A total of 563 employees are engaged in retirement and insurance operations. Of these 65 perform administrative, program direction and technical duties; 112 are adjudicators and claims examiners; and 386 are in clerical categories.

8. What is the grade structure and how many supergrades—quota and non-quota—are involved?

There are five supergrades in this program, of which four are under quota and one, a GS-18, is nonquota. The distribution of the grade structure is as follows:

GS-18	1
GS-17	1
GS-16	3
GS-15	10
GS-14	9
GS-13	15
GS-12	15
GS-11	22
GS-10	14
GS-9 (and below)	471
Wage Board	2
Total	563

9. What capital equipment, such as ADP, if any, do you rely upon to fulfill this program?

Automatic data processing support activities are provided on a centralized basis. The Commission recently acquired an RCA Spectra 70 computer system. A battery of auxiliary equipment, including add-punch and card-punch machines, completes the data processing support needed for this program. Insofar as the currently planned use of ADP in this program is concerned, a substantial number of applications are expected to be implemented on the new computer system by the fall of 1968. A number of subsystems, expansions, and refinements will be incorporated as soon as feasible thereafter.

10. Do you expect the expenditures or the benefits of the program to grow appreciably in the future?

Administrative expenses are expected to continue at about the same or a slightly higher level in the future. Benefit payments will grow in future years, reflecting cost-of-living increases and the larger number of annuitants receiving benefits.

11. At what level are the personnel responsible for the various parts of the program coordinated to determine if the program as a whole is being efficiently carried on?

Program coordination for the efficient conduct of retirement and insurance operations is performed at the Bureau Director and Bureau Deputy Director level.

12. Is there a continual program review within the agency, other than the annual budgetary review, to determine more effective and efficient ways to achieve these program objectives?

In addition to a comprehensive internal audit program with reviews of management and organization throughout the Commission, the retirement and insurance program conducts a continuing internal improvement program.

13. To your knowledge, does this program duplicate or parallel work being done by any other agency?

We know of no duplicate or parallel work in another agency which would administer the retirement and insurance programs for Federal employees.

14. Is your organizational structure such that the program is being carried out most efficiently and effectively?

To our knowledge the Commission's current organization is best suited to conducting this program in an effective and efficient manner.

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

Status of GAO recommendations, see hearing transcript.

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

There is one significant problem facing us with respect to accomplishing program objectives. That is "Retirement funding and financing." Congressional action