a permanent basis, but office workers not eligible on a permanent basis; minimum duration of 6 months unless unforeseeable circumstances require cancellation

Source: GAO analysis of agencies' policies.

**Appendix III
Agencies' Policies Reviewed**

Table III.4: Flexiplace Policies Implemented Within a Single Federal Region

Department or agency	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
Forest Service, Region 2, Rocky Mountain Forest and Range Experimental Station, Fort Collins, CO	Written policy	Employees of Rocky Mountain Forest and Range Experimental Station with medical disability or disruption of normal work environment	Does not specify	Does not specify
Forest Service, Region 5	Written policy	Employees in Region 5	Does not specify	For periods of 30 days or less
EPA Region 8	Policy written in 1995 for the first year of a telecommuting program intended to be implemented over 3 years	All permanent full- and part-time employees except those on Intergovernmental Personnel Agreement assignments; SES employees only available for episodic and medical telecommuting; employees must have 1 year experience	Portable work that can be performed effectively outside of the office; easily quantifiable and project-oriented tasks; tasks that can be grouped into single blocks of time	One or 2 nonconsecutive, regularly scheduled days per week; on a project-basis for short duration (with a minimum number of days in the office each week), or on a full- or part-time basis for medical reasons
EPA Region 9	Written policy	All Region 9 employees except those on Intergovernmental Personnel Agreement Assignments, Senior Environmental Employment Program staff, and contract employees; employees must have 1 year experience	Portable work that can be performed effectively outside of the office; tasks that are easily quantifiable or primarily project-oriented; reading and writing proposals and reviews	Up to 2 regularly scheduled days per week, for short periods of time on a project basis, or on a full- or part-time basis for medical reasons
HUD, Colorado State Office	Written guidelines for pilot	All full-time employees, including managers and supervisors in the Offices of Counsel, Fair Housing and Equal Opportunity Enforcement Center, and Public Housing	Does not specify	Work at home for no more than 3 days per week with a minimum of 2 days in the office

(continued)

**Appendix III
Agencies' Policies Reviewed**

Department or agency	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
GSA Region 8	Written policy exempt from headquarters policy because Region 8 is a reinvention laboratory	Does not specify	Work that requires thinking and writing, such as data analysis, reviewing grants or cases, and writing decisions and reports; for telephone-intensive tasks, such as setting up conferences, obtaining information, following up on participants in a study; and for computer-oriented tasks, such as programming, data entry, and word processing	Predetermined schedule with part of the work week spent in the office
Federal Highway Administration (DOT) Region 9	Written policy	Region 9 Federal Highway Administration employees	Does not specify	One day per week on a long-term basis

Source: GAO analysis of agencies' policies.

Table III.5: Flexiplace Policies Implemented at a Single DOD Facility

DOD facility	Types of policy	Types of employees allowed to participate	Types of work permitted	Types of arrangements permitted
Naval Surface Warfare Center, Port Hueneme, CA	Written policy	Port Hueneme employees	Site independent work assignments that won't unduly impact work performance of other employees or the organization's mission	Up to 3 work days per week for a renewable 1-year period
Naval Air Weapons Center, Point Mugu, CA	Written policy	Point Mugu employees	Jobs that can be conducted independently of the work location for at least a portion of the week	Established work schedules that provide for minimum work time in the traditional office, such as 2 to 3 days per week

Source: GAO analysis of agencies' policies.

Flexiplace Use Reported by Agency Officials Within Locations Visited and Contacted

Agency location	Total number of personnel at location	Number of flexiplace participants	Percentage of agency personnel participating
Forest Service, headquarters (Washington, D.C., area)	677	0	0.0%
Forest Service, Rocky Mountain Region	1,632	13	0.8
Forest Service, Pacific Southwest Region	5,200	95	1.8
Navy, headquarters (Washington, D.C., area)	30,995	110	0.4
Naval Surface Warfare Center, Port Hueneme, CA	2,300	25	1.1
Naval Air Weapons Center, Point Mugu, CA	3,119	60	1.9
DOD Finance and Accounting Service Center, Denver, CO	4,000	2	0.1
EPA, headquarters (Washington, D.C., area)	6,000	50	0.8
EPA, Region 8	600	160	26.7
EPA, Region 9	850	325	38.2
GSA, headquarters (Washington, D.C., area)	5,288	160	3.0
GSA, Region 8	400	60	15.0
GSA, Region 9	1,400	65	4.6
DOL, agencies' headquarters (Washington, D.C., area)	5,316	1,047	19.7
DOL, field units	9,970	2,379	23.9
Federal Highway Administration, headquarters (Washington, D.C., area)	1,040	20	1.9
Federal Highway Administration, Region 8	305	4	1.3
Federal Highway Administration, Region 9	189	15	7.9
HUD, headquarters (Washington, D.C., area)	3,085	15	0.5
HUD, Region 8	475	5	1.1
HUD, Region 9	900	0	0.0
SSA, headquarters (Baltimore area)	13,305	25	0.2
SSA, operations, Region 8	870	1	0.1
SSA, operations, Region 9	300	1	0.3
SSA, OHA, Region 8	162	32	19.8
SSA, OHA, Region 9	707	40	5.7
Total	99,085	4,709	4.8%^a

^aFigure represents the overall percentage of employees participating in flexiplace at the 26 locations we visited.

Source: Agency officials provided the total number of personnel and the number of flexiplace participants at their locations. We did not verify the accuracy of these data.

Major Contributors to This Report

General Government
Division, Washington,
D.C.

Larry Endy, Assistant Director, Federal Management and Workforce Issues
Nancy A. Patterson, Assignment Manager
Marlene M. Zacharias, Evaluator Assistant
Thomas Beall, Technical Advisor

Denver Field Office

Ronald Belak, Evaluator-in-Charge

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000
or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

or visit GAO's World Wide Web Home Page at:

<http://www.gao.gov>

United States
General Accounting Office
Washington, D.C. 20548-0001

Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100

Official Business
Penalty for Private Use \$300

Address Correction Requested

