The new system and broad coverage examinations make feasible the application and increased use of automated procedures so that we are able to handle an increased volume of applications more economically and efficiently.

In 1966 when we first started the modernization, the examining system cost about \$16,500,000. This is our cost and the agencies cost for the old boards adjusted to today's pay rates. In 1969 when we will have a full year of operation with the new system, we have requested \$16,353,000. Although this is \$147,000 less, we expect we will need to process 2,235,000 applications as opposed to only 1,763,000 in 1966. The agencies will make about \$12,000 appointments from our lists as opposed to 294,600 in 1966 and we will answer over 6 million inquiries in contrast with the 2,800,000 we estimate were answered in 1966.

We believe the current organization for this category is effective and economical. In our continual program review and appraisal, constant attention is paid to organization structure and changes are made, where desirable.

15. Are there any outstanding GAO reports on this program? If so, what is the status of the GAO recommendations which the report contains?

None.

16. What significant problems, if any, are you facing in accomplishing the

program objectives?

A. Attracting quality candidates into competition.—Substantially full employment in the economy results in keen competition for workers. Positive efforts by our system and by the agencies is necessary to meet our needs and get our fair share of quality candidates at the college level and in shortage occupations and skills.

B. Time lag in the examining process.—Merit considerations in providing competition for available jobs requires time to complete the examining process, particularly when written tests are involved. We must constantly work to collapse the time between application receipt and referral of candidates to meet the desire of the applicant for a speedy determination of eligibility and the need of the employing agency for candidates currently in the employment market.

Seasonal peaks.—We have an obligation to provide competition when the applicant is ready to work and a need to be in the market when the best quality and quantity of candidates are available. As a result, we have workload peaks in the spring when job seekers from the educational systems come in the job market. This requires constant management effort to control work and staff to avoid

excessive backlogs or time lags.

D. Measurement and evaluation.—Our program deals with people—their knowledges, skills, abilities, and interests. Evaluation of these factors requires objective, equitable measures which enjoy the confidence of those evaluated and which can be used with reasonable economy. Continuous effort, investment of resources and applied research to measurement methods is necessary to make sure our procedures accurately predict good performance on the job and at the same time provide opportunity for the citizen to demonstrate his potential and satisfy his desires for a worthwhile career.

17. Do you administer any grants, loans, or other disbursed funds related to this program? If so, is the size of your administrative staff commensurate with

the magnitude of the outlays? No.

18. If your appropriations were reduced, how would you absorb the cutby an overall reduction or by cutting or curtailing certain activities?

A. Less frequent examinations would be held by having fewer open periods. Lists of eligibles would be used for longer periods before replenishment. This would result in forcing agencies to employ persons on lists even though better persons may be available in the labor market.

B. Some blocks of positions would be eliminated from examination coverage. Agencies would then make appointments outside the list without competition.

C. Public services would be reduced by limiting information service and by limiting or eliminating positive help to citizens on job counseling.

D. Greater use of more arbitrary, but less expensive, measurement methods such as an exclusive use of a written test for ranking purposes in those cases where we now use experience and training in combination with a written test.

19. If additional funds were available, what would you do with the new money? A. Additional resources would be applied to more frequent examinations open for longer periods of time and which would provide full coverage of all occupations and grades. Resources could be applied to achieve the ideal system which would permit a qualified citizen to apply for any job at any time he is available.