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Research Bulletin

A Publication from INPUT's Federal Information Technology Market Program

Agency Profile—Department of Labor

Mission

The Department of Labor is responsible for fostering, promoting and developing the welfare of wage earners in the United States. Activities it engages in include improving conditions in the workplace, advancing worker opportunities for gainful employment and providing and enforcing regulations to protect worker rights. Further, it collects and publishes statistics on employment, pricing and other national economic measurements.

Organization

The Department is administered by a cabinet-level secretary whose headquarters office is located in Washington, D.C. Each of the major program offices is also headquartered in D.C. Only 37% of Labor's 18,500 employees are located in the headquarters location. Exhibit 1 shows the organizational structure of the agency. In addition to major labor program offices, several federally aided corporations are funded in part through the Department's budget.

Departmental Programs

a. *Occupational Safety and Health* - Conducts investigations and inspections to determine the status of compliance with safety and health standards.

b. *Employment and Training* - Various specific programs relate to employment services, job training and unemployment insurance.

c. *Labor Management Standards* - Administers provisions of the Labor-Management Reporting and Disclosure Act. Activities affect labor organizations in the private sector, postal service employees and federal civil service employees. Through technical assistance, seeks voluntary compliance with laws and regulations dealing with standards of conduct.

d. *Labor-Management Relations* - Offers information and technical assistance services to employers, unions and academics to improve industrial relations.

e. *Mine Safety and Health* - Develops mandatory safety and health standards and investigates accidents to assure effective mine safety.

f. *Pension and Welfare Benefits* - Regulates administrators of private pension and welfare plans. Conducts research, develops policy and provides technical guidance concerning Employment Retirement Income Security Act (ERISA).

Exhibit 1

Department of Labor Organizational Chart

Program Offices

- Occupational Safety and Health Administration
- Employment and Training Administration
- Office of Labor Management Standards
- Mine Safety and Health Administration
- Pension and Welfare Benefits Administration
- Veterans' Employment and Training Service
- Employment Standards Administration
- Bureau of Labor Statistics
- Women's Bureau
- Bureau of Labor-Management Relations and Cooperative Programs
- Bureau of International Labor Affairs
- Regional Offices

Staff Offices

- Administration Staff Offices
- Appellate Boards

Regional Offices

- | | |
|---|--|
| <ul style="list-style-type: none"> - I. Boston, Massachusetts - II. New York, New York - III. Philadelphia, Pennsylvania - IV. Atlanta, Georgia - V. Chicago, Illinois | <ul style="list-style-type: none"> - VI. Dallas, Texas - VII. Kansas City, Missouri - VIII. Denver, Colorado - IX. San Francisco, California - X. Seattle, Washington |
|---|--|

Source: INPUT

g. *Veterans Employment and Training* - Administers veterans' employment and training programs through a nationwide network of regional administrators.

h. *Employment Standards* - Programs deal with minimum wage and overtime standards, registration of farm labor contractors and determining prevailing wage rates for federal contracts.

i. *Labor Statistics* - Programs collect, process, analyze, and disseminate data relating to

employment, unemployment and other characteristics of the labor force.

Program Budget

Overall program operational (non-IT) spending shows a modest increase through FY 1994, as reported in this year's *Budget of the United States Government*. Exhibit 2 shows the trend in budgeted program obligations. Overall information technology spending is expected to increase steadily through FY 1998 (Exhibit 3).

Exhibit 2

Department of Labor Program Budgets

Program	FY1992 Actual	FY1993 Estimated	FY1994 Estimated
DOL Management	141	142	142
Employment and Training Admin.			
JTPA	4,511	5,390	6,867
Community Services	395	422	421
Unempl. Benefits	226	190	149
Labor Management Standards	31	27	27
PWBA	62	64	64
PBGC (1)	-	-	-
Employment Standards Admin.	1,355	1,862	1,944
Occup. Safety & Health Admin.	297	288	294
Mine Safety & Health Admin.	182	191	192
Bureau of Labor Statistics	251	275	280

Figures in \$ Millions

Note: (1) Operates through non-appropriated funds.

Source: Budget of the United States Government: Fiscal Year 1994, April 8, 1993.

Information Technology Budget

The Department continues to invest in hardware. Most other dollars are spent on commercial services to support applications development and outsourced management and operations. New applications are developed on networked microcomputer-based processors. A major effort is underway to automate standard forms to facilitate internal transaction processing and to improve standard forms and data interactions with the Internal Revenue Service. In examining its records management

requirements, the Department is examining the potential for CD ROM as an appropriate tool for archiving and storing data for Labor's broad customer base.

Major Information Technology Acquisition Plans

The following major (life cycle costs exceed \$5 million) program activities have been identified by INPUT through agency planning documents and information technology budget submissions.

Exhibit 3

Labor Information Technology Budget

	FY1993	FY1994	FY1995	FY1996	FY1997	FY1998
Capital Investments						
Purchase of Hardware	7.8	8.1	8.3	8.6	8.9	9.3
Purchase of Software	1.0	1.1	1.2	1.2	1.3	1.3
Site or Facility	.2	.2	.2	.2	.2	.3
Personnel	42.2	44.5	43.7	42.9	41.9	40.6
Equipment Rental, Space, and Other Operating Costs						
Lease of Equipment	.3	.4	.4	.4	.4	.4
Lease of Software	.5	.5	.5	.4	.4	.4
Space	7.0	7.2	7.3	7.4	7.5	7.6
Supplies & Other	4.0	4.2	4.6	4.9	5.1	5.2
Commercial Services						
ADPE Time	8.4	8.9	8.8	8.6	8.4	8.1
Leased Voice Telecomm.	2.3	2.4	2.9	3.5	4.1	4.8
Leased Data Telecomm.	2.5	2.6	2.7	2.7	2.9	3.1
Operations & Maintenance	36.0	37.1	37.2	37.6	38.5	39.9
Systems Anal./Prog./Dsgn./Eng.	26.5	27.4	30.5	32.9	35.7	38.5
Studies & Other	2.5	2.5	2.3	2.2	2.2	2.2
Significant Use of Info. Tech.	0	0	0	0	0	0
Total Obligations	141.0	147.1	148.0	151.2	155.0	158.8

All figures in \$Millions

Source: Labor, INPUT

a. *Black Lung Automated Support System (BLAS)* - Provides data processing and related support services to the Coal Mine Workers' Union.

b. *Federal Employees' Compensation System (FECS)* - Provides hardware and support services for ongoing operations as well as design, programming and hardware for the planned replacement systems in the Employment Standards Administration.

c. *Employment Retirement Income Security Act (ERISA) Form 5500 Processing System* - Provides data processing support to the Pension and Welfare Benefits Administration.

d. *Remote Batch and Teleprocessing Services Contract* - Provides time sharing services for

the data processing required for the Consumer Price Index (CPI), Employment Cost Index (ECI), Consumer Expenditure Survey (CES) and other programs.

e. *BLS Communications Network* - Provides computer and telecommunications equipment and services enabling the Bureau of Labor Statistics headquarters to maintain data transmissions with the eight BLS regional offices.

f. *ADP Services* - Provides ADP support services to the administrative staff offices of the Department.

g. *Host Computer Services* - Provides host computer services and batch processing to the Department.

Exhibit 4

Department of Labor Contracts

Program	Type	Status/Size	Comment
1. Facilities Management Services	Outsourcing Services	Source \$12M Select. 5 yrs.	Includes management and personnel to perform computer center operations, production control operations, help desk support, and systems software support and LAN maintenance for the Pension Benefit Guaranty Corporation (PBGC).
2. Black Lung Automated Support System	Professional Services	Awarded \$50M 4 yrs.	Facilities management & operations of the BLS. Held by Computer Sciences Corp.
3. Host Computer Services	Timesharing Services	Awarded \$10M 5 yrs.	Provides host computer and interactive and batch processing services are being provided by SunGard Computer Services
4. Technical Support Services	Professional Services	Awarded \$26M	Provides programming, support analysis, 3yr and data management support to the Employment Standards Administration. Computer Data Systems, Inc.
5. Unemployment Compensation Program	Professional Services	Awarded \$29M 1 yr.	Provides ADP support services. SBA 8(a) contract awarded to Ellsworth Assoc.
6. Integrated Management Information System (IMIS)	Micros & assoc. hardware	Awarded \$13M 7 yrs.	Provides OSHA with microcomputers for the field offices to support the UNIX based IMIS. The current contractor is Cedar Cliff Systems Corp.
7. ADP Support Services to the Employment Standards Admin.	Professional Services	Awarded \$6M 5 yrs.	Provides network management and data processing to the Employment Standards Admin. Orkand is the contractor.

Source: INPUT

h. Integrated Management Information System - Provides continuing development of an integrated management information system to consolidate information technology processing on a single data base system and migration processing to the Host Computer Services contract.

i. Facilities Management Services - Provides the PBGC with both contractor and government personnel to support the mainframe and minicomputer data processing resources.

j. Image Processing - Provides the PBGC with electronic duplication and storage of vital and historic documents.

k. Premium Accounting System (PAS) - Automates the PBGC's premium collection function.

INPUT's Procurement Analysis Reports (PAR) program currently tracks seven active program contracts. Exhibit 4 identifies these programs and their statuses.

Current Issues at Department of Labor

The Department was protested earlier this year by one of its incumbent vendors (since 1985) for its award of the recompeted contract. The unsuccessful vendor had provided systems and network management services as well as data processing for the Labor's Employment Standards Administration. This protest is one of many throughout the government in which an incumbent lost its recompete. Vendors can not anticipate continued business with federal agencies based solely on past relationships. Lower costs, as well as past performance, drive contemporary procurements. This new contract is for five years (\$6 million), including four option years, and will deliver systems and LAN management as well as data processing services at 19 Department sites across the country.

The Department continues to take advantage of small business contracting. It recently awarded a relatively large one-year, \$29 million ADP support contract (with three one-year options) to an 8(a) firm to develop computer applications for the Unemployment Compensation Program.

Congress has identified problems in the Pension Benefit Guaranty Corporation's program to support the Employee Retirement Income Security Act (ERISA). A growing deficit of \$17.9 billion by the year 2001 had been calculated by the General Accounting Office. Resource limitations have been identified as preventing the necessary oversight and enforcement of the program. Program design has also been identified as a contributing factor in the Department's inability to control costs. While new legislation is being considered as a remedy, improved management systems have also been emphasized.

The Mine Safety and Health Administration (MSHA) has an ongoing need for alternative, tamper-resistant monitoring devices to improve the collection and measurement of respirable coal dust samples. The need for these devices was recognized in 1975 when it was discovered that coal mine operators were tampering with coal dust samples collected in their mines. Efforts to provide these devices have been hampered due to the unavailability of the necessary technology.

This Research Bulletin is issued as part of INPUT's Federal Information Technology Market Program for the information services industry. If you have questions or comments on this bulletin, please call your local INPUT organization or Bob Deller at INPUT, 1953 Gallows Road, Suite 560, Vienna, VA 22182, Telephone (703) 847-6870, Fax (703) 847-6872.