

Report of Hearing
Before the
Subcommittee on Social Security
Committee on Ways and Means
U.S. House of Representatives
on
Labor-Management Relations at the
Social Security Administration
July 22, 1998
(The first of three consecutive days of hearings.)

Purpose of Hearing

To review labor-management relations at SSA, focusing on non-agency activities and the accuracy and completeness with which spending on those activities is accounted for by SSA.

Members Present

Republicans: Bunning (Chairman, KY), Collins (GA),
Hayworth (AZ), Hulshof (MO), Johnson (TX),
Portman (OH), Weller (IL)

Democrats: Kennelly (Ranking, CT), Becerra (CA), Levin (MI),
Neal (MA)

Opening Statements

Chairman Bunning stated that hearings held on this subject in 1996 uncovered apparent serious ongoing abuse of official time. Studies showed that there was little accountability for the number of SSA employees spending time on union activities nor for the cost of this to the government.

Rep. Kennelly stated that labor-management relations at SSA are better today than any other time and that Partnership has led to improved customer service and productivity. The findings of the recently released OIG studies show the need for better systems to track official time but the studies did not find any actual abuse. SSA has already put in place an improved tracking system, the Official Union Time Tracking System (OUTTS).

Witness and Testimony

Testifying before the Subcommittee was James G. Huse, Jr., Acting Inspector General, Office of the Inspector General, SSA accompanied by Pamela J. Gardiner, Assistant Inspector General for Audit. Mr Huse testified about the findings of the OIG audit of official time, a survey of manager and union response on observations of the use of official time, and an evaluation report on Partnership activities conducted upon the request of the Subcommittee.

OIG found that SSA had inadequate records to assist in verifying data regarding hours spent on official time and the cost of official time. OIG found that SSA's internal controls needed to be strengthened and that since the review was completed SSA has taken action to do so.

The survey of managers and union representatives (URs) indicated that 25 percent of SSA's managers believed that there was abuse of official time but that 95 percent understood where to call about questions regarding official time and that the responses the managers received were good. Mr. Huse also reported on the problems OIG encountered with union cooperation in completing the survey.

The review of Partnership found the need for a more clearly defined meaning of the term so there could be a quantitative interpretation of the results of Partnership activities. Mr. Huse stated that both SSA and AFGE disagreed with that conclusion.

In response to questions from Chairman Bunning, Mr. Huse stated that OIG sought and received help from SSA in getting cooperation from AFGE to get the URs to complete the official time survey. However, AFGE objected to four questions on the survey.

In response to questions from Chairman Bunning, Ms. Gardiner stated that OIG could not determine a total amount of errors in the calculation of official time. They found that some components overreported official time while others underreported it. The total cost of official time to SSA is calculated by multiplying the total number of hours of official time by the average salary and benefits for an SSA employee plus any union expenses. Examples of approved uses of official time are meetings, arbitration, and grievances.

In response to questions from Rep. Kennelly, Mr. Huse stated that he would recommend that SSA expand the OUTTS system to encompass all of SSA, better define Partnership, and take action to resolve allegations of abuse of official time.

In response to questions from Rep. Collins, Mr. Huse said that it is hard to determine the value of Partnership and to measure success and failures without a better definition of Partnership.

In response to questions from Rep. Levin, Mr. Huse stated that any effort to compare the use of official time before and after Partnership was outside the scope of OIG's study.

In response to questions from Rep. Johnson, Ms. Gardiner said that in one instance OIG found that there were more URs in one component than it appeared was authorized under the collective bargaining agreement but this may have been a result of some ambiguity in the language of the agreement.

In response to questions from Rep. Neal and Rep. Weller, Mr Huse stated that the OIG was charged with studying the accounting of official time and any value judgments about the use of official time was outside the scope of the OIG mandate.

In response to questions from Rep. Hulshof, Ms. Gardiner stated that SSA was able to provide an accurate list of URs for the Council 220 survey but was unable to provide an accurate list for OIG's other survey.

In response to questions from Rep. Becerra, Mr. Huse stated that OIG did not uncover any actual incidence of abuse, only suspicions. However, this study did not call for OIG to investigate any suspicions. Mr. Huse stated that one complaint of managers is that when suspicions of abuse are reported by managers, they are never informed of the results of any investigation.

Report of Hearing
Before the
House of Representatives
Committee on Ways and Means
Subcommittee on Social Security

July 23, 1998
(The second day of the three-day hearing.)

Subcommittee Members Present

Republicans: Bunning (Chairman, KY), Johnson (TX), Collins (GA),
Portman (OH), Hayworth (AZ), Hulshof (MO),

Weller (IL)

Democrats : Kennelly (Ranking, CT), Neal (MA), Levin (MI),

Becerra (CA)

Opening Statements

Representative Kennelly said that subcommittee members should consider all sides in the issue of official time at SSA. She noted that, although union-management relationships are strained in some facilities, they are harmonious in a number of others.

Witnesses and Their Testimony

Four SSA employees appeared as a panel: John Reusing, Claims Authorizer, Division of International Operations, and Third Vice-President, American Federation of Government Employees (AFGE) Local 1923, Baltimore, Maryland; Jim Beckstrom, Computer Specialist, Office of Systems, and Co-Chair, Office of Systems Partnership Council, Baltimore, Maryland; Jim Schampers, District Manager, Waco, Texas; and Edwin M. Hardesty, District Manager, Tulsa, Oklahoma.

Mr. Reusing said that union activists in AFGE Local 1923 do not believe they are accountable to SSA management or SSA employees and there is virtually no supervision of union officers and stewards by management or union officials. He alleged widespread abuse of union official time and indicated that the union was more interested in helping its high-ranking officials than its members.

Mr. Beckstrom said that partnership has worked well in the Office of Systems and has largely allowed the union and management to reach consensus on workplace issues, such as reorganizations, that would have been contentious in the past. He noted that one of the important issues that partnership has addressed is increased communication within the workplace. He stressed that

partnership's goal is to help connect employees more closely to the mission and direction of SSA.

Mr. Schampers said that, in his view, partnership is not yet fully successful. He stated that the union indicated there could be no partnership activities at the local level. He stressed that the Agency's goal is service to the public, but the union's is union building. He described an incident of verbal abuse by a union official at the office where he works, but said the union dismissed his complaint as "robust discussion."

Mr. Hardesty outlined procedures for the approval and use of official time, noting that the procedures have worked well with respect to part-time union officials. He noted that full-time union officials are not subject to the same level of scrutiny. He said that use of agency time by full-time union officials has been the subject of allegations of abuse. However, since full-time union officials are not required to discuss the substance of their activity, Mr. Hardesty said there is no way to verify such allegations.

Chairman Bunning asked if the practice of routinely granting 4 hours to Boston region employees for Christmas shopping was common in other regions. Messrs. Schampers and Hardesty said it does not occur in their regions.

In response to Chairman Bunning's question about how union official time could be abused offsite, Mr. Reusing said that full-time union representatives can simply sign in and sign out without having to account for how the official time is used. He alleged that it was common knowledge around AFGE Local 1923 that one full time union representative was selling concessions for the Baltimore Orioles at Camden Yards on official time.

In response to Representative Kennelly's questions about whether local offices should be allowed to have partnerships, Mr. Schampers said that SSA managers are not authorized to use teams under partnership, even though his office had used them successfully in the past. He said that the concept of partnership is good, but that local input is needed to make it work properly.

Representative Hulshof cited the Office of the Inspector General's (OIG) report which stated that AFGE representatives objected to answering questions about typical activities for which official time is used. Mr. Reusing replied that the representatives probably do not know precisely how the time is used, and cautioned against giving great weight to the OIG report due to the small number of participants.

Representative Levin asked if Mr. Hardesty was sure that there is no limit on the number of union representatives in SSA. Mr. Hardesty said he was not aware of any limit, but knew that there was a limit on bank hours.

Representative Portman expressed concern about union representatives reducing the number of front line (direct service) employees available, leading to long lines and unanswered telephones. Mr. Hardesty confirmed that the 3 full time union employees in his office do not provide customer service in such instances. He said that he must use employees who would normally adjudicate claims to handle increased direct service workloads.

Representative Johnson asked if it is true that SSA managers do not know the number of union representatives. Mr. Schampers said that it was correct, pointing out that when GAO did its survey, a GAO representative told him that neither SSA management nor union officials seemed to know the number.

Representative Collins asked for examples of "deals" made between management and the union. Mr. Reusing cited an instance in which management, due to the implementation of the pass/fail rating system, wanted to raise the qualifications for certain entry-level positions to include college education. He alleged that a relative and a friend of union officials were given SSA jobs so that the union would not oppose the new requirement. Management ultimately capitulated when Mr. Reusing argued successfully that such a requirement discriminated against women and minorities.

Representatives Weller and Neal argued about the veracity of the story of the union representative using official time to work at Camden Yards. Representative Neal was questioning the allegation. Chairman Bunning said that if there is evidence of such a violation, it should be presented to OIG.

Subcommittee on Social Security
Committee on Ways and Means
U.S. House of Representatives
on
Labor-Management Relations at the Social Security
Administration

July 24, 1998

(The third and final day of hearings.)

Members Present

Republicans: Bunning (Chairman, KY), Christensen (NE),
Collins (GA), Hayworth (AZ), Hulshof (MO),
Portman (OH), Weller (IL)

Democrats: Kennelly (Ranking, CT),

Opening Statements

Chairman Bunning stated that he is deeply troubled by the numerous incidences of abuse of official time revealed during the hearings held over the past two days and that the number of allegations leads him to believe that the allegations are more than just anecdotal.

Representative Kennelly stated that the previous hearings has revealed many allegations of abuse of official time and that SSA would now be able to discuss those allegations and measures already in place, such as the Official Union Time Tracking System (OUTTS), to better track the use of official time.

SSA Witness and Testimony

Testifying for SSA was Paul D. Barnes, Deputy Commissioner for Human Resources. Mr. Barnes testified that over the past few years Partnership between SSA management and the unions has led to reductions in litigation, grievances, and unfair labor practices by creating a work environment more conducive to cooperation. The solutions developed under Partnership have dramatically helped SSA better serve the public.

In response to a number of questions from Chairman Bunning, Mr. Barnes made the following points:

- o The time-off allowed employees in the Boston Region is not for "Christmas shopping" per se but the employees are allowed two hours off to do with as they please. SSA tried to stop the practice in 1997, but as a result of a grievance filed by AFGE, an arbitrator ruled that since this leave had been a "past practice" proper notice had to be given before the practice could be ended. Therefore, the practice must continue in 1998 but will stop afterwards.

Regarding the episode of an SSA manager in Waco, Texas being threatened by a union official, that official is barred from SSA offices. However, since the union official is not an SSA employee, SSA's ability to discipline the individual was limited.

- o While the previous day's witness stated that it was common knowledge that a union representative (UR) on official time was working as a concessionaire at Camden Yards, that was the first time that he (Mr. Barnes) had heard of that allegation. Mr. Barnes stated that he immediately called OIG and requested an investigation.
- o The union does not wholly determine the location of its officers (i.e., the SSA offices to which they are assigned). The situation in the Tulsa field office is unique and is taken into consideration by SSA before determining that office's staffing level.
- o The reporting of official time requires more than simply the UR saying he or she is on union business.
- o SSA has no recommendations for the Subcommittee regarding legislative remedies in the area of labor-management relations.

In response to questions from Rep. Kennelly, Mr. Barnes stated that SSA has a "zero tolerance" for fraud and abuse. The OUTTS system has been fully operational since February 1998 and will correct many of the problems OIG found with the reporting of official time under the prior manual reporting system.

In response to questions from Rep. Christensen, Mr. Barnes stated that he did not think that Christmas shopping on the taxpayer's dollar was right but that was not the issue in the Boston region. Mr. Barnes reiterated that the practice will end but that SSA must abide by the arbitrator's decision to allow time-off before Christmas in 1998.

Rep. Hayworth questioned Mr. Barnes about the OIG surveys and the lack of union cooperation. Mr. Barnes replied that SSA worked with OIG and AFGE to increase the response rate by URs to the surveys.

Rep. Hulshof stated that as he understood it, SSA tracked the number of hours of official time but not specific activities. Mr. Barnes explained that the reporting of official time is more complicated and that the URs do have to report more than simply that they are performing a union activity.

Chairman Bunning indicated that he does not expect SSA to simply "rollover" the current collective bargaining agreement into a new¹ the progress of negotiations for a new contract. He also stated

that he is requesting an in-depth investigation by OIG of all the allegations of waste, fraud, and abuse made in sworn testimony before the Subcommittee.

Other Witness and Testimony

Witold Skwierczynski, President, National Council of the Social Security Administration Field Operation Locals, AFGE, testified that AFGE encourages the investigation of abuse but that all that was heard have been unsubstantiated allegations. He said that due to the nature of SSA's structure there is a need for many URs but that most URs average only two hours of official time per week. The Partnership program has been successful in many areas including public service, security of Social Security offices, and redesign of the disability process. SSA's URs are hard-working employees working to save taxpayer dollars.

The issue of time-off near Christmas is similar to holiday bonuses in private industry and in the past, Federal employees have been given the entire day of Christmas Eve off by the President. He stated that the facts in the Waco allegation were disputed by the union official. He also said that the main complaint that AFGE had with OIG's surveys is that the surveys should have been distributed to the URs through the AFGE national office and not directly to the URs since the surveys involved direct union information.