



**Annual Report
of the
Administrator
of
General Services**

1961

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LETTER OF TRANSMITTAL

General Services Administration,
Washington 25, D.C., October 25, 1961.

The Honorable

The President of the Senate

The Honorable

The Speaker of the House of Representatives

SIRS: There is transmitted herewith the annual report to the Congress on administration of functions of the General Services Administration under the Federal Property and Administrative Services Act of 1949, as amended.

This report is for the fiscal year ending June 30, 1961. During this period Mr. Franklin Floete served as Administrator for the first seven months, and I served as Administrator for the last five months.

Sincerely yours,

John L. Moore
JOHN L. MOORE
Administrator of General Services.

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FOREWORD

This report summarizes the progress and accomplishments of the General Services Administration for the fiscal year 1961.

On June 30, 1961, the General Services Administration completed its 12th year as an independent agency of the Federal Government. As its name implies, GSA was established to provide a wide variety of property and records management services to other Government agencies. For purpose of brief description, these services are summarized into six major categories:

1. The procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, specifications, property identification and classification, and the establishment of motor pools or systems for transportation of Government personnel and property by motor vehicle within special areas.
2. Provision of space for the housing of Federal agencies, including the operation, maintenance, security, repair and renovation of buildings, provision of public utility services, and the design and construction of new buildings as required.
3. Improvement of current records management and paperwork practices in Federal agencies, establishment and operation of records centers, selection and preservation of permanently valuable noncurrent records of the Federal Government, and the administration of historical materials in Presidential libraries.
4. Administration of the national stockpile of strategic and critical materials and other inventories in accordance with policies and directives of the Office of Civil and Defense Mobilization, and the maintenance of machine tools in the National Industrial Equipment Reserve in accordance with policy direction of the Department of Defense.
5. Provision of assistance to executive agencies in improving their traffic management practices, arranging routings of shipments, and obtaining economical rates for public utility services.
6. Development of policies and methods for the maximum utilization by Federal agencies of real and personal property excess to the needs of holding agencies; and supervision and direction of the disposal of property determined to be surplus.

The functions of GSA are assigned to its Services—Federal Supply, Public Buildings, National Archives and Records, Defense Materials, Transportation and Public Utilities, and Utilization and Disposal. Many of the operations have been decentralized to the 10 regions that provide service to Government agencies and to the public throughout the 50 States. The regional offices are located in Boston, New York, Washington (D.C.), Atlanta, Chicago, Kansas City (Mo.), Dallas, Denver, San Francisco, and Auburn (Wash.).

Details of specific progress and accomplishments in the provision of services during fiscal year 1961 are contained in the parts of this report.

Part 1. Supply Procurement and Distribution

The volume of supply procurement and distribution business continued a steady growth during the year. In addition to these activities in the General Services Administration, the agency also regulates procurement of personal property and nonpersonal services by other Government agencies.

Related supply activities include de-

velopment of procurement policy, provision of supply management assistance, commodity standardization, cataloging, specifications, management of motor equipment, establishment and operation of interagency motor pools, rehabilitation of property, and warehousing of civil defense supplies.

PROCUREMENT

Procurement volume accomplished this year through the supply programs of GSA exceeded one billion dollars for the first time. The aggregate volume during the year was \$1,014 million, exclusive of stockpile and defense production purchases. This was nearly 18 percent above the preceding year and included increases in every major program.

As in years past, the largest dollar increase occurred in the Federal supply schedule program, which accounted for nearly 64 percent of the procurement. Under this program, GSA executes indefinite quantity term contracts for a wide range of goods and services from various supply sources. Agencies then order directly from these sources without incurring the administrative expense of entering into individual contracts.

Purchases for stores stock increased 22 percent above the preceding year in support of a substantial rise in sales volume. This program provides for the consolidated procurement and redistribution of supply items through GSA stores depots and results in lower procurement costs as well as sub-

stantial administrative savings for Federal agencies.

Purchases for direct delivery, including foreign aid, were up about 8 percent over the preceding year. Such purchases are made as a result of specific agency requests that are submitted in accordance with existing regulations or, in the case of certain items, submitted voluntarily to take advantage of GSA's specialized procurement experience. Principal commodity items purchased under this program include motor vehicles, appliances, household and quarters furniture, and DDT for use in the worldwide malaria eradication program.

Quality Control

Methods of quality assurance that have proved successful were stressed to secure further improvement in the quality of supplies, materials, and equipment purchased by GSA for other Government agencies. Over 80 percent of the inspections made during the year were at contractors' plants, thus eliminating inspection of the same item at several destinations. This

Table 1.—GSA SUPPLY PROCUREMENT FOR FEDERAL AGENCIES AND STORES STOCK, FISCAL YEARS 1952-61

[In millions]

Fiscal year	Total	Major program		
		Federal supply schedule	Purchases for stores stock	Purchases for direct delivery, including foreign aid
1961.....	\$1,014.4	\$644.8	\$193.0	\$176.6
1960.....	862.4	540.2	158.0	164.2
1959.....	834.3	511.7	149.6	173.0
1958.....	716.5	411.3	131.3	173.9
1957.....	635.3	373.7	112.7	148.9
1956.....	548.8	333.2	96.9	118.7
1955.....	545.7	308.9	87.7	149.1
1954.....	424.9	275.4	44.4	105.1
1953.....	470.3	311.2	45.4	113.7
1952.....	504.5	300.0	53.0	151.5

¹ Estimate.

method is more economical to the Government and is favored by both large and small contractors because it assures them of acceptance of their products before shipment, speeds up payment of their invoices, and avoids additional transportation costs in the event of a rejection.

Three hundred and fifty-one contractors were authorized to use the quality assurance inspection plan, an increase of one-third over last year. This plan permits contractors to ship their products with a minimum amount of Government inspection after demonstrating that they have adequate control over the manufacture, fabrication, or assembly of their products. Contractors are constantly being urged to improve their production processes and inspection systems so that they may qualify for this plan.

Three military supply agencies have furnished lists of suppliers who are authorized to ship products without

Government lot-by-lot inspection. The periodic exchange of GSA quality assurance lists of contractors with the Department of Defense is a part of the quality control program covering inspection interchange with other Federal agencies.

Progress has been made in contract administration and in the periodic inspection of Federal supply schedule contracts. There was a marked improvement in the quality of products and promptness of shipment where the procedures have been implemented. Both programs will be accelerated during fiscal year 1962.

Quality control programs continue to expand. The value of commodities inspected during fiscal year 1961 was \$425 million, an increase of 31 percent over the previous year. Inspections at contractors' plants increased 52 percent and the number of tests performed in GSA laboratories increased 14 percent.

STORES OPERATIONS

The volume of stores sales continued upward for the seventh consecutive year. Sales for the year totaled \$183.2 million, an increase of \$28.9 million, or 19 percent greater than the previous record high attained in fiscal year 1960. This growth was reflected in each of the major supply distribution levels as depot sales increased 19 percent, fuel yard business 14 percent, and retail store business 47 percent.

The predominant factor in the increase in sales performance has been the expanding supply support to the military services on a worldwide scale. Stores issues to the military during the year were almost \$20 million greater than in 1960. This upward trend in business to the military has been continuing since 1951.

Significant gains were made in stores supply support to customer agencies, especially the military services: (1) Surcharge rates for export packing services performed by GSA were made uniform for all agencies to which GSA provides such services; (2) GSA will provide increased supply support to nonappropriated fund activities of the Department of Defense; (3) arrangements were made with the Department of the Army permitting installations in Hawaii to submit orders for

stores stock directly to the region 9 stores depot, thus reducing the lead time previously required to obtain supplies; (4) an arrangement was established with the International Cooperation Administration permitting services and joint fund organizations to purchase stores stock items directly from GSA.

Correlated with the expanded dollar volume of transactions in stores operation are the increases in line items shipped and tonnage handled. During the year 14 percent more line items were shipped than in fiscal year 1960 and tonnage shipped increased 23 percent.

The interagency retail store concept of supply distribution that started in 1958 was expanded during the year. Additional stores were activated in St. Louis, Mo.; Richmond, Va.; and Washington, D.C. There are now eight retail stores in operation, and more are scheduled for opening in the coming year, as studies continue to demonstrate their economy and efficiency.

Another innovation in supply operations was the establishment of the building materials yard at the Franconia, Va., depot. The operation of this yard, the first of its kind, is

Table 2.—STORES SALES, FISCAL YEARS 1952-61

Fiscal year	Total stores sales (in millions)	Sales to military (percent)
1961.....	\$183.2	67
1960.....	154.3	67
1959.....	145.5	67
1958.....	120.7	63
1957.....	116.4	62
1956.....	96.4	63
1955.....	75.9	58
1954.....	52.8	50
1953.....	55.9	41
1952.....	63.7	30

Table 3.—STORES OUTGOING WORKLOAD, FISCAL YEARS 1952-61

[In thousands]

Fiscal year	Line items shipped	Tonnage shipped
1961.....	4,667	358
1960.....	4,099	290
1959.....	3,685	271
1958.....	3,163	228
1957.....	3,053	225
1956.....	2,676	195
1955.....	2,440	164
1954.....	1,998	123
1953.....	1,747	.....
1952.....	1,517	.....

similar to the retail stores concept. Items such as lumber, cement, roofing, and other materials are carried in stock for immediate issue.

The GSA supply distribution system consists of 10 major depots, 1 sub-depot, 4 fully operational annexes, 8 retail store outlets, 1 building materials yard, 1 fuel yard, and 2 "backup" warehouse locations.

GSA/CDM Depots

GSA continued to manage and operate 22 major civil defense mobilization depots for the storage, warehousing, and maintenance of medical, engineering, chemical/biological, and radiological supplies. GSA/CDM depots occupy approximately 3.0 million square feet of space which contained an inventory valued at \$100.8 million.

During the year two major depots were activated in Government-owned space. The new facilities located at Prairie, Miss., and Shelby, Ohio, occupy 263,100 and 320,000 square feet of space, respectively. As a result of the use of these new facilities, the commercially leased space at Lake Charles, La., and Zanesville, Ohio, were deactivated. In addition, medical stockpiles valued at \$2.7 million, formerly in custody of the Depart-

ment of Defense, were transferred to the two newly activated GSA/CDM depots.

On October 1, 1960, the Public Health Service of the Department of Health, Education, and Welfare assumed responsibility for planning and management functions related to the civil defense emergency medical stockpile. The control of civil defense engineering, chemical/biological, and radiological instrument stockpiles was retained by the Office of Civil and Defense Mobilization.

Table 4.—CIVIL DEFENSE MOBILIZATION DEPOTS OPERATED BY GSA, FISCAL YEARS 1952-61

Fiscal year	Number of depots	Inventory value (in millions)
1961.....	22	\$100.8
1960.....	22	99.3
1959.....	23	99.5
1958.....	24	96.2
1957.....	21	85.0
1956.....	18	78.3
1955.....	15	58.5
1954.....	10	51.0
1953.....	9	34.0
1952.....	6	.4

SUPPLY MANAGEMENT

Supply management activities resulted in substantial improvement in Government-wide supply operations during the year. Under a series of agreements reached with the Department of Defense, GSA may provide supply services for all common-use items that do not require military management. Of the 1,160,000 items currently assigned to four new single-manager agencies for general, industrial, automotive, and construction supply items, 278,000 items may be assigned to GSA for procurement and supply if acceptable. Some 51,000 items have already been offered, and

preliminary selection of approximately 8,500 for addition to GSA's supply system has been made.

The responsibilities of this agency in relation to the Armed Forces supply system have been clarified by the issuance of Department of Defense instructions. These instructions establish GSA as the primary source of supply for items that have been decentralized for local purchase by military activities and are obtainable from the GSA supply system. GSA has agreed to modify its policies and procedures to better integrate DoD/GSA supply systems and has become a partner

with DoD on many supply management matters, such as joint simplification studies to reduce the total number of items used for the same purpose in both systems. GSA has agreed to adopt DoD's uniform issue priority system and uniform requisitioning system to insure that military users can order as conveniently from GSA as from a military source. These agreements now form the basis for a greatly expanded function for GSA in support of military activities.

Valuable on-site assistance and technical guidance were provided Federal agencies, which resulted in greatly increased supply efficiency. Major surveys were made on behalf of the National Aeronautics and Space Administration, Tennessee Valley Authority, Panama Canal Company, Peace Corps, and Departments of Interior, Treasury, and Health, Education, and Welfare. Assistance was also given to the Bureau of the Budget through evaluating and coordinating agency submissions of the annual supply activity report.

MOTOR EQUIPMENT

Motor fleet management assistance furnished by GSA to Federal agencies continued to increase. On-site studies of motor fleet management were conducted in cooperation with the National Capital Housing Authority, St. Lawrence Seaway Development Corporation, Bureau of Indian Affairs, Tennessee Valley Authority, Bureau of Reclamation, and the Atomic Energy Commission. Adoption of recommendations made in the studies will result in decreased motor vehicle operating costs to these Federal agencies.

GSA sponsored Interagency Motor Equipment Advisory Committee Conferences at Aberdeen, S. Dak.; Minneapolis, Minn.; Portland, Oreg.; Denver and Grand Junction, Colo.;

Agencies received substantial assistance in improving their stock replenishment practices by reason of GSA's economic order quantity (EOQ) seminars. Six 2-week courses were conducted with 65 representatives attending from 26 agencies. In addition, a special 10-day EOQ field seminar was held in San Francisco for the benefit of agencies and Atomic Energy Commission cost-type contractors on the west coast.

Seventy-two representatives of foreign governments were given instructions in the supply operations and programs of GSA, in cooperation with the International Cooperation Administration's supply-management workshop program.

Publications during the year included worldwide distribution of a booklet on GSA as a Source of Supply for Military Commissaries and Non-appropriated Fund Activities, and a particularly successful guide for the businessman entitled *Doing Business with the Federal Government*.

Kansas City, Mo.; Indianapolis, Ind.; Reno, Nev.; Los Angeles, Sacramento, and San Francisco, Calif.; Chicago, Ill.; Dallas, Tex.; Atlanta, Ga.; and Omaha, Nebr. The meetings were attended by representatives from industry and Government. The interchange among Government fleet operators of information about fleet management problems and improvements through these conferences was more widespread than heretofore. A new Interagency Motor Equipment Advisory Committee was established in Denver, Colo., bringing the total to 15.

Publications particularly well received by industry and Federal agencies include: Motor Vehicle Warranty and Acceptance Guide, Maintenance and Service Requirements for Positive

Table 5.—INTERAGENCY MOTOR POOL SYSTEMS, FISCAL YEARS 1956-61

Fiscal year	Number of pools established (cumulative)	Number of vehicles in pools	Total miles traveled	Miles per vehicle year (average)	Cost per mile
1961.....	60	21,009	222,952,981	11,844	\$0.077
1960.....	56	18,115	171,487,918	11,691	.075
1959.....	44	13,847	131,378,518	11,266	.074
1958.....	33	10,865	87,943,026	10,948	.077
1957.....	22	6,531	40,272,389	9,519	.081
1956.....	12	1,926	11,298,863	7,907	.117

Crankcase Ventilation Systems on Government Motor Vehicles, Handbook for the Federal Vehicle Driver, Instructor's Guide, and guidelines for IMEAC Maintenance and Service Bulletins.

The interagency motor pool system continued to increase its operations. During the year, 2,894 vehicles were added and the system's workload of 223 million miles of vehicle use was an increase of 30 percent over the previous year. The average miles traveled per vehicle year was increased from 11,691 in 1960 to 11,844 in 1961.

Motor pool expenses were increased by a 7½-percent raise in salaries of classified employees, upward adjust-

ments in blue-collar wages, increased gasoline costs, a depressed used car market, and recently instituted charges for space occupied by motor pools in Government-owned buildings. Despite these factors, the cost of operation per mile has been held to \$0.077. This is a saving to the Federal Government of \$0.03 per mile as compared with adjusted agencies' costs prior to pooling.

With improved vehicle utilization, the present travel by motor vehicle of 223 million miles is being accomplished with 5,735 fewer vehicles than would have been required by the separate agencies prior to pool participation.

STANDARDIZATION

The Federal standardization program provides the means whereby common-use items of adequate quality levels are procured competitively for the use of all Federal agencies. Approximately 4,100 specifications are available. Distribution to industry, Federal agencies, States, counties, and municipalities approximates 6 million copies annually.

The Federal catalog system provides a uniform method of classifying, naming, and describing supply items stored and issued by military and civilian agencies. It provides a uniform supply language which is essential to effective and economical supply.

The system is used in all supply management operations.

Specifications and Standards

Specifications actions totaled 845 during the year, compared with 782 in 1960, and 31 standards actions were completed. Small business offerings of 185 new or improved products for sale to the Government were processed. These offerings are individually evaluated to determine Federal agencies' need, substantiation of performance claims, and economies to the Government that will occur if adopted.

Revised specifications and standards covering the blowby device and seat

belt anchors for automobiles were developed and are being processed for the next consolidated purchase of approximately 7,000 vehicles. The blowby device is designed to reduce materially the hydrocarbon emissions from the crankcase, thus reducing smog and other air pollution. Anchors will provide for easy, quick, and economical attachment of seat belts to automobiles.

Another important achievement was preparation of the 172-page Glossary of Packaging Terms. This was a joint project of various agencies of the Government, including the Department of Defense, working in conjunction with a large number of participants from private industry through the instrumentality of the Packaging Institute, New York City. This glossary puts Government and industry on a common language basis with regard to all aspects of packaging.

PROPERTY REHABILITATION

During the year 178,521 items of furniture and office machines were rehabilitated, with a saving to the Government of \$10 million in new procurement, an increase of 55 percent over the prior year. Substantial progress was realized in advancing the economic objectives of this program.

Additional agreements were obtained from the Department of Justice which facilitate the increased use of Federal Prison Industries, Inc., for rehabilitation work and allow GSA to solicit rehabilitation business from Federal agencies on behalf of the prison industries. In addition, the number of commercial contractors, all small businesses, participating in the program was doubled. Additional sources of commercial contractor rehabilitation services are being developed to provide maximum geographical coverage and to reduce transportation costs absorbed by the individual Government agencies.

To better serve Government agencies, GSA has assumed responsibility

Cataloging

GSA identified 46,337 civilian agency items in the Federal catalog system during the year. Five civilian agency bureaus or other organizational units have completed the conversion of their supply items to the Federal catalog system; 67 additional organizational units have partially converted.

GSA has increased its participation in the Department of Defense accelerated item reduction (AIR) program. Objectives of the program are to eliminate duplicate items used for the same purpose within the various military services and to increase the number of items common to all Federal agencies.

As a result of studies of office furniture items carried in both military and civilian agency systems the total number of items in both systems was substantially decreased. The number of items common to both systems was increased from 200 to 289, or 45 percent.

for processing agency orders, for scheduling items to be rehabilitated, and for contract administration involving billing and payment. The assumption of these responsibilities has reduced the administrative expense formerly borne by the individual agencies and has resulted in a net saving to the Government. Selected items of rehabilitated furniture have been put into the GSA supply distribution system for direct issue to customer agencies in lieu of new procurement. Continued emphasis was devoted to the rehabilitation of excess items for further utilization by Federal agencies.

To fully acquaint executive agencies with all property rehabilitation program services, full-page announcement sheets have been included in the GSA Stores Stock Catalog, and other educational and promotional type media were developed and promulgated to all executive agencies to point-up the saving realized by participation in the program.

PROCUREMENT POLICY

Federal Procurement Regulations (FPR) prescribe uniform policies and procedures for the use, assistance, and guidance of all Federal agencies in the procurement of personal property and nonpersonal services, including construction. To achieve the objective of completing these regulations, the review of policies, procedures, regulations, and legislation relating to purchasing and contracting was continued.

Significant new or revised policies and procedures were issued during the year as follows:

1. A regulation prescribing revised standard construction contract forms, nos. 20, 21, 22, 23, and 23A, which were revised to conform to present statutory and administrative requirements and changed business conditions.
2. A regulation prescribing a standard U.S. Government architect-engineer questionnaire for use by Government agencies in obtaining information from potential architectural and engineering firms concerning their professional qualifications.
3. A regulation prescribing the procedures to be followed by all procurement agencies in reporting the receipt of identical bids to the Attorney General, pursuant to Executive Order No. 10936.
4. A regulation prescribing the new Nondiscrimination clause contained in Executive Order No. 10925 for use in all applicable Government contracts. Also, a regulation containing interim interpretations of the President's Committee on Equal Employment Opportunity and temporary exemptions from the requirements of the Nondiscrimination clause.
5. A regulation prescribing policies and procedures implementing Public Law 85-765, requiring procurement by Federal agencies

of livestock slaughtered by humane methods.

6. A regulation prescribing policies and procedures for the guidance of Federal agencies in authorizing the use of GSA supply sources (Federal supply schedule contracts and GSA stores stock) by prime contractors in performing cost-reimbursement type contracts.

In addition, GSA continued to provide technical guidance and assistance to all Federal procurement agencies in order to expand further the FPR system by the publication in Title 41, Public Contracts, Code of Federal Regulations, of agency policies and procedures that implement or supplement the regulations.

There has been significantly greater use of these regulations by business concerns, particularly by small businesses. Many business firms have provided the FPR to their personnel engaged in Government contracting so that both industry and Government are guided by a common set of ground rules for procurement and contracting. This was one of the benefits foreseen in developing the FPR. At present, approximately 9,500 sets of the regulations are in use.

Among the additional significant Government-wide regulations planned or in preparation for inclusion in the FPR are those providing for setting aside certain procurements for award to labor surplus area firms or to small businesses; priorities to be followed in the case of tie bids with preference for small business and labor surplus area firms; a mandatory small business procedure; revised requirements for publicizing proposed procurement actions in the published Synopsis of U.S. Government Proposed Procurement, Sales, and Contract Awards; and a noncollusive bidding certificate to be obtained from prospective contractors.

Part 2. Space for Federal Agencies

The general purpose space requirements of Federal agencies are provided for by the General Services Administration. A continuing review of agency space requirements is conducted to develop the basis for forecasting and executing this program. Requirements for housing are fulfilled by utilizing existing Federal buildings, improving, extending, and remodeling properties

when economically feasible; by constructing public buildings; and by purchasing and leasing privately owned property.

GSA leases property when space requirements cannot be accommodated in Government-owned buildings and when construction of a public building or the purchase of a privately owned building is not warranted or feasible.

SPACE REQUIREMENTS PLANNING

During the year surveys of space needs were conducted in 457 communities. In about a hundred cities major space needs and improvements were identified for high priority corrective actions. In coordination with the agencies involved, 46 proposals were developed for meeting the most critical requirements.

The identified needs of the agencies will be met in part through Federal construction projects as provided for in 29 prospectuses approved by the Public Works Committees of the Congress. These prospectuses covered 32 projects consisting of 21 new construction, 9 alteration, and 2 extension projects, at a total estimated cost of \$206.6 million. These projects which are reviewed and approved under policies and procedures established by the Public Buildings Act of 1959, upon completion will provide approximately 5.5 million net square feet of office space.

Project plans were also completed to satisfy 14 major requirements for space. These plans made provisions for approximately 4.0 million net square feet of space to be obtained through use of GSA's long-term leasing

authority and through alteration and conversion of buildings.

In addition, requirements for the housing of Federal agencies in 288 small cities were developed in connection with the Post Office Department's accelerated program for improvement and modernization of postal facilities. As a result of studies of the Department's plans to vacate a number of buildings, it was determined that 106 of these buildings should be retained and altered or converted for occupancy by various Federal activities. The continued use of 136 other buildings could not be justified.

The Federal space situation in the Metropolitan Washington area continued to be the most critical confronting GSA. Federal employees were housed in approximately 280 scattered locations. Nearly 45 percent of the occupied space consisted of dispersed rented quarters with varying sizes and poor functional arrangements and temporary or obsolete Government-owned buildings. A master plan for providing improved and consolidated housing in the area was developed and was constantly

being reviewed and updated as agency requirements changed.

Approval by the Public Works Committees in June 1961 of Federal Office Building Number 5 was another step taken under the master plan. This building was scheduled to be occupied by the Department of Defense whose housing situation was the most critical in the Washington area. Completion of this building and nine previously authorized will provide approximately 4.6 million net square feet of modern functional space in which to relocate

agencies from substandard quarters and with which to meet expanding needs.

Space requirement records showed that during the year agencies were furnished 1.2 million net square feet of general purpose space for their expanded programs. Communications from agency and department heads requested continued expansion and indicated the urgent need for improved and consolidated quarters in which to operate efficiently at the seat of Government.

SPACE AND PROPERTY MANAGEMENT

Space and property management responsibilities of GSA include allotting and assigning space, operating buildings and work areas, repairing and improving buildings, and providing telecommunications and protection. These management activities required the services of about twenty thousand employees during the year. The total annual cost increased by \$24.7 million to \$311.5 million because of the expanded requirements of agencies for space and the rising cost of labor, rent, utilities, and supplies. Most of the increased cost resulted from improvements to physical facilities, through renovation and air-

conditioning, for increased utilization and efficiency of space for agency operations.

Ninety-eight studies of agency space utilization in metropolitan areas were undertaken in connection with the space improvement program initiated during the year. Approximately 25 percent of these studies were completed by the end of June 1961. The space economies and improved agency layouts effected by these studies should result in substantial improvement in agency space utilization practices.

A change in policy on funding for leased space becomes effective in

Table 6.—SPACE MANAGED BY GSA, FISCAL YEARS 1958-61

[In millions of square feet]

Fiscal year	Total	Owner-operated leased space	GSA-operated space		
			Total	Government owned	Leased
1961	129.5	22.2	107.3	93.3	14.0
1960	120.7	20.8	99.9	84.3	15.6
1959	114.5	20.4	94.1	78.0	16.1
1958	110.0	18.9	91.1	74.2	16.9

1962 pursuant to Bureau of the Budget instructions. Funds for agency leased space reimbursable in 1961 were transferred to GSA's appropriation. GSA will budget for this space in subsequent years. Also, funds appropriated to various agencies in 1962 for additional space for new or expanded programs are to be transferred to GSA as leased space is acquired. Under this new policy the agencies will budget for additional space requirements for new or expanded programs and will transfer such funds to GSA. The transfer of funds will replace the procedure for quarterly reimbursements to GSA. For fiscal year 1962, agencies requested approximately 4.0 million square feet of additional space. Review by GSA and the Bureau reduced their estimates to 1.7 million square feet.

The program for developing occupancy standards for the space needs of specific agencies has as its objectives the improvement of agency operations and the promotion of economic and prudent utilization of space. Space

occupancy guides were prepared for the field establishments of 18 Federal activities during the year. Since the initiation of the program four years ago, 47 guides were developed. The program was approximately 75 percent complete at yearend. Special guides were prepared during the year for Government training facilities and space requirements for use in event of a national emergency.

Procedures for adapting improved records and reports to automatic data processing were being developed, and the program for the computer was being prepared. The reporting system will provide an inventory of GSA space holdings together with certain quality and cost data, control of agency assignments, statistical analysis of space use, and information concerning space under agency control. The new reporting system significantly reduced the amount of work required by the agencies to keep the inventory up to date. The use of this system by other agencies in their control of space was contemplated.

Table 7.—SPACE MANAGEMENT COSTS, FISCAL YEARS 1955, 1960, and 1961

[In millions]

Item	Fiscal year		
	1961	1960	1955
Total space management costs	\$311.5	\$286.8	\$168.8
Operations	196.0	185.2	125.8
Rental	71.8	70.2	46.7
Cleaning	35.1	31.5	23.2
Utilities and fuel	23.8	21.8	14.2
Maintenance repairs	18.8	16.9	12.8
Other	46.5	44.8	28.9
Improvement	76.9	65.5	18.5
Telecommunications	22.6	21.1	13.1
Protection	16.0	15.0	11.4

OPERATION OF BUILDINGS

Operation of buildings includes: cleaning; operation and maintenance of electrical, heating, air conditioning, ventilating, plumbing and sewerage systems, elevators, and escalators; and maintenance of grounds, special equipment, and structural features of buildings, such as roofs and floors.

GSA operated an average of 129.5 million square feet of space, housing approximately 487,000 employees of 66 Federal agencies. The servicing of federally owned and leased buildings cost \$196 million for the year. In addition, GSA was responsible for repairs in 28.6 million square feet of space in federally owned buildings operated by the Post Office Department and other agencies.

Building operations are predominantly performed by Federal employees. However, when privately operated services are available and when contracting is in the interest of the

Government, custodial services are obtained by contract. Cleaning and janitorial work were performed under commercial contracts in 70 large Government-owned and leased buildings, each of which had a floor area of 50,000 square feet or more, and in 500 smaller buildings or parts of buildings. The total space cleaned by contract was approximately 14.6 million net square feet, exclusive of owner-serviced leased space. Window washing was accomplished by contract in 315 locations.

Continuous management improvement studies were in progress to provide maximum service at the lowest cost. These studies included evaluations of new materials and equipment, development of a uniform maintenance management program, and on-site surveys of the nationwide buildings management field office operations.

BUILDING IMPROVEMENTS

Consistent with economy and priority of need, GSA's program for the improvement of the physical facilities housing Federal employees seeks to protect the Government's investment in real property. The program also assists in improving efficiency in the Federal service, encouraging high employee morale, reducing turnover in personnel, and making it convenient for the public to deal with their Government.

Improvement contracts were awarded to provide for extensions to existing buildings, conversions of elevators and heating plants to automatic operation, conversions of warehouse and vacated postal space to general-purpose use, roof replacements, exterior cleaning and pointing, airconditioning, lighting, modernizing mechanical and electrical systems, and similar work. Emphasis was placed on the award of contracts in areas of

substantial and persistent labor surplus in accordance with the President's directive.

During the year GSA submitted 20 prospectuses for the renovation and improvement of Government-owned buildings to the Public Works Committees of the U.S. Senate and the House of Representatives. The committees approved these prospectuses in addition to two which were submitted in prior years. The 22 projects were estimated to cost \$41.4 million, of which \$11.1 million was scheduled in the repair and improvement program for fiscal year 1962.

In addition to many minor projects, GSA had 212 projects in process for the Post Office Department, each estimated to cost in excess of \$10,000. These projects consisted mainly of modernization, extension, and improvement of the postal areas of

Government-owned buildings. A close coordination of these projects with GSA projects is required in multiple-occupancy buildings to provide equitable conditions for the agencies using the space.

Improvement expenditures, including those sponsored by GSA and those reimbursable from other agencies, have increased from \$18.5 million in 1955 to \$82.5 million in 1961, with

only minor increases in staff. Maximum use was made of private architects and engineers for the design and supervision of buildings projects.

Although great strides were taken in the effort to modernize facilities, much remained to be done. Surveys and studies were being conducted to determine the effects of obsolescence in relation to the level of support being given this program.

PROTECTION OF PROPERTY AND PERSONNEL

In the area of building protection, the accent was placed on finding and using additional protection methods to permit greater operating flexibility and to increase building protection at reduced costs. The prime objective is to allow a better adaptation of protection methods to individual building requirements. These methods include increased use of automatic detection devices and systems to augment or replace guards; contract guarding for use in emergencies, temporary periods, or other situations lending themselves to this service; and combination guard positions, when guarding functions are combined with other tasks to attain full utilization of manpower.

GSA developed refined procedures for updating initial pre-attack data on GSA facilities and activities in the resources files of the National Resources Evaluation Center, Office of Civil and Defense Mobilization. On request, GSA made further substantial

contributions to expand OCDM's post-attack capabilities in other areas.

No fires of major proportions occurred in GSA-operated buildings during the year. Significant advances were made in incorporating necessary fire-protection features in all new construction, and hazardous conditions in existing buildings were progressively being corrected. These two advances will in the long run reduce and in some cases eliminate the conditions causing fires.

The Federal Fire Council was continuing its vigorous program for promotion of fire safety awareness among all agencies. Substantial progress was made by the Council during the year. Two of the more noteworthy accomplishments were the formation of a new committee on research and technology and the publication of the preliminary draft of a standard for protection of important electronic equipment.

SITE ACQUISITION AND MANAGEMENT

Action was taken toward the acquisition of 246 sites, principally for the extension of existing buildings and the construction of new buildings. These sites consisted of 1,239 parcels of land with an estimated cost of \$84.0 million. In addition, the Matomic Building in Washington, D.C., previously under lease, is being acquired by the Government through condemnation.

At yearend 105 undeveloped building sites, comprised of 396 parcels, were under the management of GSA. Of these parcels, 198 were occupied by outlease or other right; 87 were being utilized by Federal agencies; and 111 were vacant. Rentals of \$1.1 million were received by the Government during the year.

DESIGN AND CONSTRUCTION

GSA's building program provides for the design and construction of new buildings and extensions and major improvement of existing buildings for the use of Government agencies. This program includes public buildings under the Public Buildings Act of 1959 and other buildings, such as laboratories, research facilities, hospitals, and prisons, to meet the special requirements of Federal agencies.

In the design and construction program GSA relies principally on private architects and engineers, the construction industry, and allied suppliers of materials and equipment. The role of GSA is essentially one of program responsibility, direction, and supervision.

GSA began the year with 104 design and construction projects having an estimated cost of \$936 million. These projects included 49 under design, at a total estimated cost of \$601.7 million, and 55 under construction, at an estimated cost of \$334.3 million.

During the year GSA awarded 76 design contracts for projects estimated at \$324.7 million and completed design on 32 projects estimated at \$229.7 million.

Some of the larger projects under design were the Federal office buildings in Cincinnati and Cleveland, Ohio; Kansas City, Mo.; Boston, Mass.; New York, N.Y.; Chicago, Ill.; Pittsburgh, Pa.; Baltimore, Md.; and Federal Office Building No. 7 in Washington, D.C. Work was also performed on such diversified projects as facilities for Howard University, Saint Elizabeths Hospital, and the

Smithsonian Institution, all in Washington, D.C.; and research laboratories for the Departments of Agriculture and Health, Education, and Welfare, at Gainesville, Fla.; Atlanta and Lawrenceville, Ga.; Fargo, N. Dak.; Twin Falls, Idaho; and Lexington, Ky.

In the construction phase of the program, GSA placed under construction contract 32 projects estimated at \$169.5 million and completed construction of 31 projects at a cost of \$96.9 million. The completions provided approximately 2.8 million net square feet of efficient and modern space for Government activities.

Among the new Federal buildings and facilities available for occupancy were the State Department building in Washington, D.C.; an animal disease laboratory in Ames, Iowa; a dental building and biological standards laboratory for the National Institutes of Health in Bethesda, Md.; the U.S. Mission to the United Nations in New York, N.Y.; and Federal buildings, courthouses, and post offices in such locations as Hot Springs, Ark.; San Ysidro, Calif.; Ocala, Fla.; Fort Dodge, Iowa; Omaha, Nebr.; Jamestown, N.Y.; Victoria, Tex.; and Minneapolis, Minn.

At the close of the year, the design and construction program consisted of 148 projects with an estimated cost of \$888.3 million. Of these projects, 92 were under design at \$529.9 million and 56 were under construction at \$358.4 million.

LEASING

GSA is the leasing agency for most of the general-purpose space requirements of the Government. The agency was renting approximately 6,000 buildings or parts of buildings at the end of June 1961. Leased space totaled about 36.2 million square feet of usable floor space at an annual rental of \$71.9 million. Of the total

rental, GSA paid \$49 million for 22.2 million square feet from the appropriation for operating expenses of the Public Buildings Service. The remainder of the leased space was financed primarily through reimbursement from other Federal agencies or other program appropriations.

Part 3. Federal Records

The General Services Administration is continuing its program for improving current records management and paperwork practices in Federal agencies and for selecting, preserving, and making available to the Government and the public the permanently valuable noncurrent records of the Federal Government.

Significant steps are also being taken in connection with other Federal records activities, which include administration of historical materials in Presidential libraries and the publication of laws, constitutional amendments, Presidential documents, and administrative regulations having general applicability and legal effect.

RECORDS MANAGEMENT ASSISTANCE

The Federal Records Act of 1950 prescribes that each Federal agency shall have an active, continuing records management program. The act further requires the Administrator of General Services to provide the agencies with standards and techniques for records management and to promote their acceptance and use within the agencies.

To disseminate standards for records management and paperwork, GSA in 1961 supplied other Government agencies with several newly published guides: the *U.S. Government Correspondence Manual*, prepared

through the cooperation of 21 agencies and now rapidly becoming the standard work in its field; the *Forms Design* handbook, which is used throughout all agencies; and a pamphlet on a new line of Government shelf-filing equipment, prepared in collaboration with GSA's procurement activities. In addition, GSA prepared for issuance by the Civil Service Commission regulations governing the content of civilian personnel folders and the prompt retirement of inactive personnel records.

To ensure acceptance and wider application of the practices it endorses, GSA conducts workshops in aspects of records management for appropriate agency supervisors, who in turn instruct the personnel of their own agencies. These workshops explain how to create and maintain records economically and efficiently.

Four workshops, developed in previous years, were given to large groups from many Federal agencies. The workshops are concerned with forms improvement, records disposition, mail management, and correspondence management. Only part of the benefits are shown in the table. The records disposition work-

Table 8.—NUMBER OF PARTICIPANTS AT WORKSHOPS AND RESULTING BENEFITS, DURING FISCAL YEAR 1961

Workshop	Number of participants	Man-hours released
Records Disposition	3, 200	91, 000
Forms Improvement	1, 440	129, 000
Mail Management	260	1, 100
Correspondence Management	31, 000	980, 000

shops, for example, have speeded up retirement of unneeded records, improved records retirement procedures, and reduced the number of records to be permanently preserved.

Four new workshops were initiated during the year. The first, on records management, is designed for management analysts. The others deal with forms analysis, communications preparation in accordance with the new *Correspondence Manual*, and source-data automation. The last-mentioned workshop resulted from a Bureau of the Budget request that GSA take Government-wide leadership in automating paperwork at its source or as early in the processing chain as possible. GSA established the source-data automation workshop for instruction in the use of punched paper tapes, tags, or cards for processing by automatic typewriters or book-keeping machines.

Agency Surveys

GSA develops standards for reducing and streamlining paperwork and is called upon by other Federal agencies for technical help in this area. GSA's records management staff in the central office made 28 agency surveys, and its 10 regional offices made 55. The more important of these surveys and their results are noted below.

A survey of directives issued by the Federal Aviation Agency reorganized the system so as to reduce the number of pages of such internal issuances to less than one-half what they had been and to arrange them by subject for easier reference.

At the Internal Revenue Service and the State Department, the systems used to control reports were examined. In each case a new system was recommended that would both reduce the number of reports required and present their information in more manageable form.

Help was given to the Office of Education and the Bureau of Old-Age and Survivors Insurance in the Department of Health, Education, and Welfare and to the Interstate

Commerce Commission in preparing records disposition schedules setting retention periods for their records. For the Commission data-processing procedures were also developed, to assure it more useful and more current information.

At the Bureau of Prisons, Department of Justice, several new statistical forms for the prisoner reporting system were developed. For the Veterans' Administration a study was undertaken on the feasibility of microfilming clinical records.

Large-scale assistance was given to the State Department, the International Cooperation Administration, and the Civil Service Commission in preparing for each a filing system to organize their files for completeness and better accessibility.

Several other studies were made for the State Department. One brought about faster processing of visas under the immigrant control system of the Visa Office, another simplified the paperwork of the Bureau of Educational and Cultural Affairs relating to grants for foreign leaders and specialists, and a third, a departmentwide task force study with GSA leadership, reviewed the Department's complex mail and correspondence practices. In its Bureau of Public Affairs, which during a year answers more than 70,000 letters from the public, backlogs of correspondence were eliminated and answering time was cut to less than 5 working days by the use of newly developed form letters and guide letters. Studies of correspondence were also undertaken for the Federal Trade and the Interstate Commerce Commissions.

Other Assistance

In November 1960 the Administrator of General Services sent each newly elected Senator and Representative a copy of the *Files Handbook for Congressional Offices*. Several Members asked for and received additional technical help on records management problems.

Fifty-seven foreign visitors were

briefed or given some training in records management practices during the year, at Washington or in Federal records centers. The total included 40

from Turkey, 12 from Nigeria, and single visitors from Togoland, Venezuela, the Philippines, Korea, and Japan.

RECORDS CENTERS

The Administrator of General Services is authorized to set up records centers for the storage, processing, and servicing of noncurrent records. GSA's system of low-cost records storage facilities, comprising 2 national personnel records centers and 14 regional centers strategically located throughout the United States, continued to grow. Records holdings of the centers, both regional and national, on June 30, 1961, totaled 6,735,000 cubic feet, about 1 million cubic feet more than a year earlier.

Some 900,000 cubic feet of the increase resulted from the Department of Defense turning over to GSA on July 1, 1960, its Military Personnel Records Center at St. Louis and from subsequent transfers of records to this center. The records there are chiefly personnel records for men and women who have been discharged from the Nation's armed services. During this

first year of operation by GSA the center answered 1,538,000 inquiries and interfiled among the records in its custody 1,291,000 individual documents and personnel folders that had been newly transferred.

Since the fall of 1951 GSA has operated at St. Louis a national records center for the storage of noncurrent civilian personnel records. As a result of a regulation issued by the Civil Service Commission during the year, personnel records for civilian employees began to be transferred to the center within 1 month, rather than 1 year, after the date of the employees' separation from any Federal agency. More than 300,000 reference inquiries were answered by the center during the year.

Virtual completion of a Government-owned building for housing the civilian personnel records center was a significant achievement during the year. Toward the end of the year records were being moved from leased space in St. Louis to the new quarters. The building is scheduled to be equipped with shelving and ready for complete occupancy in the fall of 1961.

The holdings of the 14 regional records centers increased by a relatively small amount because transfers of records to them from the agencies were nearly balanced by the disposal of records no longer needing to be held. Use of the records in these centers also continued to increase. Most of the 2,972,000 reference services performed were in response to requests from Federal agencies for documents affecting the individual citizen, such as tax returns, retirement claims, and veterans' claims for benefits, or for information from them; over 13,000 inquiries, however, required considerable research.

Table 9.—REFERENCE SERVICES, HOLDINGS, AND COSTS OF ADMINISTERING RECORDS IN THE REGIONAL RECORDS CENTERS, FISCAL YEARS 1952-61

Fiscal year	Number of reference services	Total holdings (cu. ft.)	Cost of administering 1 cu. ft. of records
1961.....	2, 972, 133	5, 362, 236	\$0. 57
1960.....	2, 945, 891	5, 301, 331	. 56
1959.....	2, 621, 195	4, 677, 387	. 60
1958.....	1, 943, 670	3, 390, 708	. 67
1957.....	1, 662, 748	3, 186, 186	. 64
1956.....	1, 225, 862	2, 908, 498	. 65
1955.....	899, 514	2, 472, 495	. 67
1954.....	697, 755	2, 083, 459	. 87
1953.....	384, 306	1, 563, 803	. 92
1952.....	218, 214	1, 025, 333	1. 13

Among the scholars who consulted records at the centers were those writing on the following subjects: the capture of a blockade runner off Savannah, 1864; a biography of Morrison R. Waite, Chief Justice of the United States and circuit judge for the fourth circuit, 1874-88; a history of the Supreme Court; malaria in Puerto Rico; Hawaiian labor unions under military government, 1943-45; the Ledo Road in Burma, 1942-45; and a history of amphibious forces in World War II.

One of the major benefits of the Federal records center system is the saving to Government agencies of space and equipment they no longer need for the maintenance of their records. Since their establishment in 1950 the centers (including the two personnel records centers) have made it possible for agencies to clear 2.7 million square feet of office space and 2.8 million square feet of storage space, and to empty more than half a million usable filing cabinets and 1.6 million linear feet of shelving. Of these amounts, 505,000 square feet of office space and 162,000 square feet of storage space were cleared in 1961, and 65,000 cabinets and 396,000 linear feet of shelving were emptied. More filing cabinets were released for reuse than in any previous year of operation of the centers.

Records in the centers are constantly being reviewed to prevent their being kept longer than necessary. During 1961 more records were disposed of in the centers than in any previous year—570,000 cubic feet in the regional

centers, 5,000 cubic feet in the civilian personnel records center, and 11,000 cubic feet in the military center.

In spite of the disposal program and the more efficient use of the space available, additional space was needed in some centers. Work was started on an addition that will increase the Denver center by 20,000 square feet. Arrangements were made to convert a Government-owned building on the Cheli Air Force Station for the use of the Los Angeles center. Shelving to accommodate 140,000 cubic feet of records was erected at the Mechanicsburg center from steel that was surplus to other Government agencies. The erection of "superstructure shelving" in the Fort Worth center increased its storage capacity to the optimum for the building yet failed to meet the need for space for expected accessions of records.

Table 10.—SOURCES OF RECORDS IN REGIONAL RECORDS CENTERS, JUNE 30, 1961

[In thousands of cubic feet]	
Source of records	Quantity
Department of Defense	1, 442
Department of the Treasury	1, 301
Veterans' Administration	548
General Accounting Office	335
Department of Commerce	284
Department of Justice	216
United States Courts	200
Other	1, 036
Total	5, 362

ARCHIVES AND PRESIDENTIAL LIBRARIES

The total holdings of records by the National Archives reached an alltime high of 912,630 cubic feet at the end of June 1961.

Since 1950 a continuing application of higher appraisal standards by the National Archives has resulted in the transfer to the Federal records centers

or the disposal of about 250,000 cubic feet of noncurrent records not worthy of permanent retention. Despite the elimination of these records from the National Archives the quantity of records worthy of permanent retention continues to grow.

The lack of suitable space for

housing all of the permanently valuable records of the Federal Government continues to be an acute problem. Nearly 793,000 cubic feet of these records are in the National Archives Building, where they are preserved and protected against the ravages of time and where they are readily accessible for use by Government officials and the public. Most of the rest of the permanently valuable records in the custody of the National Archives, nearly 120,000 cubic feet, occupy inadequate and unsafe space in a warehouse in Alexandria, Va. These records are the solid core of permanently valuable records created by the Armed Forces and the Defense Department during World War II and the Korean War. They are essentially the same kind of archives that are kept in the National Archives for all previous wars and are indispensable official sources for our national history. In addition to the military records there are in the custody of the National Archives and Records Service 180,000 cubic feet of permanently valuable civilian records that are also housed in inadequate warehouse space and that await transfer to the National Archives. All 300,000 cubic feet of these valuable military and civilian records are subject to almost certain deterioration if kept for long without proper temperature and humidity controls.

Table 11.—PRESERVATION OF PERMANENT RECORDS, FISCAL YEARS 1952-61

[In thousands of sheets]			
Fiscal year	Laminated	Flat-tened	Micro-filmed
1961	100	886	1, 815
1960	86	691	1, 626
1959	63	564	1, 630
1958	58	374	1, 154
1957	32	384	1, 054
1956	65	301	144
1955	125	492	.....
1954	131	706	.....
1953	141	407	.....
1952	139	635	.....

Careful cost studies of two possible solutions to the critical space problem were being made. One alternative is the use of microfilming on a large scale to reduce the bulk of permanently valuable records; the other is the establishment of a Defense Archives Annex which would house all permanently valuable military and naval archives.

Among the records accessioned by the Archives during the fiscal year were, from the Department of the Interior, records of the Office of the Secretary, 1917-59, and of the Office of Land Utilization, 1940-53. From the Department of Agriculture were transferred the records of the Office of the Administrator, Agricultural Research Administration, 1942-53; records of the Division of Plant Exploration and Introduction, 1898-1940; and records of the Rural Electrification Administration, 1935-54. Patent Office records received include copies of specifications of patents, 1790-1836, reconstructed by the Patent Office after 1836 to replace originals lost in the fire of that year; and Patent Office "interference" case files, 1836-1900, concerning cases where two or more inventors claimed the same invention.

Other accessions included early records of the District of Columbia, 1800-78, chiefly assessment and fiscal records; central files of the National Institutes of Health and their predecessors, 1915-51; and records of the Lincoln Sesquicentennial Commission, 1957-60. The holdings of the National Archives now include, in addition to the hundreds of millions of textual documents, 2,692,786 still pictures, 1,245,459 maps and charts, 48,731 reels of motion pictures, and 34,985 sound recordings.

As a result of the capture of huge quantities of German archives at the end of World War II, the National Archives has probably become the greatest center for the study of modern German history outside of Germany itself. Records captured by the United States and its Allies have been

or are about to be returned to the German Government at Bonn, but first the more important ones have been microfilmed. The resultant microfilm has been deposited in the National Archives and totals almost 14,000 rolls. The records reproduced are chiefly those of the German Foreign Office, the German Armed Forces, and the Nazi Party, and they date from 1865 through 1946.

Substantial progress was made on the long-range program, begun 5½ years ago, for preserving deteriorating paper records. When feasible, the informational content of these is preserved through microfilming. The more costly laminating and rebinding processes are used only for records that are too fragile to microfilm, that have special values requiring their preservation in their original form, that do not reproduce satisfactorily, or that cannot easily be used in microfilm form. During the year preservation production figures reached a new alltime high, exceeding 2.8 million sheets. Nearly two-thirds of this production is accounted for by preservation microfilming. Since the start of the program more than 11 million sheets have been preserved through flattening, lamination, and microfilming.

Because of the increased number of records that have been withdrawn from use after microfilming, the National Archives in 1957 established a central microfilm reading room. The number of microfilm rolls used by searchers in this facility has increased

Table 12.—REFERENCE AND MICROFILM PUBLICATION SERVICES, FISCAL YEARS 1960-61

[In thousands]

Services	1961	1960
Record units furnished..	411.6	361.9
Answers to written requests.....	48.7	45.4
Answers to oral requests.	38.9	35.4
Microfilm publication rolls sold.....	18.8	14.6

from 5,082 in 1958, the first full year of operation, to 29,319 in 1961.

The total number of reference services on records was 499,169 in 1961 as compared with 442,700 the previous year, an increase of about 13 percent. Sales of microfilm publications, which are series of documents of the highest research value published on microfilm, were greater than in any previous year, rising from 14,565 rolls in 1960 to 18,779 rolls in 1961, an increase of almost 29 percent. During the past 7 years more than 81,000 rolls have been sold.

The Civil War Centennial has brought to the National Archives many inquirers, some working on relatively small topics and others using the records for extensive investigations of the war and its aftermath. Work by staff members on a guide to records in the Archives for the decade 1860-70 has progressed substantially. The first volume, dealing with records of the Federal Government, is well along toward completion; and the second volume, on records of the Confederacy, is being compiled.

On the hundredth anniversary of the firing on Fort Sumter the National Archives opened a comprehensive Civil War exhibit to be on view during the centennial years. The exhibit, which has attracted a great deal of interest, contains nearly 350 documents, maps, photographs, sketches, and works of art that give a panorama of the war years, from the firing on Sumter on April 12, 1861, to the raising of the U.S. flag over the fort once more on April 14, 1865. Besides giving vivid details of battles and campaigns, the documents show Civil War developments in technology, medicine and surgery, and intelligence and espionage; they also show the ordinary man's reaction to recruiting and the draft, incidents of camp life, and the everyday routine of the common soldier.

The documents on permanent display in the Exhibition Hall—the Declaration of Independence, the Constitution of the United States, and

the Bill of Rights—have been carefully maintained and protected. Almost three-quarters of a million people visited the Exhibition Hall during the year, an alltime high, and bought during their visits a total of 60,791 separate facsimiles of documents or publications containing reproductions of documents.

Publications of the year include eight inventories of record groups or subgroups in the National Archives; among them are inventories of the records of the Bureau of Ships (241 p.), the Bureau of Insular Affairs (32 p.), the government of the Virgin Islands of the United States (31 p.), and Presidential inaugural committees (45 p.). A newly published *List of National Archives Microfilm Publications* (231 p.) supersedes the previous list issued in 1953. The Archives has issued 29 guides to the different series of captured German records filmed at Alexandria, Va., 14 of them during the year.

Presidential Libraries

A large proportion of the papers and other historical materials given by President Eisenhower to the United States under the terms of the Federal Records Act of 1950, as amended, were moved from the White House in January 1961 to the Eisenhower Library being built at Abilene, Kans. Since then the staff of the library has been arranging and processing the materials so that they may be made available for research as soon as possible.

The papers are housed in a completed part of the building. It is expected that the Eisenhower Presidential Library Commission, an agency of the State of Kansas, will complete the building, equip it, and landscape the grounds during 1962

and then transfer title to the building and grounds to the United States.

On December 15, 1960, the Herbert Hoover Birthplace Foundation, Inc., under the provisions of the Federal Records Act of 1950, as amended, offered as a gift to the United States the Herbert Hoover Library then under construction at West Branch, Iowa. At the same time the former President also offered as a gift his papers and other historical materials for deposit in the new library. These gifts were accepted before the close of the year and arrangements were being made for GSA operation.

The Franklin D. Roosevelt Library, in operation for nearly 20 years, received gifts of the personal papers of several Federal officials who had served in the Roosevelt administrations—among them Leon Henderson, John Ihlder, and Lowell Mellett—and of Nelson C. Brown, a forestry expert. The total manuscript holdings of the Library amount to 20 million pages. Nineteen volumes based to a significant extent on research in these papers were published during the year. More than 160,000 persons visited the museum of the library.

The holdings of the Harry S. Truman Library were increased by gifts of personal papers of a number of Federal officials who had served in the Truman administrations: Stanley Andrews, James Boyd, Nathaniel P. Davis, Frieda B. Hennock, Edwin A. Locke, J. Howard McGrath, John Redding, Alfred Schindler, and James E. Webb. Twelve grants-in-aid for study at the library were awarded to scholars during the year by the Harry S. Truman Library Institute. An oral history project, to record interviews with former associates of Mr. Truman, was begun under the institute's sponsorship. About 155,000 persons visited the museum of the library during the year.

FEDERAL REGISTER AND OTHER PUBLICATION ACTIVITY

The Office of the Federal Register continued its efforts during the year to bring about Government-wide improvements in drafting and publishing documents having the effect of law. A technical instruction program was begun to supplement the new Federal Register Handbook for Executive Agencies. This program is being given to writers, attorneys, and administrative personnel of all agencies to assist them in drafting better public documents and to promote efficiency and economy in publishing them.

In addition to this general instruction, specific guidance was given to many agencies on submission and publication requirements, procurement documents, organization statements and delegations of authority, and revisions of large regulatory programs.

The publication program includes the Federal Register, the Code of Federal Regulations, the U.S. Statutes at Large and the slip laws, the Government Organization Manual, and the Public Papers of the Presidents. Documents submitted for publication in the Federal Register increased by 20 percent, largely as a result of expanded activity in the regulatory agencies.

Three special editions of the pamphlet Principal Officials in the Executive Branch, a supplement to the Government Organization Manual, were issued, with a distribution of more than 58,000 copies.

The 1953 and 1960 volumes of the Public Papers of the Presidents were

published during the year. The 1945 Truman volume is scheduled for delivery in October 1961. A new format, developed for the Truman volumes, will be used, with minor changes for the Kennedy volumes.

National Historical Publications Commission

The Commission continued to encourage and assist the growing number of editorial enterprises devoted to publishing, under private auspices, the papers of historically significant Americans. An additional volume each of the papers of Benjamin Franklin and of Henry Clay was published in 1961. At its meeting on December 29, 1960, the Commission approved a resolution recommending the publication of the papers of Henry Laurens.

A Guide to Archives and Manuscripts in the United States, compiled for the Commission under the editorship of its Executive Director, was issued by Yale University Press. The *Guide* records more than 20,000 collections of personal papers and archival groups in some 1,300 depositories.

The Commission brought out in 1961 another volume of the bibliographical compilation *Writings on American History*; an additional volume was compiled and sent to press. For the documentary history of the verification of the Constitution and Bill of Rights, work continued on locating and editing the records of official action on ratification by the States.

Part 4. Defense Materials

The General Services Administration, under the policy direction of the Office of Civil and Defense Mobilization, administers the national stockpile and other raw materials programs which were established to provide for essential needs in time of an emergency.

Also under the administration of GSA are various machine tool programs, established to insure continuing production during a period of mobilization. Policy direction for the machine tools programs which were established in accordance with provisions of the Defense Production Act of 1950 is also the responsibility of OCDM. The National Industrial Equipment Reserve is administered by GSA under the policy determinations of the Department of Defense as provided in the National Industrial Reserve Act of 1948.

The acquisition cost of strategic materials in the national stockpile and other inventories in GSA custody at the end of 1961 was \$8.7 billion. The list of strategic and critical materials covered 76 metals, minerals, ores, and agricultural commodities.

Procurement

The strategic stockpile procurement directive for the year provided for new purchases of small diamond dies and jewel bearings. The full quantity of diamond dies had to be obtained from foreign sources as domestic producers did not respond to the invitation for bids. Several domestic diamond-die producers defaulted on contracts made in prior years and replacement purchases were made from foreign and other domestic producers. The contract that has been in effect for jewel bearings to

Table 13.—COMPARATIVE SUMMARY OF RAW MATERIALS INVENTORIES IN STORAGE, FISCAL YEARS 1960-61

[At acquisition cost]

Inventory	June 30, 1961	June 30, 1960	Increase (—decrease)
National stockpile (Public Law 520, 79th Cong. and Public Law 117, 76th Cong.).	\$6, 107, 196, 500	\$6, 153, 471, 000	—\$46, 274, 500
Supplemental stockpile (Public Law 480, 83d Cong. and Public Law 733, 84th Cong.).	950, 608, 200	754, 230, 000	196, 378, 200
Defense Production Act expansion programs (Public Law 774, 81st Cong.).	1, 482, 886, 900	1, 448, 742, 600	34, 144, 300
CCC barter (Public Law 480, 83d Cong.).	108, 851, 300	119, 045, 700	—10, 194, 400
Separate GSA tin (Public Law 608, 84th Cong.).	9, 510, 900	9, 519, 100	—8, 200
Total	8, 659, 053, 800	8, 485, 008, 400	174, 045, 400

Table 14.—DISPOSAL OF STRATEGIC MATERIALS FROM THE NATIONAL STOCKPILE AND OTHER GOVERNMENT INVENTORIES DURING FISCAL YEAR 1961

Commodity	Unit	Quantity	Contract price
Agar.....	LB.....	82, 313	\$37, 805
Alumina (calcined).....	ST.....	3, 500	163, 820
Bristles, hog.....	LB.....	123, 029	1, 602, 875
Cadmium, magnesium alloy.....	LB.....	8, 826, 000	1, 435, 107
Cobalt, cobaltiferous materials.....	LB.....	162, 120	21, 490
Coconut oil.....	LB.....	57, 518, 809	7, 072, 382
Copper.....	ST.....	10, 935	6, 355, 120
Diamonds, gem.....	KT.....	47, 044	1, 915, 775
Feathers and down.....	LB.....	628, 160	549, 174
Guayule seeds.....	LB.....	17, 426	150
Hyoscine.....	OZ.....	1, 040	11, 440
Kyanite-mullite.....	ST.....	2, 036	76, 423
Magnesium scrap.....	ST.....	423	214, 658
Nickel.....	LB.....	10, 402, 000	7, 697, 480
Nickel-cobalt-copper calcines.....	ST.....	3, 431	700, 500
Nickel matte.....	ST.....	87	16, 000
Nickel cathodes-contract settlements.....	LB.....	4, 568, 664	3, 380, 780
Nicaro nickel sales.....	LB.....	13, 398, 497	9, 300, 564
Platinum group metals:			
Osmium.....	} OZ.....	386	43, 737
Ruthenium.....			
Rhodium.....			
Poppy seeds.....	LB.....	49, 600	1, 240
Quartz crystals, raw.....	LB.....	19, 000	34, 842
Quartz crystals, partially processed.....	PC.....	1, 310, 315	
Quinidine.....	OZ.....	99, 989	67, 778
Quinine.....	OZ.....	4, 336, 152	466, 500
Rubber.....	LT.....	36, 808	27, 370, 444
Silk waste.....	LB.....	370, 819	96, 317
Talc, ground steatite.....	ST.....	2, 382	14, 230
Tin alloy (copan).....	LT.....	193	363, 479
Totaquine.....	OZ.....	1, 000	20
Vanadite of lead concentrate.....	ST.....	7, 277	201, 991
Zirconium ores.....	ST.....	3, 867	135, 025
Total.....			69, 347, 146

be obtained from the Government-owned facility at Rolla, N. Dak., was extended. In addition, to fulfill purchase directive requirements, contracts were executed to upgrade materials already on hand to higher use forms as follows: electrolytic copper to oxygen-free copper, tungsten concentrates to carbon-reduced tungsten metal powder, molybdenite to molybdenic oxide and ferromolybdenum, natural manganese ore to electrolytic manganese metal, and castor oil to sebacic acid.

Barter

GSA furnished pricing and other advice to the Department of Agriculture on proposals for barter of strategic and critical materials in exchange for surplus, domestically produced, agricultural commodities. Total barter transactions made by the department in the year covered more than 4 million short tons of 30 materials valued in excess of \$165 million. On behalf of the Commodity Credit Corporation in the Department of Agriculture, GSA also provides for

inspection, transportation, storage, and other services for the materials acquired under the barter contracts. Materials so acquired are periodically transferred by CCC to the supplemental stockpile administered by GSA.

Rotation

During the year 43.9 million pounds of cordage fibers were rotated, consisting of 17.3 million pounds of abaca and 26.6 million pounds of sisal. This was a decrease from the 70.3 million pounds rotated in 1960. The decrease primarily is a result of the substantial increase in twine imports, which captured much of the domestic market. In 1951 total imports of twine aggregated 94 million pounds in a total market of 309 million pounds or 30 percent of the domestic market. In 1961, twine imports totaled 246 million pounds in a market of 332 million pounds, representing 74 percent of the domestic market. The domestic industry has not been able to compete with foreign imports, and rotation of cordage fibers becomes increasingly difficult as domestic production decreases.

Disposals

At the end of the year total specification grade materials in stockpile and other inventories in GSA custody substantially equaled or exceeded the maximum objectives for 63 materials and basic objectives for 6 additional materials.

As of June 30, 1961, GSA had developed 57 disposal plans in accordance with OCDM authorizations. These plans cover over 1.3 million tons of materials in the national stockpile and Defense Production Act inventories. In addition, OCDM has authorized GSA to develop draft disposal plans for 13 items aggregating approximately 500,000 tons. Disposals were completed under 15 disposal plans at the end of the year. Since July 1, 1959,

when increased emphasis was placed on disposals of materials no longer required for stockpile objectives, sales of such materials have totaled over \$217 million.

The market price for rubber decreased substantially during the year. The price dropped below the 30 cents per pound minimum which GSA must receive under the current disposal policy approved by Government departments and agencies concerned. During fiscal year 1960 the market was substantially higher, and 73,309 long tons were sold as compared with only 36,808 long tons sold during 1961.

The public auction method for disposal of national stockpile commodities, which proved effective in the sale of hog bristles and gem diamonds, has been equally successful in disposal programs for silk waste and for feathers and down.

Storage

As of June 30, 1961, strategic and critical materials were stored at 213 locations. Approximately 87 million square feet of warehouse and open storage, and about 2 million barrels of tank storage, were in use. About 46 million tons of materials were in storage at these facilities. Of the 4.2 million tons of materials delivered to inventory during the year, approximately 1 percent was added to the national stock-

Table 15.—STORAGE LOCATIONS FOR STRATEGIC MATERIALS, JUNE 30, 1961

Type of facility	Number of locations
GSA facilities.....	22
Military installations.....	58
Commercial warehouses.....	68
Leased commercial sites.....	16
Industrial plant sites.....	39
Other Government facilities.....	10
Total.....	213

Part 5. Transportation and Public Utilities

The General Services Administration provides specialized services to Government agencies in the solution of their traffic management and public utilities services problems. Arrangements are made for the orderly, timely, and economical movement of traffic by all modes of transportation. Public utilities contracts negotiated for use of Federal agencies are often areawide and long term in character.

Technical advice and expert testimony are furnished on behalf of executive agencies in proceedings before Federal and State regulatory bodies involving transportation, public utilities, and communications. The communications proceedings also include the semiautomatic ground environment (SAGE) system on behalf of the Department of the Air Force.

TRANSPORTATION

The agency assistance program on transportation was expanded to include additional executive agencies at headquarters offices in Washington, D.C. The on-site assistance program is now established on a part-time basis in the following agencies: Departments of Treasury, Interior, Agriculture, Commerce, and Health, Education, and Welfare; the Federal Aviation Agency; and the Veterans' Administration. Services furnished to these organizations include: assistance in the implementation of Government-wide transportation and traffic management policies and procedures; conducting studies of specific transportation activities of agencies and development of recommendations for areas of improved economy and efficiency; development of training and educational programs for agency personnel engaged in traffic and related duties for the purpose of improving caliber of performance; and assistance to agency field office personnel through GSA regional staffs.

Specific traffic management assistance to civilian agencies during the year included the publication of a rate routing card. This card provides a simplified guide for Government personnel to compare charges and services of all modes of transportation available to them, and it promotes the use of lowest cost methods. Distribution of the card to executive agencies totaled 3,700 copies. Copies of the card have been requested by and furnished to libraries, universities, publishers, labor unions, business consultants, and industrial shippers. A prominent trade journal recommended its use by industry.

During the year 15 traffic management seminar-workshops were conducted for employees of civilian agency headquarters offices in Washington, D.C. Over 400 employees from 30 departments and agencies attended meetings on subjects including carrier selection, common shipping faults, and the preparation and processing of

Government bills of lading. Similar seminar-workshops were conducted by GSA regional staffs for agency field personnel.

This agency participated in the International Cooperation Administration's training program in the United States for foreign nationals by arranging for a group to attend a 5-week training tour of GSA, other Government agencies, and commercial firms to improve their understanding of American transportation and warehousing methods.

The Interagency Transportation and Traffic Management Committee, established in June 1960, held seven meetings during the year. The committee, whose membership is composed of designated representatives from civilian agencies, facilitates the planning and development of a Government-wide program for uniform and coordinated transportation and traffic management policies and procedures. Meetings were held to receive reports of policy trends from leaders in the national transportation program, discuss problem areas in Government transportation functions, and develop methods of simplifying documentation and paperwork in Government use of transportation facilities.

A transportation management handbook was published during the year for use throughout GSA. This handbook prescribes policies, regulations, and procedures for implementation by traffic management personnel. It is designed to effect the economical and efficient procurement of transportation services in connection with the movement of Government property for the account of the many agencies which are responsive to GSA's broad service programs. It also provides the basic material required to publish Government-wide policies in the Federal Procurement Regulations. Additional publications necessary to provide practical instructions in technical aspects of traffic management will be developed and distributed Government-wide in 1962.

In order to simplify and assure uniform procedures in the tendering of rates and charges by carriers via the several modes of transportation, a standard form was developed. This form, prepared in cooperation with civilian and military agencies and published for use throughout the Federal Government, permits the carrier to quote rates and charges under section 22 of the Interstate Commerce Act.

A uniform commercial bill of lading form, adaptable to both manual and mechanical preparation, was developed for use by GSA shipping personnel in processing domestic shipments that cannot be properly moved on Government bills of lading. The use of the standardized form eliminates the practice of forwarding shipments on commercial collect bills of lading furnished by the various carriers.

A newsletter is distributed to civilian executive agencies to report on significant changes and new key developments on transportation and public utility matters. The circulation approximates 1,200 copies per issue.

Traffic flow studies and analyses of shipments were made from thousands of GSA Government bills of lading for the development of areas requiring action on transportation rates. Such action includes representation before the rate-making committees of the carriers and before Federal and State regulatory bodies. From this same source, preliminary studies are being made relative to the establishment of automatic data processing of this type of information in the future. Various other studies are being prepared to insure equitable distribution of the tonnage shipped by GSA. Machine tabulations of these data are now made in lieu of the manual tabulations of prior years.

Continued attention was focused on the transportation aspects of all GSA transactions involving purchase, sale, lease, or upgrading of stockpiled commodities, and related services. The assistance rendered contracting officers

during all stages of negotiations and in the preparation of invitations-to-bid and formalization of contracts, has produced improved coverage of the transportation aspects involved in these transactions. It has also resulted in reductions in the delivered costs of materials procured and in the operating expenses incurred in the administration of contracts.

At the request of the Bureau of the Mint in the Treasury Department, GSA negotiated transportation contracts with the armored car industry for the movement of gold valued at nearly \$2.4 billion. The negotiated contracts resulted in the reduction of Government freight costs by \$14.5 million for the year.

In the interest of promoting desired uniformity in the control of railroad car demurrage, a master average demurrage agreement with nationwide application was negotiated between GSA and the Association of American Railroads for the use of all civilian executive agencies.

Storage-in-transit arrangements, heretofore utilized primarily on certain stockpile materials subject to deterioration, were established to cover a number of other GSA commodities that were scheduled on an emergency basis for temporary storage pending distribution to requisitioning agencies. Additionally, transit arrangements were utilized to cover processing of copper transferred by GSA to the Bureau of the Mint for use at Denver, Colo. More economical transportation is obtained through the use of such transit arrangements.

GSA contracts for foreign freight-forwarding services at major ports in the United States have been limited to GSA-controlled export traffic. Beginning with fiscal year 1962, such contracts will provide necessary freight-forwarding service for the use of all executive agencies in the export programs.

The volume of ocean traffic controlled by GSA where the use of U.S. flag commercial vessels was practicable and available at fair and

reasonable rates totaled 115,589 gross tons for the year. Pursuant to the Cargo Preference Act, Public Law 664, 83d Cong., which requires that at least 50 percent of Government-financed cargo move on U.S. flag commercial vessels, 93 percent of the above tonnage was moved on such vessels.

Customer agencies requested and received transportation and traffic management advice and assistance from GSA central and regional offices. Such assistance included: (1) Arrangement of the orderly, timely, and economical movement of GSA and executive agency traffic by providing routings, rates, classifications, and other traffic management instructions; (2) formal advertising for and negotiation of adjustment in rates and contracts for special movements of materials and Federal offices, and charters for ocean and air cargoes; and (3) preparation and distribution of appropriate shipping documents. During the year GSA conducted 669 rate negotiations, negotiated 645 contracts for transportation and accessorial services, issued 69,815 shipping instructions, processed 1,951 loss and damage claims, and furnished over 77,300 information services to executive agencies covering quotation of freight rates, routes, and classifications.

Table 16.—REDUCTIONS IN TRANSPORTATION CHARGES (SAVING), FISCAL YEARS 1952-61

[In millions]	
Fiscal year	Amount
1961.....	\$24.1
1960.....	15.6
1959.....	18.0
1958.....	12.1
1957.....	9.7
1956.....	9.3
1955.....	8.1
1954.....	6.6
1953.....	4.6
1952.....	3.0

¹ Estimated.

Particularly due to the handling of unusual gold movements for the Treasury Department, traffic management and operational programs conducted by GSA resulted in an estimated saving of \$24.1 million in transportation charges during the year, as compared with \$15.6 million in the prior year. Reductions in transportation charges achieved by GSA, and estimated reductions in transportation charges by category for fiscal year 1961, are shown in the tables.

Representation

A review of orders, decisions, and notices of Federal and State regulatory agencies and of publications by carriers has been conducted as a continuous program to insure protection of the interests of the civilian executive agencies of the Federal Government as shippers. During the year, this review included 7,400 regulatory dockets and approximately

103,000 proposals to carrier committees for changes in rates or other tariff provisions. Actions were taken by protests to carrier committees in 59 new cases involving general tariff changes.

GSA participated in 32 transportation proceedings pending before Federal and State regulatory bodies during the year. Pending regulatory actions included 9 new proceedings and 23 carried over from the prior year.

An example of a protest by GSA is that of a carrier proposing to add \$2.00 per shipment to all other charges for any shipment moving on a Government bill of lading. In view of the issuance of approximately 6 million Government bills of lading each year by Federal agencies, such a proposal if established as a precedent could have resulted in increased freight charges to the Government of \$12 million annually. Following protest action by GSA, this proposal was voluntarily withdrawn by the carrier.

Table 17.—ESTIMATED REDUCTIONS IN TRANSPORTATION CHARGES (SAVING) BY CATEGORY, FISCAL YEAR 1961

Category	Amount	Percent
Negotiated reductions in freight charges.....	\$22, 207, 221	92.0
Changes in classification ratings.....	2, 641	.....
Storage-in-transit privileges.....	270, 880	1.1
Reductions in service charges.....	50, 653	.2
Consolidation of small lots and use of pool cars.....	850, 885	3.5
Direct-to-customer deliveries of GSA stores stock items and other agencies' purchases.....	57, 138	.2
Substituting less costly methods and modes of transportation..	379, 534	1.6
Eliminating unnecessary shipments and use of services.....	307, 061	1.3
Miscellaneous.....	16, 562	.1
Total.....	24, 142, 575	100.0

PUBLIC UTILITIES

GSA's public utilities management program continued to emphasize Government-wide technical advice and assistance to Federal agencies in their procurement and utilization of electric, gas, steam, water, and sewage services.

Although no new areawide utilities contracts were consummated during the year, a reappraisal of existing contracts resulted in development of an improved GSA standard form for areawide contracts in future negotiations with additional utility suppliers. A revised standardized form of a utilities contract was developed and prescribed for use within GSA where (1) no areawide contract is in effect, (2) an exemption to the use of an areawide contract has been granted, or (3) a lower-cost competing service is available. Also, a special form for negotiated electric utility contracts was developed and prescribed for use within GSA. The complexities of a required utility service are such that the otherwise applicable utilities contract form was inadequate to protect the best interests of the Government.

During the year, 13 long-term or special-purpose utilities contracts were negotiated on behalf of various Government agencies. One of these contracts will result not only in electric cost reductions of \$30,000 annually

for the Federal agency initially involved, but through a companion reduced rate filing by the electric supplier, will also result in additional saving of more than \$130,000 annually for other Government agencies under previously executed contracts.

Representation

On behalf of Government agencies as users or consumers of communication and public utilities services, GSA was a party to 28 regulatory proceedings that were pending during the year. The cases involved increases or basic rates in electric, gas, steam, and communication services. Seven of the cases were completed during the year. Included in these regulatory proceedings were nine new cases involving service to the SAGE project of the Department of the Air Force, and four new public utility cases involving increases in telegraph, telephone, gas, and electric power rates. In the electric power rate case in the State of North Carolina, the voluntary change in the tariff by the involved public utility avoided the need for action by the regulatory commission, and the proceeding was dismissed to the satisfaction of the Government.

Part 6. Telecommunications

Telecommunications service for Federal agencies is provided by the General Services Administration. The service is primarily communication by local and long-distance telephone facilities and messages by teletypewriter. Shared use of circuits and facilities is practiced under GSA management to promote practical and economical communication.

The GSA rapid-written communication system handled 54.8 million words at a cost of \$2.9 million. This cost represented a saving of \$1.4 million compared with the cost of the same traffic at commercial rates. The increase over the volume of 1960 amounted to 6.1 million words, or a 12-percent increase.

The 141 consolidated telephone switchboards in 84 cities provide 548 operating positions with a main station capacity of 80,400 stations and serve 97,300 main and extension stations. Additional switchboard consolidations will result in more efficient

service to participating agencies and in reduced service costs. During the year mechanization of several additional GSA switchboards was approved.

The volume of Government communications has been increasing about 10 percent annually during the past several years. The complexity of requirements and new demands are also increasing at a rapid rate. It is recognized that if certain changes and adjustments were made in the communications available to the Federal agencies better service at a small increase in cost should be available. In 1958 OCDM prepared a plan, known as the Federal Civil Agencies Communications System, which would provide for day-to-day and emergency communications. GSA was directed to conduct a precise study of the feasibility of the concepts of the OCDM plan.

The study was made during 1960 and GSA was authorized to proceed with the development of the Federal telecommunications system. During the same period a report from the Comptroller General to the Congress concerning all U.S. Government communications, military and civilian, recommended central procurement and management of telecommunications facilities and services to insure increased efficiency and economy. GSA is carrying out the recommendations applying to communications that it furnishes and will apply them in other circumstances.

In February 1961 GSA took the initial steps to develop the system. Telecommunications functions were consolidated and additional experienced telecommunications engineers and management personnel were as-

Table 18.—GROWTH OF GSA TELECOMMUNICATIONS OPERATIONS, FISCAL YEARS 1952-61

Fiscal year	Teletypewriter volume (number of words)	Telephones served (number of stations)
1961.....	54,850,000	97,300
1960.....	48,772,000	93,000
1959.....	43,840,000	89,300
1958.....	42,411,000	83,800
1957.....	40,690,000	80,300
1956.....	36,089,000	74,300
1955.....	34,545,000	69,200
1954.....	30,700,000	65,600
1953.....	41,792,000	65,200
1952.....	69,803,000	63,000

signed to this important activity. Concurrent action has been taken by GSA to plan for an expanded and more versatile common-user system and to continue to provide efficient and economical telephone and message service.

The scope of the activity encompasses all civilian agency telecommunications system planning, engineering, management and operation of facilities and service. Communications by telephone, teletypewriter, facsimile, telephoto, remote metering, and signaling systems will be employed in the system and passed over wire, microwave, cable, or combinations of these media.

The centralized procurement of facilities concept has resulted in the application of bulk rates between a number of cities, not available when procured by individual agencies. Bulk rate services between additional cities also are under active consideration.

Consolidation of individual telephone switchboards into joint-use dial systems has been authorized in several cities and additional consolidations are under consideration. This is part of a program for nationwide direct distant-dialing operation through the system. As an interim step, it is planned to expand the Washington direct in-dialing system to permit automatic interchange of telephone traffic between

Washington and other cities. Negotiations have been undertaken with the commercial communications companies for expansion of nationwide direct in-dialing on GSA facilities in about 20 cities.

Future Program

The future program of the Federal telecommunications system will include the following features:

1. A program of telephone switchboard consolidation to improve service and to reduce costs.
2. A circuit switching program to provide greater flexibility and access to more locations in which Government business is transacted.
3. A store and forward network to utilize more economically nationwide circuits when time and traffic volume are considerations.
4. A leased circuit management program to insure that circuit procurement and utilization are effective.
5. Provision of a radio back-up network to provide communications for essential governmental functions if all other communications fail.
6. Programs to provide consulting services, to study communication tariffs and rates, and to provide secure communications.

Part 7. Utilization of Excess and Disposal of Surplus Property

REAL PROPERTY

General Services Administration is responsible for promotion of maximum utilization of excess real property by executive agencies, transfer of such excess property among Federal agencies, and for disposal of real property for which no further Federal need is found.

Holding agencies during the year reported 863 real properties, at an acquisition cost of \$640 million, as excess to their needs and responsibilities. Significantly 49 percent of the cost was attributable to only 41 properties. These large, complex, high-cost properties, most of which were reported by the Department of Defense, were primarily special-use in character with limited potential for further Federal utilization. Circularization of Federal agencies resulted in the transfer of 63 properties, costing \$79 million, from holding agencies to other Federal agencies for further use.

In addition, 59 properties costing \$8 million were withdrawn from excess inventory by holding agencies and also put to further Federal use.

Real property costing \$497 million was determined surplus and became available for disposal by GSA during the year. In addition, holding agencies were delegated authority, subject to GSA regulations, to dispose of property costing \$48 million. This property primarily involved leases or similar instruments granting the right to use, occupy, or control property not owned by the Government, and fixtures, structures, and improvements to be disposed of without the underlying land. Holding agencies disposed of property during the year having an acquisition cost of \$149 million under such delegated authority.

Disposal of surplus real property by GSA continued at an accelerated

Table 19.—REAL PROPERTY UTILIZATION AND DISPOSAL ACTIVITY, FISCAL YEARS 1957-61

[In millions at acquisition cost]

Fiscal year	Excess property put to further Federal use	Surplus property disposals		
		Total	Sale	Other inventory reductions
1961.....	\$87.4	\$556.3	\$413.4	\$142.9
1960.....	33.1	415.5	320.0	95.5
1959.....	20.8	118.8	80.6	38.2
1958.....	31.3	121.6	80.1	41.5
1957.....	11.9	64.2	26.7	37.5

pace during the year. Disposals by sale totaled \$413.4 million at acquisition cost and represented 679 individual sales of 275 properties. The large number of individual sales was the result of the practice of dividing offerings to encourage competition and to develop more salable properties. A high percentage of the \$413.4 million acquisition cost was attributable to a small number of industrial and other large, complex, high-cost properties. Of the 275 properties sold, 48 industrial properties accounted for 88 percent of the total cost.

Disposal of 203 surplus properties having an acquisition cost of \$142.9 million included conveyances to public bodies for parks, recreational areas, and historic monument sites; conservation of wildlife; airport use; and assignment to the Secretary of Health, Education, and Welfare for subsequent disposal for educational or public health use.

GSA deposited with the Treasury Department in fiscal year 1961 a total of \$56.3 million from the sales of surplus real property.

The income from outleases of surplus real property pending disposal totaled \$924,000 during the year, while the

cost to GSA for the maintenance of surplus property pending disposal amounted to \$1.5 million during the same period.

Payments in lieu of taxes totaled \$341,000 on certain real property under the custody of GSA and transferred on or after January 1, 1946, from the Reconstruction Finance Corporation, in accordance with the Act of Congress approved August 12, 1955 (69 Stat. 722), as amended.

As of June 30, 1961, two properties were in the National Industrial Reserve under the custody of GSA. The New England Lime Company magnesium plant at Canaan, Conn., was under permit to the Atomic Energy Commission, and the Turtle Mountain Ordnance Plant, at Rolla, N. Dak., was under lease to a private concern.

An extensive review of the regulations of the General Services Administration, Title 2, Real Property Management, relating to the utilization of excess real property and the disposal of surplus real property, was completed during the year. As a result of this review, a revision was issued which substantially improved the substance and readability of the regulations.

PERSONAL PROPERTY

The General Services Administration, in order to minimize expenditures for property, prescribes policies and methods to promote the maximum utilization of excess property by executive agencies. In addition GSA has supervision and direction over the disposition of surplus personal property.

Personal Property Utilization

Property with high utilization potential, which cost \$767 million, was reported to GSA during the year for possible transfer to other Federal agencies. In addition, excess personal property, which originally cost \$914 million, was inspected at military installations by GSA field representatives to locate equipment suitable for continued Federal use.

Transfers of excess property for continued Federal utilization reached \$310 million, an alltime high. This was a 42-percent increase over the previous record attained in 1960. The elimination of the requirement for reimbursement of fair value in connection with utilization transfers, which has been in effect for a full year, materially contributed to this achievement.

The cost of handling excess personal property transactions for the year was approximately \$2.0 million, which means that for every dollar spent, personal property with an acquisition cost of \$152 was retained for further use within the Federal Government. This was an increase of 9 percent compared with the previous year.

Donations approved for educational, public health, civil defense, and service educational purposes amounted to \$388 million. During the year a revised procedure for donation screening periods was developed. This revision establishes a definite period for Federal utilization screening of excess and one for screening of surplus personal property by the Department of Health, Education, and Welfare.

This revised policy is expected to eliminate duplicate screening action by Federal and State activities.

The expanded utilization program, designed to handle the large volume of excess personal property being generated, has progressed satisfactorily. Improved and simplified methods and operational techniques were placed in effect during the year with the cooperative support of Federal agencies. There are definite indications that agencies are taking aggressive action to implement the administration policy that excess personal property is the first source of supply.

Federal agencies increased their support of the program during the year by assigning, either on a full- or part-time basis, additional headquarters personnel to serve as national utilization officers; the total was 101 at yearend. Regional utilization officers for handling field contacts have been increased to 899 by participating agencies. These representatives work with GSA during planning stages in developing agency requirements for excess personal property for new projects or expansion of existing programs.

A project sponsored by GSA and the Department of Defense to bring excess contractor inventories under GSA systematic utilization screening was service-tested during the year. Instructions have been issued which made this project operational on September 1, 1961. The formal screening of this high quality Government-owned property will make a substantial contribution toward the utilization objectives in 1962.

Personal Property Sales

Sales of personal property by all Government agencies during the year totaled approximately \$1.9 billion at acquisition cost, slightly less than the \$2.1 billion sold in the previous fiscal year. However the rate of

Table 20.—REAL PROPERTIES WITH HIGH ACQUISITION COST TRANSFERRED, FOR USE BY OTHER GOVERNMENT AGENCIES, FISCAL YEAR 1961

Property	Property reported excess by—	Property transferred to—	Acquisition cost (millions)
Naval Air Station and Ordnance Test Station, Chincoteague, Va.	Department of Defense.	National Aeronautics and Space Administration.	\$26.6
Belle Mead General Depot, Somerset, N.J.	.....do.....	General Services Administration.	16.6
Jeffersonville Quartermaster Depot, Jeffersonville, Ind.	.....do.....	.....do.....	6.0
AEC Housing Area, Sandia Base, Albuquerque, N. Mex.	Atomic Energy Commission.	Department of Defense.	5.9
Naval Disciplinary Barracks, San Pedro, Calif.	Department of Defense.	Department of Justice.	2.7

return to the Government increased in 1961 from 5.1 percent to 5.7 percent of acquisition cost. About \$57.1 million was obtained from the sale of scrap in this period.

GSA regional offices conducted 712 sales of civilian agency property at widely scattered locations, involving property valued at \$24.4 million at acquisition cost. This represents an increase of 20 percent over the number of sales conducted in 1960 and a 42-percent increase in the dollar value of property sold. A 14.9-percent recovery of acquisition cost was obtained for property sold by GSA regional offices in 1961.

Central Office technical specialists completed sales project assignments at a number of installations in accordance with requests by other agencies. A Government-wide circular was issued announcing the integrated personal property sales program for civil agencies. Memoranda of Understanding were formally executed by GSA and eight civil agencies as an initial step in the implementation of the plan to bring surplus property sales functions of civil agencies under GSA's sales responsibility. The following agencies are involved in the initiation of the plan: Departments of Justice, Post Office, Commerce, and Health, Education, and Welfare; Veterans' Administration, Federal Avia-

tion Agency, Housing and Home Finance Agency, and National Aeronautics and Space Administration.

New regulations have been issued authorizing the use of deposit bonds as an alternative means of meeting bid deposit requirements in connection with sales of surplus personal property conducted by executive agencies. It is anticipated that the standard forms of bonds and procedures, which may be used in any sale of Government property, will greatly facilitate buyer participation in sealed bid sales.

A technical sales handbook, Electrical Wire and Cable, was issued. This publication provides Government sales personnel with basic merchandising information for use in selling the very large volume of wire and cable regularly generated as surplus. This handbook includes item identification and other significant data that will interest buyers of this class of material.

An additional supplement has been published to the technical handbook on Aircraft Components, Parts and Equipment Having Commercial Value. This supplement lists all aircraft wheels and brakes, and identifies them by manufacturer's number and Federal stock number. Instructions are also provided covering all commercial aircraft upon which individual items can be used.

Table 21.—EXCESS PERSONAL PROPERTY UTILIZATION AND DONATION APPROVALS, FISCAL YEARS 1952-61

[In millions at acquisition cost]

Fiscal year	Excess property generated	Excess property reported to GSA	Transfers	Donation approvals
1961.....	\$5,058.6	\$766.7	\$310.1	\$387.7
1960.....	6,615.2	1,023.0	218.3	412.8
1959.....	6,922.2	1,108.2	141.4	361.0
1958.....	7,043.1	989.0	138.0	289.0
1957.....	3,998.1	563.7	83.2	212.8
1956.....	2,164.0	566.0	94.9	194.1
1955.....	2,622.0	642.4	71.1	130.1
1954.....	1,885.1	661.0	57.5	99.4
1953.....	884.5	305.4	38.6	58.5
1952.....	436.9	98.6	36.1	37.4

Part 8. Small Business

GSA Business Service Centers, conveniently located in GSA regional offices, were daily engaged in providing one-stop counseling services to businessmen, trade organizations and chambers of commerce. The centers gave information and counsel to business concerns throughout the nation about GSA operations affecting them.

Specifically, these services include:

- Information concerning Government business opportunities with regard to purchases and sales
- Information with regard to actions which businessmen should take, such as:

How to get on bidders mailing lists in GSA buying offices

How and where to obtain Federal specifications

How to keep currently informed of current bidding opportunities

- Assistance tailored to fit the needs of individual firms and the products they market.

The objective of this program is to provide maximum opportunity for business concerns, particularly small businesses, to participate in the purchasing and disposal programs of GSA and other Federal agencies. By encouraging business competition, GSA can more effectively and economically carry out its mission as the Federal property management agency.

GSA has taken necessary steps to increase business competition to the greatest extent possible; to provide a convenient and worthwhile point of contact in furnishing businessmen, particularly small businessmen, with assistance in their efforts to seek maximum potential for doing business with the Government; and to encourage submission of applications for introducing new products

into the Government procurement system.

During the year GSA Business Service Centers and their subcenters handled 359,004 written, telephone, and in-person inquiries. They also distributed 317,213 copies of Federal specifications and 24,089 Bidder's Mailing List Applications to interested business concerns throughout the country.

As a result of the interest concerning problems relating to chronic labor surplus areas, special effort was made to contact local chambers of commerce and businesses and to keep them currently advised of proposed GSA procurement. An increased effort was made to participate in business opportunity meetings throughout the country as well as in an accelerated program sponsored by various Senators and Congressmen who conducted business opportunity meetings in Washington, D.C.

GSA has supported vigorously a program to assure that qualified small business firms receive a fair share of Government contracts. This program is essential to our national economy. In furtherance of the President's pronounced policy in this field, GSA gives full attention to, and will continue to support actively, the policy of the Congress as stated in legislation that a fair proportion of total purchases and contracts for property and services for the Government shall be placed with small business concerns.

An accelerated small business set-aside program has been carried on by the agency. Close liaison has been maintained with small business representatives at all GSA purchasing offices. Regulations and procedures

to encourage and promote joint set-aside determinations have been issued and are kept current to reflect Small Business Administration policy. The GSA small business set-aside program, which provides for Government procurement awards exclusively to small business firms throughout the country, increased from 2,028 contracts totaling \$52.6 million in 1960 to 4,617 contracts totaling \$91.0 million in 1961.

Every effort has been made to make available appropriate projects for competition of small business firms. In contracting for construction services, class set-aside agreements have been made effective in all 10 GSA regions. The GSA repair and improvement program involves projects totaling about \$53 million during the year. Of these projects, 92 percent was accomplished by small business concerns. This particular program is available to diversified locations because contracts were awarded among the approximately 4,000 Federal building locations throughout the United States,

Puerto Rico, and the Virgin Islands. Of particular benefit to small businesses was the approximately \$8 million of minor repair work administered by GSA area and buildings managers throughout the country.

Approximately 400 contracts, estimated at \$4 million, were in effect during the year for cleaning and servicing Federal buildings. These contracts were all with small business firms.

The surplus personal property disposal program is operating at maximum benefit to small business firms. Lotting priorities provided for quantities small enough to attract small business participation, particularly for items which should be of interest to purchasers for their own use.

GSA shares the President's interest in furthering the role of small business in Government procurement and endorses the policy of cooperative effort with the Small Business Administration in this important program.

Part 9. Legislation

Statutory Requirement for Submitting to the Congress Recommendations for Amendments to the Federal Property and Administrative Services Act of 1949

Section 212 of the Federal Property and Administrative Services Act of 1949, as amended, includes the provision that the Administrator of General Services shall submit to the Congress "such recommendations for amendments to this Act as he may deem appropriate as the result of the administration" of his functions under the Act.

In accordance with this statutory requirement the Administrator of General Services submitted to the Congress during 1961 three recommendations for amendments to the Federal Property and Administrative Services Act of 1949, as amended, which he considered necessary or desirable to enable him to carry out his responsibilities of providing for the Government an economical and efficient system for the management of personal and real properties.

Recommended Amendment to the Federal Property and Administrative Services Act of 1949 Which Was Enacted

One of the three amendments recommended to the Congress by the Administrator of General Services in 1961 was enacted. Public Law 87-372, approved October 4, 1961 (75 Stat. 802), amended the Federal Property and Administrative Services Act of 1949, as amended, to remove the limitation on the maximum capital of the General Supply Fund. This law deleted the third sentence of section 109(a) of the 1949 act which read as follows: "The capital of the General Supply Fund shall be in an amount not greater than \$150,000,000."

The removal of this limitation on the maximum capital of the General Supply Fund provides the General Services Administration with more flexibility for the conduct of an efficient supply system to meet the needs of its customer agencies. Public Law 87-372 does not provide any additional capital to the Fund. Also, it does not in any way negate effective control over realized capital. All requests for additional appropriated capital must be presented to the Congress through normal budgetary procedures and be subject to the scrutiny of the Committees on Appropriations and all transfers of capital assets must be approved by the Director of the Bureau of the Budget under the provisions of section 107(b) of the Federal Property and Administrative Services Act of 1949, as amended.

Recommended Amendments to the Federal Property and Administrative Services Act of 1949 Which Were Not Enacted

The following amendments recommended to the Congress by the Administrator of General Services during fiscal year 1961 were not enacted:

(1) Amend the Federal Property and Administrative Services Act of 1949 to provide authority to administer oaths to witnesses. This legislative proposal would amend section 205 of the 1949 act, as amended, by adding a new subsection to empower certain officers and employees of GSA engaged in investigative functions, when authorized by the Administrator, to administer oaths to witnesses in the performance of their duties in conducting investigations.

The proposed amendment would enable GSA to improve its investigatory functions by administering oaths to persons prior to obtaining statements, or in other capacities which would be beneficial in the protection of the Government's interests. There is a continuing need for investigation and surveillance of the merchandise acquired by GSA for the use of all civil departments and agencies and the acquisition of strategic and critical materials for the Government's stockpile. GSA's extensive construction program and the maintenance of Government-owned or leased buildings also require constant and thorough administrative investigation. This legislative proposal was introduced in the 87th Congress, First Session, as S. 538 and H.R. 4082. S. 538 was reported in the Senate May 18, 1961, by the Committee on Government Operations, Senate Report No. 266. The bill passed the Senate May 26, 1961. S. 538 and H.R. 4082 are presently pending before the House Committee on Government Operations.

(2) Amend the Federal Property and Administrative Services Act of 1949 to authorize payment from and reimbursement to the General Supply Fund of transportation costs incurred in shipping supplies to a Government requisitioning agency.

Under current authority set forth in section 109 of the Act, GSA is authorized to make payment for and obtain reimbursement from requisitioning agencies solely of inbound transportation charges incurred for shipment of items from a private supplier to the "first storage point".

GSA purchases for and distributes a wide variety of common-use supply and equipment items to Government agencies. The distribution phase of these activities involves outbound shipments from GSA ranging in size from parcel post packages to multi-carload consignments. Under existing law, outbound transportation

charges are paid by the requisitioning agencies.

Adoption of the proposed amendment would enhance economy and efficiency by facilitating consolidated purchases for distribution from suitable shipping points; by enabling consolidation of shipments of items to be made; by eliminating the necessity for customer agencies to compute freight obligations and separately account and pay therefor; by reducing very substantially the present workload involved in the payment of carriers' bills; and by permitting establishment of a simplified "delivered price" basis for charging agencies.

The proposed legislation was introduced in the 87th Congress, First Session, as S. 2160 and H.R. 8100. The bills were referred to the Senate and House Committees on Government Operations, respectively.

The Subcommittee on Government Activities of the House Committee on Government Operations held a hearing on H.R. 8100 on August 30, 1961. The Subcommittee favorably reported H.R. 8100 with amendments to the full Committee. The bill was reported with the amendments to the House on September 19, 1961, House Report No. 1218. H.R. 8100 passed the House September 22, 1961, as reported and, together with S. 2160, is presently pending before the Senate Committee on Government Operations.

Other Legislative Proposals Recommended to the Congress by the Administrator of General Services Which Were Enacted

In addition to the above-mentioned enacted amendment to the Federal Property and Administrative Services Act of 1949, the following four other legislative proposals which the Administrator of General Services recommended to the Congress in 1961 were enacted:

(1) Public Law 87-190, approved August 30, 1961 (75 Stat. 418), dis-

solved the Federal Facilities Corporation and transferred to the Administrator of General Services those functions and powers which were previously vested in the Corporation.

The remaining functions and activities of the Corporation which this law transferred to GSA are (a) the semiannual inspections of the 26 synthetic rubber plants and certain equipment sold by the Rubber Producing Facilities Disposal Commission, subject to a National Security Clause, to determine if the terms of that clause are being complied with; (b) servicing of the notes and collateral securing the notes which were acquired in the sale, on credit terms, of certain of the synthetic rubber facilities and the tin smelter at Texas City, Tex.; (c) the sale or other disposal of the remaining physical properties, consisting of certain machinery and equipment and various tonnage of different types of catalyst; and (d) the collection of certain claims of the Corporation and the liquidation of a few existing liabilities. These remaining functions and activities will be performed and completed within the established organization of GSA by those officials, staff offices, and services responsible for the performance of similar functions of the agency.

(2) Public Law 87-258, approved September 21, 1961 (75 Stat. 539), amended section 2679 of title 28 of the United States Code, which is part of the Federal Tort Claims Act.

This law makes action against the United States the exclusive remedy for damage to property or personal injury, including death, resulting from the operation by any employee of the Government of any motor vehicle while acting within the scope of his office or employment. It requires the Attorney General to defend any civil action or proceeding brought in any State or other court against an employee of the United States for any such damage or injury.

The law also provides for removal by the Attorney General to the appropriate United States district court of any such action or proceeding when the Attorney General certifies that the defendant employee was acting within the scope of his employment at the time of the incident out of which the suit arose. Upon such removal the proceeding becomes an action against the United States under the Federal Tort Claims Act.

Further, the Attorney General is authorized by this law to compromise or settle any claim asserted in any such civil action or proceeding in the manner provided in section 2677 of title 28 of the United States Code, and with the same effect.

(3) Public Law 87-275, approved September 22, 1961 (75 Stat. 574), amended the Act of June 1, 1948 (62 Stat. 281), by adding a new subsection which empowers the Administrator of General Services, or certain officials designated by him, to authorize officials and employees of the agency engaged in investigative functions to act as nonuniformed special policemen.

Nonuniformed special policemen designated under this law are empowered to enforce Federal laws for the protection of persons and property and to enforce rules and regulations issued by the Administrator of General Services for the protection of such property. Also, they are authorized to make arrests without warrant for any offense committed on Government property, if they have reasonable grounds to believe (a) that the offense constitutes a felony under the laws of the United States and (b) that the person to be arrested is guilty of such offense.

(4) Public Law 87-277, approved September 22, 1961 (75 Stat. 577), repealed the proviso in the third full paragraph on page 941 of volume 25 of the Statutes at Large in the Act of March 2, 1889, as amended (40 U.S.C. 256), which provides that, in the pro-