

COORDINATING REGIONAL OPERATIONS THROUGH FEDERAL REGIONAL COUNCILS

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Until federal regional councils were established to coordinate programs for assistance to state and local governments, each federal agency charged with field operations designed its own regional structure and paid little attention to other agencies dealing with similar problems. The Federal Assistance Review program was established to simplify and make more understandable the various federal systems for administering grants in aid and other assistance to state and local governments. Under this program, 10 standard regions were established, administrative headquarters were located in designated cities within these regions, and federal regional councils were established in each region. Some of the problems encountered in establishment of the councils and how these councils relate to transportation are discussed.

•AS FEDERAL PROGRAMS for assistance to state and local governments have become more numerous, their interrelationships have grown more complex and effective coordination in the field has become more essential. Yet, until recently each federal department and agency charged with field operations designed its own regional structure with little or no attention to other agencies involved in related programs. Comprehensive machinery for interagency coordination was virtually nonexistent, and it became difficult for state and local government officials and individual citizens to understand where to go or what to do when federal assistance was desired.

In March 1969, the Federal Assistance Review (FAR) program was launched, which sought through administrative measures to simplify and make more understandable the various federal systems for administering assistance to state and local governments. The FAR program established 10 standard regions, located administrative headquarters in designated cities within these regions, and established federal regional councils (FRCs) in each region. It was hoped that, being located in the same cities and concerned with administration of programs in identical regions, regional officials of the designated grant-administering agencies would achieve a degree of cooperation and program coordination previously unattainable.

DEVELOPMENT OF FEDERAL REGIONAL COUNCILS

FRCs did not emerge full grown like Athena from the brain of Zeus. Pragmatic federal field officials had tried to bring about coordination within the framework of the older Federal Executive Boards to cope with pressing urban problems involving the programs of a number of agencies. Some of the FEB Critical Urban Problems Committees began in the 1960s to show a potential for cooperative action, which attracted the attention of the Office of Management and Budget and the interest of a number of departmental headquarters. The potential of these committees was limited, however, by the largely metropolitan-area orientation and the unwieldy size of FEBs.

In the summer of 1968 the Critical Urban Problems Committee of the San Francisco FEB completed a study of federal assistance programs in Oakland, California. The study showed that both federal and local officials were ignorant of the scope and impact of federal assistance programs and recommended that the four agencies most concerned with urban socioeconomic problems form regional councils to address these problems.

Pilot regional councils were established in San Francisco, Chicago, Atlanta, and New York. These councils initially included only principal regional officials of the Departments of Labor, Housing and Urban Development, and Health, Education, and Welfare and the Office of Economic Opportunity. The participating agencies recognized the commonality of interest stemming from the social and community orientation of their programs and were pleased to have an ongoing, high-level field mechanism to aid coordinated action. They, therefore, supported extending the FRC experiment nationwide.

After meetings and discussions, the Office of Management and Budget concluded that FRC establishment should be made an integral part of the FAR program, and, in March 1969, FRCs were established in the headquarters cities of the 10 standard regions. Council membership was increased by the addition of a Department of Transportation official. In spite of the fact that it was the second largest grant-administering department, DOT encountered difficulties in securing acceptance as a regional council member because its field organization was based on the needs of its administration and DOT field officials did not represent the Secretary.

The obstacle to DOT participation was quickly overcome by establishment of secretarial representatives in each of the 10 standard regions. Although the secretarial representative was not given line authority over the regional officials of the U.S. Coast Guard and the Federal Aviation, Federal Highway, and Federal Railroad Administrations, he was made chairman of a departmental field coordination group and empowered to convene DOT regional officials to secure coordinated departmental positions on matters coming before the federal regional councils. The secretarial representative also received assistance from the Secretary and Under Secretary of Transportation and other officials in resolving matters that could not be resolved through the DOT regional officials.

In 1971, council membership was further expanded by the addition of regional directors of the Law Enforcement Assistance Administration of the Department of Justice and the Environmental Protection Agency. The councils now numbered seven members and could receive ad hoc participation from regional officials of nonparticipating agencies.

FRCs were designed to foster coordination in federal assistance programs. Although they had been mentioned in a Presidential directive, FRCs had little formal structure, they lacked staff, and there were variations in the degree of agency commitment to the council concept. Nevertheless, the councils conducted innovative experiments in integrated grant administration, initiated contacts with state and local governments, coped with various emergencies, undertook to improve common services, worked to bring about the collocation of regional offices of council agencies, and in a variety of ways provided evidence of their potential as field coordination devices. As a result of this initial experience an executive order was issued in February 1972 that provided for Presidential appointment of FRC chairmen, a more precise articulation of FRC functions, formalization of the Under Secretaries Group for Regional Operations, and specification of the roles of the Domestic Council and the Office of Management and Budget in FRC matters. A month later, the Under Secretaries Group for Field Operations issued FRC guidelines that identified the responsibilities of council chairmen, procedures for the conduct of council affairs, the means to resolve conflicts, instructions for the development of work plans, and the responsibilities of member agencies in providing staff to the councils. The combined effect of the executive order and the guidelines was to place FRCs in a more formal position in the administrative apparatus of the federal government and to enlarge the capacity of the councils to deal with field coordination problems in the administration of grant-in-aid programs.

Formal FRC chartering generated apprehension among some of the member agencies. Departments began to fear that the Office of Management and Budget would use the FRCs to oversee field operations, which would jeopardize the traditional control by departmental headquarters over their regional organizations. Through special efforts of Deputy OMB Director Frank Carlucci, who also served as chairman of the Under Secretaries Group, agency fears were ameliorated and agreement was reached on the details of both the executive order and the guidelines for the councils.

Three significant changes have been made in the organization and operation of FRCs in the 2 years since their chartering. Another executive order modified the scope of FRCs to include coordination of direct federal assistance to state and local governments as well as grant assistance. Still another executive order enlarged the membership of the FRCs to include officials of the Departments of Agriculture and Interior. DOA was added to reflect its responsibilities under the Rural Development Act of 1972, and the Department of Interior was given council membership because of its growing concern with land use planning.

The third change provided the Chicago and Denver FRCs with full-time chairmen to determine whether council performance would improve if the chairmen were undiverted by day-to-day agency responsibilities. In both of these ongoing experiments, the chairman is drawn from a member agency and is carried on the rolls of his department. In Denver, the full-time chairman is the regional director of the Department of Housing and Urban Development and, in Chicago, he is the DOT secretarial representative.

FRCs have now been in operation long enough for their effectiveness to be evaluated and for their problems to be identified. Most observers of FRCs in action feel that they have made an important contribution to the coordination of federal field programs that involve assistance to state and local governments. There is considerable disparity in the quality of performance among the councils, and there are a number of things that need to be done to increase FRC effectiveness.

One of the current needs is to clarify the role of FRCs. Originally, FRCs concentrated on improving the administration of grant-in-aid programs, and all council members were involved in assistance to state and local governments. The FRCs have tended to drift away from the coherence that characterized their early activities and to become involved in matters that could better be handled by Federal Executive Boards or other mechanisms. The more diffuse the activities of the councils become, the less commonality of interest exists among the members. The councils could evolve into something like regional Federal Executive Boards, useful as forums for discussion and exchanging information but ineffective as devices for program coordination. A rethinking of the role of the councils could lead to a reduction in the present membership, which has grown from the original five to nine.

There is also a need to strengthen the participation of some of the member agencies. If a regional council is to effectively coordinate related programs, the representatives of the departments and agencies must be able to commit their organizations to specific courses of action or, at a minimum, to secure a commitment without undue delay. Several member agencies have been characterized by decentralized management and strong regional directors. Some, however, are represented by field officials who do not have the knowledge and authority to make an effective contribution to the affairs of the council. This has been particularly true of the Departments of Agriculture and Interior, the two newest members, and to some extent of the Department of Transportation, whose secretarial representatives have only limited authority in the field.

Another prerequisite for effective regional councils is agency decentralization. This point is closely related to the need for effective agency participation. Even talented and forceful council members find it difficult to contribute meaningfully to council work if the agencies they represent have retained necessary program authority in their headquarters and have refused to delegate to field officials the authority needed for cooperative action with the representatives of other agencies.

Although decentralization has been stressed as an important management reform from the beginning of the FAR program in 1969, much remains to be achieved in several of the council agencies. HEW, which is the largest grant-administering department, has long been a laggard in achieving decentralized management, but, since March 6, 1973, HEW has been conducting an all-out effort to move authority to its field officials and to strengthen the powers and capacity of its regional directors.

Staffing arrangements have greatly improved since the early days of the councils, but much remains to be done. There has been excessive turnover in staff directors, who are usually brought in by chairmen from the staffs of their agencies. Because chairmen frequently only serve 1 year, many councils have suffered from discontinuity in staff leadership. The other professionals supplied by the member agencies for support of

council activities have occasionally lacked the competence and dedication needed for optimum effectiveness.

The councils are also heavily dependent on the personality and competence of the chairmen. Although every effort is being made to place in the chairmanship officials qualified to give the necessary leadership, there has been substantial variation in performance. As more experience is gained with the council mechanism, it should be easier to ensure that the chairmen selected are able to fill the role at the level required.

Confusion over communications with the councils and their individual members has caused unnecessary friction. Most of the departments and agencies represented on the Under Secretaries Group in Washington, which coordinates field matters falling within the jurisdiction of the councils, are concerned that the agency regional directors continue to receive program instructions through traditional command channels. They would not welcome a situation in which the Office of Management and Budget appeared to be directing FRC affairs. Because the Deputy Director of OMB is the chairman of the Under Secretaries Group, a mechanism exists for headquarters officials to reach agreement on all matters affecting the functioning and work programs of the FRCs. Once the Under Secretaries Group is in agreement, it should not be difficult to ensure that council members receive guidance from their agencies supportive of any OMB communications to the FRCs.

None of the problems that I have discussed is so difficult that it cannot be resolved. Bringing about such things as adequate decentralization and sufficiently potent agency participation takes time because significant changes in departmental organization and management systems may be required to produce these results. Nevertheless, there is no reason why FRCs should not become increasingly important and effective in bringing cohesiveness to those aspects of federal field administration that involve assistance to state and local governments.

WHAT FRCS MEAN FOR TRANSPORTATION

Earlier, I mentioned the initial difficulty encountered by DOT in securing admission as a full member of the original FRCs. I have also mentioned that the limited authority and resources of the secretarial representatives continue to handicap the department in some regions. Yet DOT now administers some of the government's largest and most far-reaching grant-in-aid programs. Included are aid for highway construction, highway safety grants, urban public transportation assistance, and aid to airports. The transportation systems and facilities receiving assistance often play a crucial part in the development and prosperity of states and communities. It is only natural, therefore, that the councils often become concerned with the way in which DOT programs will support a community plan, an integrated grant, or some other project of broad interest to a state or local government.

DOT is seeking to unify its planning in the field through intermodal planning committees, which should facilitate DOT cooperation with other FRC agencies. Yet, because DOT lacks a departmental regional structure (as opposed to the field organizations of the administrations) and has little prospect of developing one in the near future, DOT involvement in FRC matters is less intensive and less effective than the importance of its transportation functions would warrant. More will have to be done by the department to facilitate interagency coordination in the field, and its representatives will need greater authority and resources. This does not mean that operational authority should be taken away from DOT program administrations. It does suggest, however, that DOT has not gone far enough in the development of regional planning and coordination capability.