

**ANNUAL REPORT OF THE
ADMINISTRATOR
OF GENERAL SERVICES**

Fiscal Year 1963

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



1963

GENERAL SERVICES ADMINISTRATION

Washington 25, D.C.



January 20, 1964

The Honorable President of the Senate
The Honorable Speaker of the House of Representatives

Dear Sirs:

I am pleased to transmit to you General Services Administration's
Annual Report for the fiscal year ended June 30, 1963.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Bernard L. Boutin".

Bernard L. Boutin
Administrator of General Services

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FOREWORD

This report summarizes the progress and accomplishments of the General Services Administration for fiscal year 1963.

On June 30, 1963, the General Services Administration completed its 14th 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 the following major categories:

- Procurement and supply of personal property and nonpersonal services, including related functions such as contracting, inspection, storage, issue, specifications, property identification and classification.
- Provision of space for the housing of Federal agencies, including the operation, maintenance, protection, repair and renovation of buildings, provision of utility and other services, and the design and construction of needed new buildings.
- 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.
- Management of the national stockpile and other inventories of strategic and critical materials in accordance with policies and directives of the Office of Emergency Planning, stockpiling of civil defense emergency materials in accordance with policy guidance of the Department of Health, Education, and Welfare and the Department of Defense, and the maintenance of machine tools in the National Industrial Equipment Reserve in accordance with policy direction of the Department of Defense.
- Provision of assistance to executive agencies in improving their traffic management practices, arranging routings of shipments, obtaining economical rates for public utility services, operation of a centralized telecommunications system for the civil agencies of the Government. The establishment of motor pools or systems for transportation of Government personnel and property by motor vehicle within selected areas.
- 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. Rehabilitate furniture, office and other equipment for use by Federal agencies in lieu of new procurement.
- Compilation and publication of Government-wide inventories of owned and leased real property, automatic data processing facilities, and jurisdictional status of real property. Operation of duplicating and reproduction plants for Government-wide use.

The various functions of GSA are assigned to its six Services—Federal Supply, Public Buildings, National Archives and Records, Defense Materials, Transportation and Communications, 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 1963 are contained in the parts of this report and highlighted on the next page.

SUMMARY OF OPERATIONS

	Fiscal year 1963	Fiscal year 1962	Percent increase or decrease (—)
UTILIZATION AND DISPOSAL SERVICE			
1. <i>Personal Property</i> —(acquisition cost—millions of dollars):			
a. Transfers to other Federal agencies.....	475.1	362.7	31.0
b. Donations.....	343.8	350.7	-2.0
c. Sales.....	39.5	39.8	-0.8
Total.....	858.4	753.2	14.0
2. <i>Real Property</i> —(acquisition cost—millions of dollars):			
a. Further utilization by Federal agencies.....	144.7	97.3	48.7
b. Donations.....	122.1	190.7	-36.0
c. Sales.....	360.0	441.8	-18.5
Total.....	626.8	729.8	-14.1
FEDERAL SUPPLY SERVICE			
1. Stores sales (thousands of dollars).....	292,146	264,379	10.5
2. Non-stores sales (thousands of dollars).....	154,828	139,210	11.2
3. Stores line items shipped (thousands).....	5,889.7	5,436.4	8.3
4. Number of supply distribution points.....	47	41	14.6
5. Total procurement (millions of dollars).....	1,256.7	1,187.9	5.8
PUBLIC BUILDINGS SERVICE			
1. <i>New Construction Program</i> :			
a. Design starts (millions of dollars).....	315.2	167.8	87.8
b. Design completions (millions of dollars).....	234.6	196.7	19.3
c. Construction awards (millions of dollars).....	283.3	124.5	127.6
d. Construction completions (millions of dollars).....	70.7	149.9	-52.8
2. <i>Buildings Management</i> :			
a. Average net square feet managed (millions).....	153.9	141.6	8.7
b. Total cost of managing building space (millions of dollars).....	229.8	209.8	9.5
3. <i>Repair and Improvement</i> :			
a. Repair and Improvement appropriation:			
1. Net square feet of R&I responsibility (millions).....	144.1	128.5	12.1
2. Obligations incurred (millions of dollars).....	64.8	62.6	3.5
b. Reimbursable costs (millions of dollars).....	33.3	34.1	-2.3
TRANSPORTATION AND COMMUNICATIONS SERVICE			
1. <i>Interagency Motor Pools</i> :			
a. Number of pools in operation.....	75	66	13.6
b. Sales of motor pool services (thousands of dollars).....	24,469	20,920	17.0
c. Mileage (thousands).....	294,438	249,571	18.0
d. Number of vehicles in pools (June 30).....	27,487	24,359	12.8
2. <i>Communications Services</i> (costs, thousands of dollars).....	33,301	26,747	24.5
DEFENSE MATERIALS SERVICE			
1. Strategic and critical materials in inventory (acquisition cost in thousands of dollars).....	8,592,122	8,686,589	-1.4
2. Sales commitments (thousands).....	110,453	87,533	26.2
NATIONAL ARCHIVES AND RECORDS SERVICE			
1. Number of Federal records centers.....	16	16	
2. Records in inventory (thousand cubic feet June 30).....	8,346	7,864	6.1
3. Reference services handled (thousands).....	5,326	5,393	-1.2

Part 1. Utilization of Excess and Disposal of Surplus Property

In enacting the Federal Property and Administrative Services Act of 1949, it was the intent of Congress to provide an economical and efficient system for the utilization of available property and the disposal of surplus property. In attaining this objective, GSA strives to promote the maximum utilization of excess property by execu-

tive agencies, the transfer of excess property among Federal agencies, and arranges for the economic rehabilitation of personal property. GSA also supervises and directs the disposal, in the most economical and efficient manner possible, of real and personal property for which no further Federal need is found.

REAL PROPERTY

The year ending June 30, 1963, was characterized by a substantial increase in the reporting to GSA of real and related personal property as excess to the needs of executive agencies. As in the past, large high-cost industrials continued to be the dominant type of property reported excess. Of the 880 properties having an acquisition cost of \$801 million reported excess by holding agencies, 42 industrial properties accounted for 69 percent of the total cost. This pattern of large, complex industrials dominating the reports of excess has been recognized in past reports to the Congress and it is anticipated that GSA will continue to receive such reports of excess.

Close liaison is being maintained continually with all executive agencies, and particularly with DOD which is the largest generator of excess property, to insure coordinated action in timely reporting, utilization, and disposal of real property.

Agencies of the Federal Government whose functions require the use of real property are notified of the availability of specific excess properties. This circularization resulted in considerable

savings to the Government in fiscal year 1963 by the use of available property before resorting to the acquisition of additional property. The transfer of the Army Plum Brook Ordnance Works at Sandusky, Ohio (acquisition cost \$20.3 million) to the National Aeronautics and Space Administration for use in research on missile propulsion systems and the future Apollo program was typical of GSA's effective utilization action.

During the year, 62 properties with an original acquisition cost of \$114 million were transferred compared to 44 properties costing \$87 million in 1962. In addition, 66 properties costing \$31 million were withdrawn from excess by the reporting agency in 1963 and put to further use as compared to 55 properties costing \$10 million in the preceding year.

In fiscal year 1963, 845 excess real properties having an acquisition cost of \$676 million were determined to be surplus to the needs of the Government. Real property costing \$603 million was subject to disposal by GSA. The balance was subject to disposal by the holding agencies. The latter pri-

Table 1.—REAL PROPERTIES WITH HIGH ACQUISITION COST TRANSFERRED FOR USE BY OTHER GOVERNMENT AGENCIES, FISCAL YEAR 1963

Property	Property reported excess by—	Property transferred to—	Acquisition cost (millions)
Naval Weapons Industrial Reserve Plant, Kansas City, Mo.	Department of Defense.	General Services Administration.	\$40.3
Naval Supply Depot, Clearfield, Utah. ¹	..... do .....	..... do	8.8
Susquehanna Subdepot of Letterkenny Ordnance Depot, Williamsport, Pa. ¹	..... do	Department of Justice.	6.8
Moore Air Base, Mission, Tex. ¹	..... do	Department of Agriculture.	4.4
Naval Auxiliary Air Station, Port Isabel, Tex. ¹	..... do	Department of Justice.	3.1

¹ Portion of installation transferred.

marily involved leases or similar agreements granting the right to use, occupy, or control properties not owned by the Government, and improvements to be disposed of without the underlying land.

Property no longer needed by the Federal Government is disposed of by sale or by conveyance to local governments and institutions for public uses such as airports, park and recreation areas, conservation of wildlife, or health and education purposes.

Disposals by sale were accelerated in order to increase the return of sales proceeds to the Treasury, to place property back in the civilian economy, thereby adding to local tax rolls, and to reduce the expense to the Government resulting from physically protecting and maintaining surplus properties pending disposal. These efforts to emphasize the sale of real property resulted in the disposal of 253 properties for \$78 million. Many of these properties were sold to user-buyers, thus bringing needed payrolls into the communities where located. Industrial properties such as the electrometallurgical plant at Spokane, Wash., comprised 78 percent of the total disposals by sale, in terms of acquisition cost.

In summary, disposal was made of 507 surplus properties having an original acquisition cost of \$482 million for

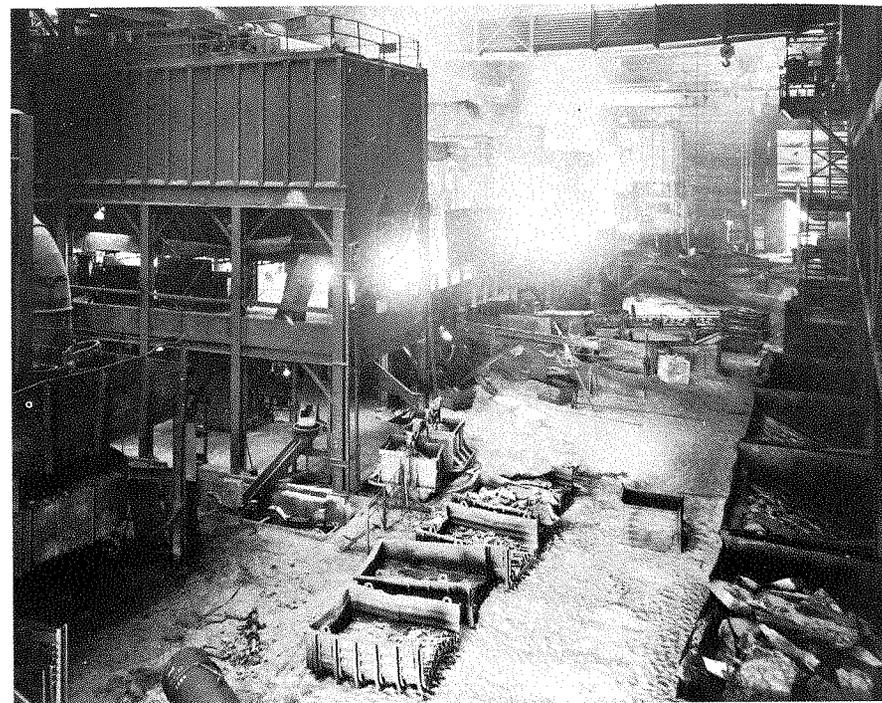
the purposes indicated in the table below:

Table 2.—GSA SURPLUS REAL PROPERTY DISPOSALS, FISCAL YEAR 1963

Type of disposals	Number of properties
Sales.....	253
Health and education assignments.....	95
Recalls from surplus.....	89
Federal highways assignments.....	17
Park, recreation, and monument use.....	20
Airport use.....	13
Other (conservation of wildlife; named recipients; abandonment, writeoff and destruction; and widening of public highways).....	20
Total.....	507

Conveyances for public-use purposes were made in accordance with statutory authority at up to 100 percent public benefit discount (no cost to the recipient).

Properties are placed in interim use pending utilization or disposal whenever possible in order to reduce the costs of protection and maintenance. Interim use under lease, permit or other use agreements provided an income of \$1.6 million during fiscal year



Interior of ferrosilicon furnace building, electrometallurgical plant, Spokane, Wash.

1963. Payments in lieu of taxes on real property totaled \$252,000. These payments are made on certain real property under GSA's custody 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. 721), as amended.

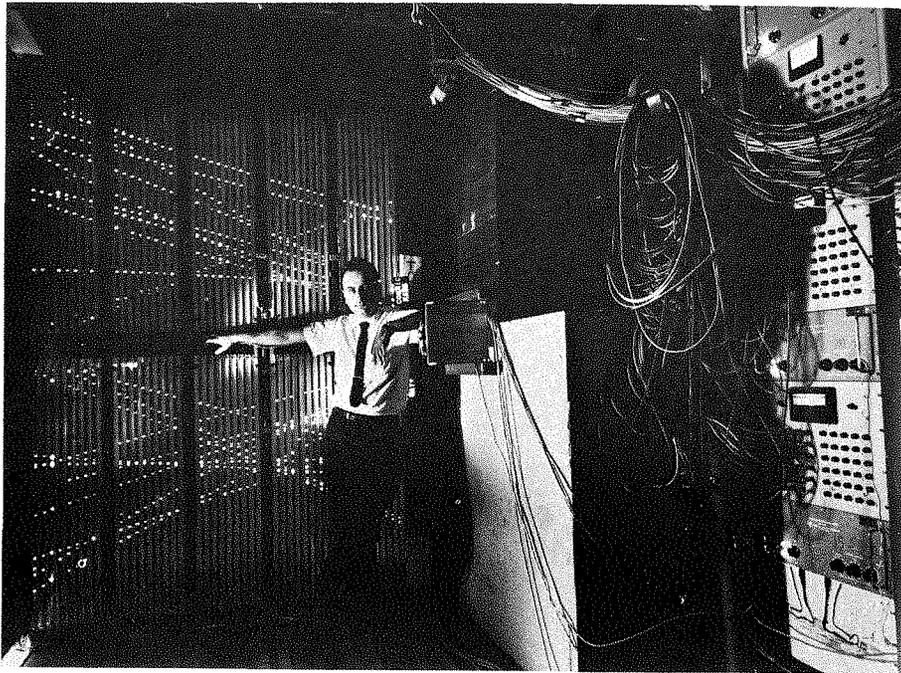
As of June 30, 1963, two real properties were in the custody of GSA in the National Industrial Reserve. The New England Lime Co. magnesium plant at Canaan, Conn., was under permit to the Atomic Energy Commission and the Turtle Mountain Ordnance Plant at Rolla, N. Dak., was under lease to a private concern.

PERSONAL PROPERTY

GSA conducts several programs dealing with personal property which is excess or surplus to the needs of the Federal Government. These programs involve: the rehabilitation of personal property owned by the Government to extend its useful life; the utilization of available excess personal property by Federal agencies; the donation of surplus personal property for authorized purposes in the States; and the sale of remaining property items to the public.

Utilization

The interagency personal property utilization program conducted by GSA reached a new high in 1963 in the amount of excess property transferred for further Federal use; \$475 million of property at acquisition cost was redistributed compared with \$362 million in 1962, a 31 percent increase. Practically all agencies benefited through curtailment of new procurement or upgrading of old property. To accom-



5,000 tons of excess armorplate was used as an effective shield against radiation in Neutrino experiments.

plish this result, a total of \$1.8 billion of property considered to have utilization potential was systematically screened by GSA regional offices. Government agency generations totaled \$4.5 billion. This included salvage and other property without utilization potential.

A large quantity of DOD electronic ordnance and missile support equipment was transferred to a number of Federal agencies, thereby aiding numerous technical, research and development missions. Another contributing factor to the utilization gain was an increase from \$43 million to \$77 million, at acquisition cost, of excess contractor inventory utilized as a result of improved reporting and screening techniques.

Excess armorplate is being used as an effective shield against radiation. Under arrangements made by GSA on behalf of AEC, the armorplate illustrated was removed from Navy combat vessels which were authorized for disposal. Since 1958, 25,000 tons of

armorplate have been used by AEC in lieu of procurement of new steel plate. It is estimated that this resulted in a savings of \$3.8 million to the Government.

Continued efforts to increase productivity resulted in 1963 in a 52-cent unit cost per \$100 of property transferred, a reduction of 8 cents from 1962. An important management improvement commenced in 1963 involved the source data automation of the workload and transaction information in the field offices and also the preparation of excess property catalogs and bulletins. It is anticipated that this will result in a savings of 30,000 man-hours per year when installed in all regions. In addition, at the year-end, arrangements were completed for a test operation whereby certain categories of DOD excess property will be reported to GSA in magnetic tape form. Considerable reduction in paperwork in DOD and GSA is anticipated.

Arrangements were developed for a

joint DOD-GSA effort to preplan the document reporting and redistribution efforts with respect to large volumes of excess support equipment for missile systems which will be phased out in the future. Substantial requirements for such items exist in several civil agencies.

Donations

The consistent policy of Congress since 1919 has been to make available Federal surplus personal property as nonbudgetary aids to the States for educational and other public purposes. Donation is one of the most expeditious disposal methods provided by statute, and has been of exceptional value, particularly to educational activities at a time of great national need.

In fiscal year 1963, Congress indicated its continuing interest in the donation program by expanding the eligibility of educational institutions. Public Law 87-786 authorized donation of Federal surplus personal property to schools for the mentally retarded and the physically handicapped, educational radio and television sta-

tions, and public libraries.

Donations in the amount of \$343.8 million at acquisition cost were approved by GSA in fiscal year 1963. Over the past 5 years, donation approvals have averaged \$371.2 million per year, with the high point of \$412.8 million in fiscal year 1960.

Sales

In the personal property sales area, GSA exercises both supervisory and operating responsibility. It directs and supervises the sale of personal property by the executive agencies, and conducts sales of its own surplus and exchange-sale items and that of other civil agencies.

Sales of usable personal property by Government agencies during the year totaled \$707 million at acquisition cost and represented a 31 percent decrease in volume under the previous year. This reduction is attributable to the lesser amount of property generated as excess during the latter half of fiscal year 1962 and the first half of fiscal year 1963, together with the increased utilization being achieved during the period.

In the sale of its own surplus and exchange-sale personal property and that of other civil agencies during the year, GSA regional offices conducted 2,132 sales of usable property involving property items originally acquired at a cost of \$39.5 million. This represented an increase of 30 percent over the number of sales conducted during 1962. In 1963, GSA costs for selling declined from \$14.94 to \$12.76 per \$100 of proceeds obtained.

Proceeds from sales conducted by GSA totaled \$8.2 million or 28 percent increase over 1962. While there was a slight decrease in the amount of property sold in terms of original acquisition cost, the percentage of proceeds related to the acquisition cost of usable property sold by GSA increased from 15 percent in 1961 and 1962 to 19 percent in 1963. Additional sophistication in selling techniques contributed to this higher yield.



This young lady, a victim of cerebral palsy, is learning to improve her manual dexterity on a donated typewriter at a school for physically handicapped children.

Table 3.—GOVERNMENT-WIDE SALES OF SURPLUS PERSONAL PROPERTY

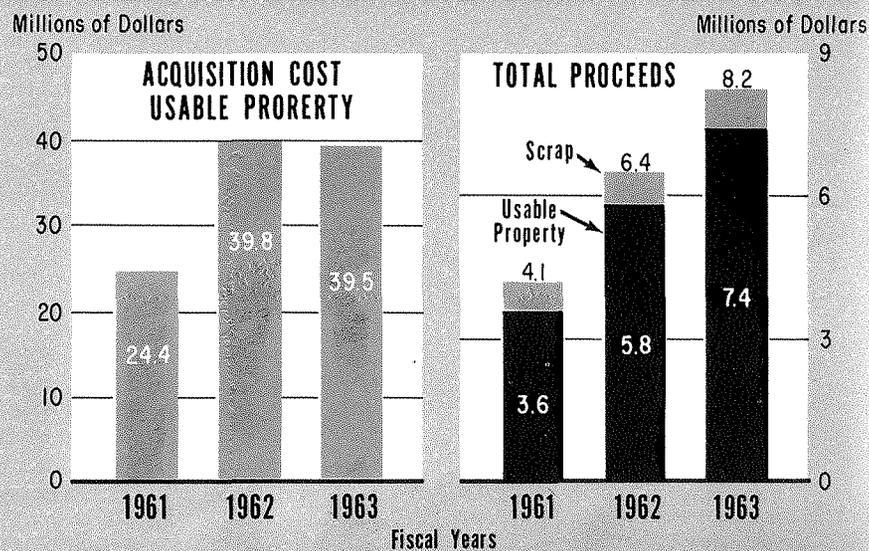
Fiscal year	Acquisition cost of usable property (in billions)	Proceeds (in millions)		
		Usable property	Scrap	Total
1959	\$2.1	\$99.6	\$66.0	\$165.6
1960	2.1	105.0	62.2	167.2
1961	1.6	88.4	57.1	145.5
1962	1.0	68.7	43.9	112.6
1963	.7	45.5	29.6	75.1

The program which GSA initiated in 1961 to integrate sales on a progressive basis, and to assume responsibility for selling of property for a number of the civil agencies, continued to progress in 1963. Plans for 1964 contemplate that GSA will assume the responsibility for selling personal property for all remaining civil agencies, to the extent such sales are governed by the Federal Property and Administrative Services Act of 1949. Among other things, this development will insure

much greater uniformity in Government sales practices, and greatly reduce the number of points buyers must contact for sales information.

The comprehensive study initiated by GSA during 1962, in collaboration with the DOD, to evaluate the feasibility of GSA assuming more control of the delegated personal property sales functions presently being performed by the DOD, was completed and submitted to the Bureau of the Budget for consideration.

SALES OF PERSONAL PROPERTY BY GSA REGIONAL OFFICES



Property Rehabilitation

The property rehabilitation program, which has operated predominantly in the area of furniture and office machines, was expanded during the year to include major household appliances and mattresses. Additionally, studies conducted with respect to maintenance, materials handling, construction, electromechanical servicing equipment, and tires and motors have shown the economic desirability of including additional items within the scope of the program.

During the year, 268,073 items of personal property were rehabilitated with estimated economies to the Government of \$17.9 million, a 10 percent increase over the prior fiscal year. Costs for rehabilitating the substantial quantity of property involved totaled about \$5 million.

Contract capabilities continued to increase to provide additional services to meet program expansion into other areas.

Additionally, negotiations with the National Industries for the Blind are being completed for the use of their mattress renovation facilities. Eight Federal penal institutions continued to serve as an important source of services for furniture rehabilitation.

During the year a new program was initiated pursuant to which excess furniture is acquired by GSA, rehabilitated and held in stock and contractor's premises for subsequent redistribution. Carefully controlled quantities of property heretofore disposed of by the Government for lack of an immediate Federal requirement can now be held to meet foreseeable needs.



Typical display in Federal agencies to promote utilization and rehabilitation of personal property.

Part 2. Supply Operations and Management

General Services Administration supply responsibilities include both the furnishing of extensive operational supply support to Federal activities and the development and maintenance of an efficient, integrated supply system for the Federal Government.

The major programs comprising supply operations are procurement, distribution, quality control and standardization, which includes cataloging, specifications, and standards. Government-wide supply management is provided through policy and regu-

latory issuances, technical assistance to civil agencies, development of training courses and publications, and close coordination with the Department of Defense and the military services.

During fiscal year 1963, operational supply programs continued the characteristic steady growth which reflects their effectiveness in providing timely, high-quality customer service. Supply management activities were enlarged and intensified, with particular emphasis on expansion of the scope of supply support to military activities.

PROCUREMENT

Total procurement under GSA's major supply programs rose to more than a billion and a quarter dollars, an increase of 6 percent over the fiscal year 1962 volume.

Procurement under the Federal Supply Schedule program increased 12 percent as both military and civil agencies rapidly expanded their use of schedule contracts. Under this program, GSA executes indefinite quantity term contracts and using agencies order directly from the contractors at favorable prices without either the delay or administrative expense incurred when making individual purchases in the general market.

Purchases for direct delivery rose 7 percent over fiscal year 1962. This increase was characterized by increased supply support to overseas activities to assist in alleviating the gold flow problem. Purchases under this program are made for specific agency needs submitted either voluntarily or in ac-

cordance with existing regulations or agreements. Consolidated contracting techniques utilized in purchasing such items as motor vehicles, household and quarters furniture and appliances produce low prices through contracting for production-run quantities.

While issues from stores stock to using agencies continued upward, buying for stock replenishment decreased 10 percent due to reductions in inventory and merchandise on order resulting from improved management methods. The consolidated contracting technique is also widely utilized in making purchases under this program and results in expeditious delivery of high-quality merchandise at low prices through GSA stores depots.

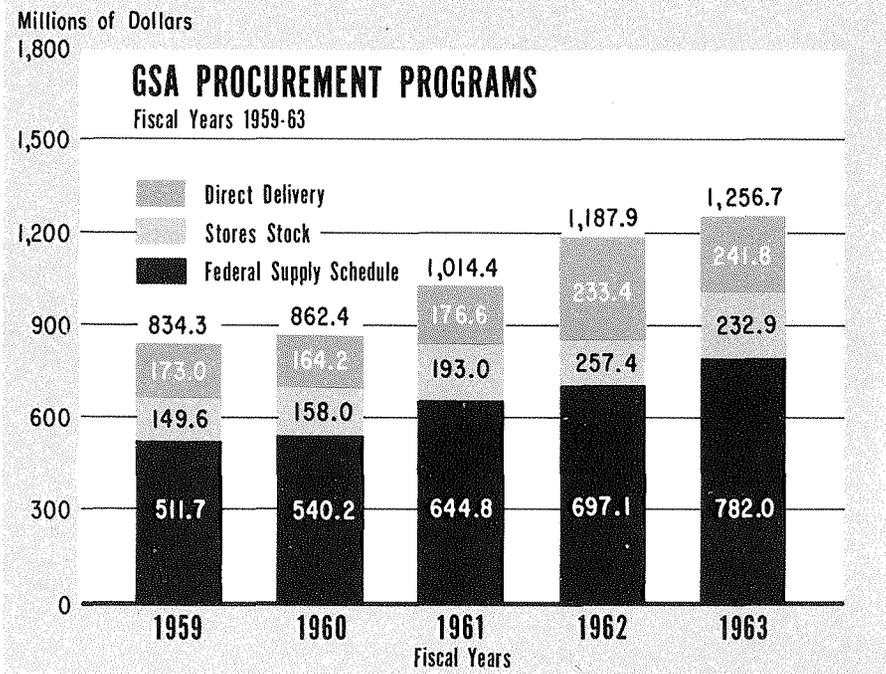
During fiscal year 1963, the range of items covered by GSA purchasing programs was adjusted and expanded in response to changing Federal requirements and to conform to tech-

nological developments in industry. For example, Federal Supply Schedules covering athletic equipment, laboratory equipment, abrasives, electron tubes, and compressed and liquefied gases were substantially expanded to cover requirements for new items. In addition, a new line of modern executive office furniture was made available, and household and quarters furniture item coverage was expanded to provide a more adequate selection for furnishing hospitals, living quarters, and other "special purpose" space.

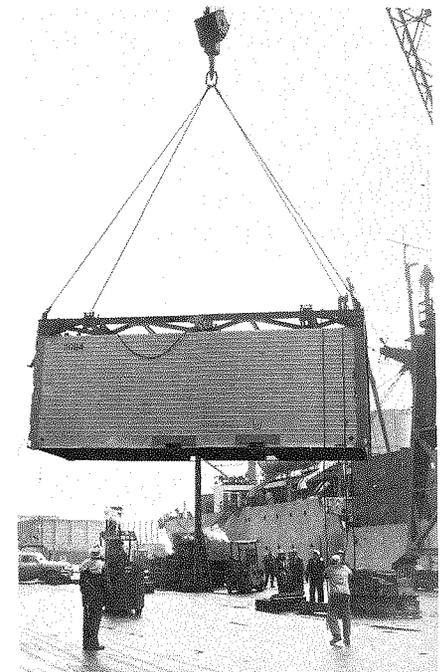
In addition to expansion of basic procurement programs, increases occurred in supply support for specific agency programs. For example, purchases for overseas missions of the

Agency for International Development increased by \$12.6 million over the previous year to a new total of \$50 million. In another development of the overseas program, supply support for the Peace Corps was undertaken as of March 1, 1963. Improved methods developed for overseas support for the Departments of the Army and Air Force resulted in more rapid purchase and shipment of items procured from domestic sources.

The items purchased under these special supply support programs range from common items to firefighting equipment, radiological equipment, three-wheel mailsters, specialized laboratory equipment, generators, and powerplants.



Significant improvements of importance to both suppliers and customer agencies were made. Bidding procedures were greatly simplified by the adoption of standard forms for all buying programs and by standardizing other contract terms and conditions wherever possible. Major improvements were made in the Federal Supply Schedule program designed to broaden the use of schedule contracts as primary sources of supply by all Federal agencies. Changes included shorter delivery time, improved specifications and quality control, greater flexibility to meet agency needs, improved contractor performance, and simplified contractual provisions and agency ordering instructions. Positive steps were also taken to fully implement nondiscrimination-in-employment provisions in Government contracts by highlighting pertinent provisions in invitations to bid and performing surveys of suppliers' plants to verify their compliance with equal employment opportunity requirements.



Sea-Van being loaded for shipment to Far East.

DISTRIBUTION

The growth in sales of common-use items distributed to other Federal agencies through the GSA supply distribution system continued upward for the ninth consecutive year. Sales from GSA depots, annexes, self-service stores, and other special supply distribution facilities reached a new peak of \$259.7 million, a gain of \$20.2 million or 8 percent over the previous fiscal year. Business volume has more than doubled in the past 5 years.

During fiscal year 1963 significant workload increases were experienced in line items processed and tonnage shipped. Line items processed rose to 5.9 million, an increase of 9 percent. Tonnage shipped increased by 7 percent to a record total of 505,000 tons.

The volume of export sales amounted to \$109.8 million, a jump of \$25.4 million or 30 percent over that for fiscal year 1962. Support of Peace Corps overseas activities was

added to existing overseas consignees, which include the military services, AID, State Department, trust fund activities, and territories.

The GSA/FSS distribution system as of June 30, 1963, consisted of 14 major depots, 7 annexes, 4 auxiliary storage sections, 18 self-service stores, a supply center, a building materials yard, a fuel yard, a customer service center, and 4 export operations.

Total warehouse space occupied by supply distribution activities as of June 30, 1963, totaled 10.8 million square feet, up 2.1 million square feet from a year ago. All additional space acquired was Government owned, in accordance with GSA's continuing policy of utilization of excess Government-owned facilities and the release of presently occupied commercially leased warehouses. Supply depots were relocated from commercially leased facilities at Boston, Mass., and Fort

Worth, Tex., into newly renovated buildings at Government-owned military installations. These depots are equipped with modern materials handling and storage equipment, conveyor systems, and communication systems. An immediate estimated savings of \$300,000 in yearly rents will result from these moves. As the supply system grows, projected plans for similar moves will become more significant, inasmuch as they constitute not one-time savings, but an accumulating cost reduction through the elimination of lease renewals. In another depot move, the supply activity previously located at the Naval Air Station, Seattle, Wash., was relocated to the former Army General Depot, Auburn, Wash. Relocation and consolidation of the operations from the former scattered multistoried buildings into one complex of single-floor mechanically connected buildings will improve operations and reduce performance costs. Other major changes in supply distribution facilities included the activation of a supply depot at the former

Quartermaster Depot, Savannah, Ga.; establishment of an annex operation at Hampton Roads, Norfolk, Va.; and the expansion from annex status to full depot status of the facilities at Shelby, Ohio, and at the Army Terminal, Oakland, Calif. Renovations and alterations at the former Westinghouse plant, Kansas City, Mo., are scheduled for completion by September 1963, at which time the Kansas City depot will be moved into this larger modernized building. Plans have also been developed to renovate the former Dodge-Ford plant at Chicago, Ill. Upon completion of these renovations, the depot presently housed in leased space will be moved into this Government-owned facility. This move, scheduled for early in 1965, will save \$228,000 in annual rental payments. Also, a new Federal warehouse building at Denver, Colo., is currently under construction and scheduled for completion in 1965.

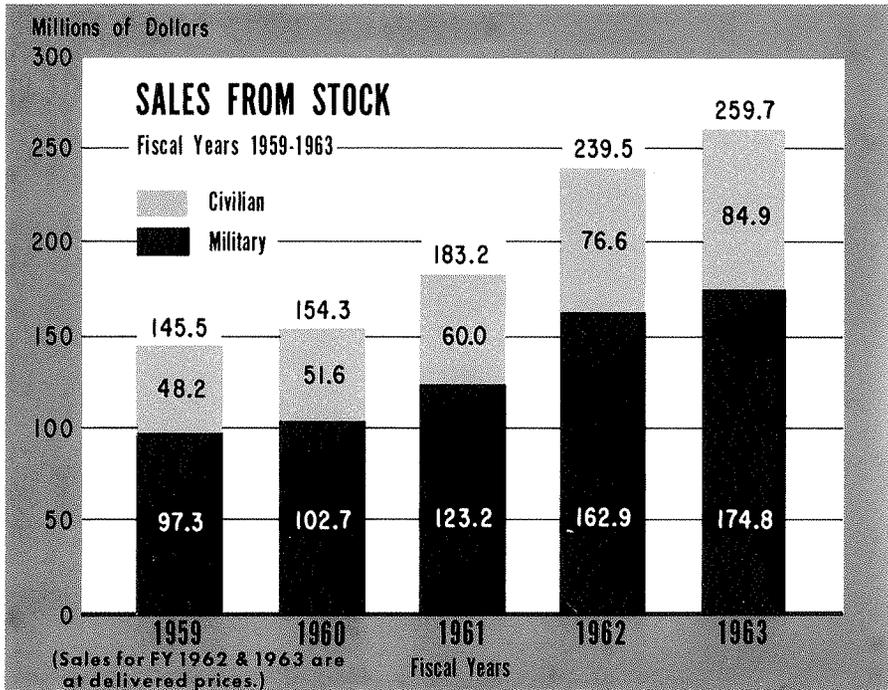
The self-service store system of distribution continued to expand. Through this media, Federal activities

receive timely supply support through an up-to-date and convenient system. It also is an ideal level of supply to field installations where common services can be combined into an operation managed by one Federal agency. By the end of the fiscal year there were in operation 18 such self-service stores located in 12 cities, 2 scheduled for early opening the next fiscal year, and plans and studies were underway for 20 additional stores.

Greater responsiveness to military requirements for supply support was made possible by GSA's adoption of the Military Standard Requisitioning and Issue Procedure prescribed by the Department of Defense for use by all military activities. This new system is essentially a mechanized single line item procedure utilizing simplified documentation. Another action taken to provide improved service to the military was the installation of transceivers in the four export regions for the purpose of receiving overseas requisitions under the MILSTRIP system. GSA's capability to provide responsive and effective supply support under

emergency conditions was demonstrated during the Cuban emergency. At the request of the Defense Supply Agency, all 10 GSA regional offices and the Central Office were alerted to provide around-the-clock emergency service and handling of high-priority requisitions. A total of 31,000 requisitions requiring responsive action within 24- and 72-hour categories were received by GSA regional offices, and 99.4 percent were delivered within the allotted time frame.

Other actions initiated to improve and extend GSA's supply service include: (1) Effective July 1, 1962, GSA committed itself to the delivered-price concept for stores stock items issued by depots. Cost of transportation is included in catalog price of the item and is recovered by GSA from the customers; (2) assistance was rendered to the State Department in specialized packaging and shipping of material for AID shipment to Hellman Valley Authority, Afghanistan; (3) an agreement was made with the Peace Corps for GSA to procure and/or supply needed commodities, pack merchan-



GSA Supply Center, Clearfield, Utah.

dise for overseas shipment, and make all shipping arrangements; (4) agreement was also established with Peace Corps relative to the special project "Booklocker," which involves the special packaging, shipping, and distribution of approximately 650,000 books in 3,000 specially designed waterproof containers to overseas Peace Corps volunteers; (5) agreement was effected with the Air Force to procure, distribute, and ship vehicle down parts to overseas bases; (6) an agreement was entered into with Army for direct overseas supply support by GSA to Army activities for stores stock and schedule items; and (7) reduction from 7 to 6

QUALITY CONTROL

GSA inspected \$613 million worth of material during fiscal year 1963. Quality control techniques were improved to provide a greater assurance of accepting only materials completely meeting contractual requirements. Contract administration assistance to contracting officers was also improved to reduce delinquencies in deliveries and to report salient information necessary to make accurate decisions regarding suppliers' ability to produce equipment or materials required.

The quality assurance inspection program was expanded almost 53 percent over the prior fiscal year, and included 736 participating suppliers. When suppliers qualify in this program, GSA is able to make maximum use of the suppliers' inspection and test records and reduce Government inspection to verification of contractors' inspection and test results. To qualify, suppliers must have an excellent quality control system and an outstanding past performance history with GSA or other Federal agencies. More than 6,400 visits were made to small business firms to advise and assist them in qualifying under the program.

Quality control coverage of the Federal Supply Schedule program increased from \$163.1 million value of

percent of the single uniform surcharge rates was made for all export packing and monitoring services performed by GSA.

Table 4.—OUTGOING WORKLOAD
FISCAL YEARS 1959-63

[In thousands]		
Fiscal year	Line items shipped	Tonnage shipped
1959	3, 685	271
1960	4, 099	290
1961	4, 667	358
1962	5, 436	473
1963	5, 890	505

commodities inspected in fiscal year 1962 to \$170.8 million this fiscal year. This coverage was extended to meet the requirements of the Department of Defense and other Federal agencies for better quality surveillance and for expediting of deliveries from suppliers' plants having Federal Supply Schedule contracts. GSA's surveillance under this program permits agencies using the Schedules to reduce the amount of inspection and testing they must perform, and provides them greater assurance of receiving quality materials within the time required. On Schedule contracts for items having a safety factor, GSA implemented a policy which provides for complete inspection of all shipments prior to their being released from suppliers' plants.

GSA laboratories performed a total of 23,103 acceptance tests; 25.4 percent over fiscal year 1962. Major projects of developmental type testing were initiated in 11 commodity areas to reduce brand-name buying, by providing purchase descriptions and technical information for the issuance of new specifications. Minimizing brand-name procurements gives additional suppliers equal opportunity to obtain Government contracts.

Several major management improvement projects were implemented, including establishment of individual performance standards for use in evaluating manpower requirements and in effecting equitable workload distribution; collaboration with the Defense Supply Agency in a Quality Control Council to establish standard quality

control policies and procedures for application to all Government suppliers of common use commercial-type items; and publication of a booklet entitled "In-Office Reproduction Methods Using GSA Supplies," to assist Federal agencies in the proper selection and economical and efficient use of reproduction supplies.

STANDARDIZATION

The Federal Standardization Program provides essential tools in the form of Federal specifications, Federal standards, and Federal item identifications for effective management of supplies by GSA and the civil agencies, and enhances GSA's capabilities to provide responsive supply support to other civil agencies and to the Department of Defense.

GSA's program for uniformly identifying items in the supply systems of civil agencies under the Federal Catalog System was accelerated to meet the expanding needs of Federal agencies. Under this system, identical items always have the same description and identification number. 97,859 items were identified, bringing the total to approximately 500,000, or 55 percent over last year.

Civil agencies, in response to a survey, reported a total of 913,000 items susceptible to identification under the Federal Catalog System, with an estimated input of 100,000 new items and a dropout of 30,000 items each year. To further improve our services to agencies, efforts are being directed toward identifying items being procured for the first time, or items being repro-cured which require Federal catalog data. This prevents the identification of obsolescent items and provides management data on current items on a timely basis. The use of uniform identification pays off where supply management records and operations have been converted. GSA works closely with agencies to achieve conversion of records and systems by the

earliest practicable date. Twenty-one activities are now using Federal Catalog System data in their supply operations. Complete conversion will be accomplished by several other agencies early in 1964.

Table 5.—ITEMS CATALOGED, FISCAL
YEARS 1959-63

Fiscal year	Total items
1959.....	56, 000
1960.....	53, 000
1961.....	46, 000
1962.....	63, 000
1963.....	97, 859

GSA/DOD efforts to reduce the range of sizes and varieties of items in which there is common interest continues. Of the 52,103 items jointly reviewed, 18,858 were designated as not authorized for future procurement.

To take advantage of new product development, 433 new specifications and standards were promulgated for use by all Federal agencies, providing a 25 percent increase in coverage. Specifications and standards are made known to manufacturers and the public through an "Index of Federal Specifications, Standards, and Handbooks" and are available upon request. Because of changes in requirements, test methods, and manufacturing techniques, 942 revisions and amendments were published to maintain specifications on a current basis.

Increased reliance was placed upon the use of nationally recognized in-

dustry standards. This prevents duplication of effort and is mutually beneficial to industry and Government in the procurement of commercially available items of supply. In addition, Federal Specifications and Standards are gaining technical recognition both nationally and by foreign governments and industrial concerns. A GSA/DOD procedure was developed for the timely interchange of data on items for which GSA has supply support responsibility. Through this system and the use of management codes, information on changes in the status of items is rapidly communicated between agencies.

Savings were achieved through standardization in several commodity areas. Significant among these were document protectors, which are now

purchased under a Federal Specification at an estimated annual savings to the Government of \$154,000. A new packaging design for oversea shipment of DDT reduces packaging and transportation costs by approximately \$400,000 annually.

Table 6.—SPECIFICATIONS AND STANDARDS, NEW—REVISED—AMENDED, FISCAL YEARS 1959—63

Fiscal year	Total actions
1959	771
1960	782
1961	876
1962	960
1963	1,375

SUPPLY MANAGEMENT

Supply support to military activities was steadily increased in scope and depth during the fiscal year. Military agencies which offered additional items to GSA for supply support included the Defense Clothing and Textiles Supply Center, the Defense Medical Supply Center, the Defense Petroleum Supply Center, and Army, Navy, and Air Force inventory control points.

Agreements have been reached with DOD for GSA procurement, management and distribution of 1,415 items of paint as of October 1, 1963, and 20,000 handtools as of January 1, 1964, for the military services. These agreements, plus a recent assignment for GSA procurement of compressed and liquefied gases, and the longstanding procurement assignments for office furniture, office machines, and office

Table 7.—ITEMS TRANSFERRED FROM DOD TO GSA MANAGEMENT

Source of transfer	Stores stock	Supply schedule	National buying program	Total
Defense supply centers:				
General	3,875	5,202	2,848	11,925
Industrial	1,202	202	0	1,404
Clothing and textiles	20	119	4	143
Construction	37	28	0	65
Automotive	0	8,452	0	8,452
Petroleum	3	11	0	14
Medical	6	181	0	187
Military services	36	1,203	0	1,239
Total items	5,179	15,398	2,852	23,429

supplies, represent substantial progress in eliminating duplicate supply operations between the Federal Government's two major supply activities.

In support of the program to reduce balance of payments, and in cooperation with DOD, a customer service center was opened in Sembach, Germany, which assists military and civil agencies overseas in selection and procurement of items from continental U.S. sources from a display of 1,500 items and illustrative catalog selections from 700,000 items. This facility will reduce the balance of payments an estimated \$4 million per year. Similar GSA customer service and/or supply centers are planned for establishment in Hawaii, Japan, Alaska, and Puerto Rico for use of military and civil agencies in these areas.

Supply management surveys of civil agencies have resulted in increased efficiencies and have identified substantial economies in their operations. Surveys of the Post Office Department, Social Security Administration, Coast Guard, Internal Revenue Service, Bureau of Indian Affairs, Bureau of Reclamation, and U.S. Coast and Geodetic Survey Agency identified \$3.9 million in inventories acknowledged as excess to their needs and received concurrence in recommendations for their attrition or disposal. In addition, recommendations were accepted by the agencies for reductions in costs of supply operations amounting to \$768,000 per year.

Special assistance on supply management matters was furnished to several agencies to enable better performance of their primary missions. Assistance was provided to the Department of Labor in implementing a central administrative supply support facility; a supply management system was proposed for the National Capital Housing Authority; a supply support program was developed for the proposed Youth Conservation Corps; a

property management policy and procedures manual was developed for the Agency for International Development; and the U.S. Secret Service was aided in improving its procurement and supply procedures.

Substantial progress was made in the development of emergency plans and procedures for assuring continuity of supply to Federal agencies during periods of national emergency, in accordance with responsibilities vested in GSA by Executive Order 11093 of February 26, 1963. They also incorporate the methods to be employed in assigning Defense Order ratings for the stock replenishment of supply items for defense and defense-related activities in accordance with the authority granted GSA by BDSA Delegation No. 3 to issue DO rated orders. Use of such ratings will assure uninterrupted supply support to the military during periods of emergency by providing special access to supply sources, and will also familiarize suppliers with their features.

The military standard requisition and issue procedure (MILSTRIP) has been adapted for use by civil agencies to provide the same economies and effectiveness heretofore only available to military activities. The civil agency equivalent procedure is termed "FEDSTRIP" and is planned to be operational by July 1, 1964. To meet this date, orientation conferences have been held with the major procuring agencies and will be held with their field activities. In addition, a programed instruction text is being developed along with a procedures guide for use by these agencies in training their employees in FEDSTRIP. Programed instruction is a comparatively new training technique in Government which supplants the traditional instructor/trainee concept, relying instead on the concept of self-teaching and self-pacing by the student.

Part 3. Space for Federal Agencies

Through the Public Buildings Service, GSA procures and manages real property required by Federal agencies to undertake their assigned responsibilities. The procurement and management missions apply to all Government activities except certain highly specialized activities undertaken on real property reserved for military, conservation, recreation, and medical purposes. But even in these areas of real property, GSA bears some responsibility. GSA's procurement responsibilities include the continuing review of Federal agency space requirements; design and construction of new buildings; remodeling, rehabilitating, and extending existing buildings; acquisition of space or buildings by lease; purchase of privately owned buildings;

and utilization of excess buildings transferred from other Federal agencies.

Other responsibilities include the operation, protection, and maintenance of buildings; repair and improvement work necessary to overcome obsolescence; and assignment and maximum utilization of space. GSA also designs and constructs new buildings and repairs and improves existing buildings on a reimbursable basis for other Federal agencies. Architect-engineer firms and construction contractors perform most of the design and construction work for new buildings and for repair and improvement projects. This work is performed under the direction and supervision of GSA personnel.

SPACE REQUIREMENTS

GSA surveyed space requirements in 464 communities during the fiscal year in carrying out its responsibility under the Public Buildings Act of 1959 for investigating the public building needs of the Government on a continuing basis. Existing and foreseeable requirements were surveyed in 153 communities for the first time. These surveys brought to 2,184 the communities investigated at least once since this program began in 1956. In addition, 311 communities were resurveyed to assure current information on space requirements, especially in communities with serious deficiencies in Federal space. As 2,300 communities are in the survey task, the new surveys completed 95 percent of the fundamental work of compiling complete basic space data through community

studies. Each community is reexamined no less than once every 5 years to keep pace with changing conditions and requirements.

At the beginning of the fiscal year, the Senate and House Committees on Public Works had four construction prospectuses, with an estimated cost of \$55.9 million, before them for consideration. During the fiscal year, 82 construction prospectuses, including 1 omnibus prospectus covering 87 small building projects, were submitted to the Congress for consideration by the Committees on Public Works. These projects, estimated to cost \$318.8 million, were selected in accordance with criteria in the 1959 act which require that consideration be given to the comparative urgency of the needs throughout the United States. In addition,

eight building project survey reports were requested by the Senate Committee on Public Works. These reports set forth the need for additional projects at an estimated cost of \$106.7 million. The pending and new prospectuses and survey reports represented project costs estimated at \$481.4 million. Included were revisions of 4 previously authorized prospectuses with an estimated cost of \$10.4 million; revision of 1 pending prospectus with an estimated cost of \$4.3 million; and the omnibus prospectus providing for the construction of a new post office and Federal office building in 87 communities at an estimated cost totaling \$20.8 million. This omnibus prospectus was developed by GSA as a portion of the program to accelerate public works that would provide immediate useful work in certain smaller communities which also have identifiable postal and other Federal agency space needs.

WASHINGTON SPACE SITUATION

The report to the President by the Ad Hoc Committee on Federal Office Space, dated May 23, 1962, provided a long-needed perspective on Federal office space problems and prospects in the Washington, D.C., metropolitan area. The report emphasized the acute space problems facing the Government and proposed an accelerated construction program supplemented by leasing to meet the needs. The proposals included guidelines for Federal architecture, redevelopment of Pennsylvania Avenue as the great thoroughfare of the Nation's Capital, and a broader management planning role for GSA to exercise in behalf of the President.

When the committee began its survey in September 1961—

- 121,700 employees were housed in Government-owned buildings planned for retention indefinitely; on July 1, 1963, there were 133,957.

Committee approvals were accorded 80 prospectuses and reports involving \$326.2 million in estimated costs. The approved prospectuses covered 163 new buildings, 4 major alterations, and 4 extensions. Fourteen prospectuses and reports estimated at \$155.2 million were pending at the end of the fiscal year.

By the end of fiscal year 1963, nearly 4 years after the 1959 act was approved, the Congressional Committees had approved 225 prospectuses and reports, involving 322 projects. Their total cost was estimated at \$1.6 billion.

As required by section 11(a) of the Public Buildings Act of 1959, a report showing location, space, cost, and status of each public building; the construction, alteration, or acquisition of which was authorized under the act and which was uncompleted as of the date of the last preceding report made under the act was submitted to the Congress on January 4, 1963.

- 51,500 employees were housed in temporary or obsolete buildings; on July 1, 1963, there were 44,029, a 15 percent reduction.
- 16,200 employees were housed in leased quarters; on July 1, 1963, there were 26,029. The actual rise in Federal employment in the area was 14,615 for the period.

Since the committee study, emphasis has been placed on leasing space in suburban areas. Among the advantages are: lower rental rates; more convenient parking; reduced congestion downtown; and the availability of large blocks of newly constructed, reasonably good space. Some severe overcrowding has been relieved, and fragmented operations of several agencies have been consolidated, with resulting greater efficiency.

In addition to GSA Circular No. 282, Management of Federal Office Space, dated September 6, 1962, poli-

cies and guidelines were prescribed for the assignment and utilization of space in Washington, D.C., and environs, through promulgation of GSA Circular No. 304, Interim Office Space Allowances—Washington, D.C., dated March 25, 1963. The circular provides for withholding action on requests for additional space when the requesting agency is assigned space at a utilization rate in excess of that prescribed, unless special circumstances are indicated and justified.

The committee identified a number of major examples of fragmentation, overcrowding, and generally poor space conditions in the Washington, D.C., area as illustrations of high priority needs for improvement. The status of principal corrective actions at yearend follows:

- Funds are available for site acquisition and design of a 1,474,000 net square foot building for the Department of Justice, Federal Bureau of Investigation. Acquisition of the site is nearing completion and design work has been started.
- Design of FOB 5, for the Department of Defense, continued during the year. The 1,263,000 net square foot building is proposed as a key improvement in the Southwest Redevelopment Area. It is one step in satisfying the more than 3 million square foot Department of Defense require-

ment to replace temporary and obsolete buildings and reduce the 60 scattered Defense locations.

- Both Public Works Committees have approved a 603,700 net square foot building for the Department of Interior, Geological Survey. This building may be located outside Metropolitan Washington under current decentralization criteria.
- New office buildings for the Housing and Home Finance Agency, Labor Department, and Tax Court were proposed as well as an extension to the building housing the National Science Foundation. The Committees on Public Works approved the projects for design and construction when funds become available.
- In addition to the work proceeding at the Gaithersburg, Md., complex for the Department of Commerce, a new Patent Office facility was proposed. The Senate Committee on Public Works has approved the prospectus. The facility is to be located in Howard or Anne Arundel County in the vicinity of Baltimore, Md. This location proposed, in conjunction with the Department of Commerce, is in keeping with the plan for the year 2000, prepared by the National Capital Regional Planning Council.

SITE ACQUISITION AND MANAGEMENT

During the fiscal year, GSA completed a review of its land acquisition procedures, to improve efficiency and reduce costs. A handbook was developed and distributed providing detailed instructions and procedures to all personnel engaged in the acquisition of land and land interests. The handbook included changes in the procedural handling of cases, such as direct communication between GSA

regional offices and the Office of the Attorney General for opinions on title covering parcels of land being acquired by direct purchase. Additional delegations were provided to regional offices in order to complete the increasing number of individual real estate transactions. The revised procedures and enlarged delegation of authority, although implemented and in effect for only a portion of the year, significantly

contributed to the acquisition of title to lands. During the fiscal year, GSA acquired 310 parcels at a total cost of \$19.6 million. Included were parcels necessary to complete title on 101 sites and parcels involved in sites not yet completely acquired. The lands were acquired throughout the United States to provide sites for new Federal buildings, sites for the extension and enlargement of existing Federal buildings,

NEW CONSTRUCTION

At the beginning of the fiscal year GSA had 158 new construction projects, with an estimated improvement cost of \$828 million, under design or construction. At the end of the fiscal year, 205 projects with an estimated improvement cost of \$1,121.2 million were in the design or construction stage.

During the year, 83 new design contracts were awarded to private architects and engineers. These designs will provide plans and specifications for new construction having an estimated cost of \$315.2 million. The value of structures on which design work was started is an increase of 87.8 percent over the value of design work started last year.

Designs were completed for 66 projects involving \$234.6 million in estimated construction cost. The completions for the previous fiscal year numbered 57 projects involving \$196.7 million in construction cost.

GSA awarded 66 construction project contracts involving \$283.3 million. With the new construction awards made during the fiscal year, were 38 projects involving \$250.3 million funded from appropriations made available to GSA. Among these projects were the New York Customs Court and Federal Office Building, the superstructure for the Chicago Courthouse and Federal Office Building, and Federal buildings in Boston,

and land required by other Federal agencies for their programs.

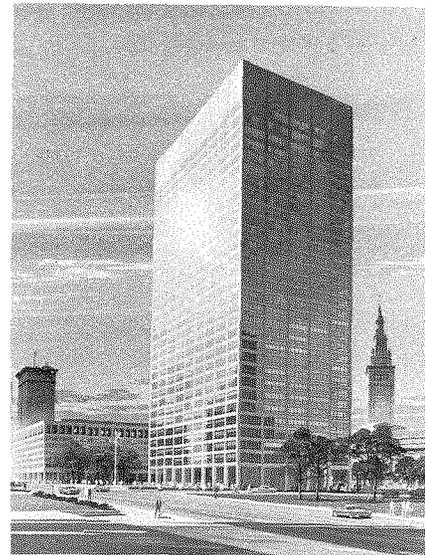
At the close of the fiscal year, GSA was acquiring 119 sites, consisting of approximately 432 parcels having an estimated value of \$16.7 million. Once acquired, sites are frequently leased to former owners or others until required for construction. In fiscal year 1963, the Government realized \$569,358 in rentals for such leased properties.

Kansas City, Los Angeles, and Juneau. The remaining 28 construction projects were financed by transfers of funds from other Federal agencies. Some of these were the New York World's Fair pavilion for the Department of Commerce, laboratory and research facilities for the Department of Agriculture, an annex extension for Old Age and Survivors Insurance, and new construction or improvements for Gallaudet College, Howard University, St. Elizabeths Hospital, Smithsonian Institution, National Institutes of Health, and National Bureau of Standards.

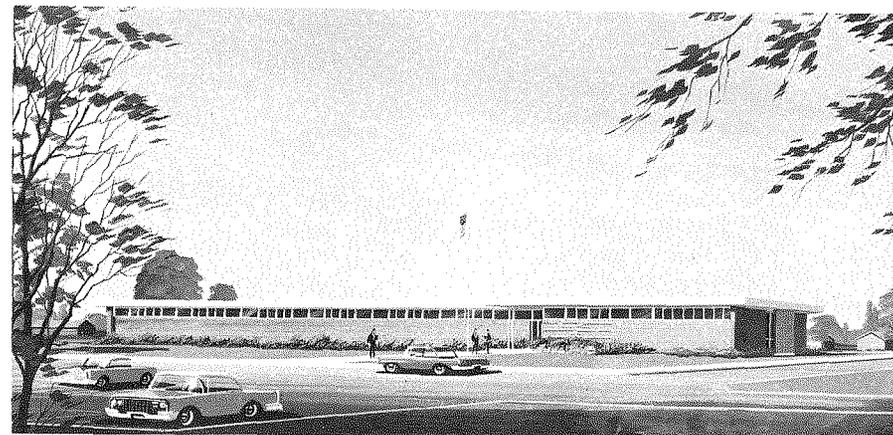
The 36 construction completions during the fiscal year involved an improvement cost of \$70.7 million. For the previous year, the construction completions totaled 29 projects and an improvement cost of \$149.9 million.

Thirteen projects for \$30.2 million were completed during the fiscal year from funds appropriated to GSA to satisfy the needs of Federal agencies. They consisted of a courthouse and Federal office building at Hartford, Conn., and Parkersburg, W. Va.; the substructure for a courthouse and Federal office building at Chicago, Ill.; conversion jobs on the stores depots and records centers at Hingham, Mass., Fort Worth, Tex., and Auburn, Wash.; a post office and Federal office building at Sparta, Ga., and Hickory, N.C.; a Federal office building at

Toledo, Ohio; a post office and courthouse at Thomasville, Ga.; a border station at Sault Ste. Marie, Mich.; an aluminum siding job for two Federal Supply Service warehouses at Savannah, Ga.; and demolitions on the site of the customhouse, courthouse, and Federal office building in the city of New York, preparatory to the construction of a new building.



Federal Office Building, Cleveland, Ohio, in design stage in fiscal year 1963.



Soil laboratory, Bushland, Tex., designed and built for Department of Agriculture, was completed in fiscal year 1963.

Twenty-three of the projects completed in fiscal year 1963 were designed and built for the special needs of other Federal agencies. The largest of these projects were the maximum security penitentiary at Marion, Ill., for the Department of Justice, the Natural History Building East Wing built for the Smithsonian Institution at Washington, D.C., the Federal Deposit Insurance Corporation Building at Washington, D.C., the building extension for Old Age Survivors Insurance at Baltimore, Md., and the cafeteria and treatment building for St. Elizabeths Hospital at Washington, D.C. Other completed projects provided an administration building at the National Arboretum in Washington, D.C., and laboratory or research facilities at Auburn, Ala.; Fairbanks, Alaska; Gainesville, Fla.; Ithaca, N.Y.; and Bushland, Tex., for the Department of Agriculture; a research center at Bartlesville, Okla., for the Bureau of Mines of the Department of the Interior; and educational or medical facilities or improvements at Gallaudet College, Howard University, and St. Elizabeths Hospital in Washington, D.C., and the National Institutes of Health in Bethesda, Md.

The President's Ad Hoc Committee on Federal Office Space, in the course

of considering the general subject, provided some guiding principles for Federal architecture. In its comments on this subject, the Committee said:

“* * * The design of Federal office buildings, particularly those to be located in the Nation's Capital, must meet a twofold requirement. First, it must provide efficient and economical facilities for the use of Government agencies. Second, it must provide visual testimony to the dignity, enterprise, vigor, and stability of the American Government.”

GSA subscribes completely to the statement and during the past year has adopted it as a charter for Federal architecture.

The Committee's attention to the need for improved Federal architecture, combined with the recent publication of architectural renderings showing the development of historic Lafayette Square, has rekindled a national interest in the history, style, architecture, and cultural values of many buildings in the National Capital. Recognizing this, GSA has undertaken a survey of all permanent buildings in Washington, as well as many which previously were in Government hands, to determine for students and scholars the authentic history of each. This pioneer, but limited, venture will result in the publication of individual summaries on each building studied and will establish a reservoir of data which may serve as a guide in preserving buildings which are significant in the life of individual communities and the country as a whole.

In addition to the attention that is being given to improving the esthetic qualities of the public buildings GSA is designing, equal emphasis is being placed on design efficiency of each building project. Recent comparative studies of public buildings under design with privately constructed buildings of comparable size indicates that the percentage of net area to the gross area being achieved through consultation and review of the work of con-

tract architects compares favorably with the ratio produced by private enterprise in the construction of its buildings. The design plans for each significant public building project is critically reviewed at the diagrammatic stage so as to assure proper attention to design efficiency as well as the achievement of other principles enunciated by the Committee.

Buildings Management

One of GSA's largest single responsibilities is the operation, maintenance, and protection of building space which GSA furnishes the agencies of the Federal Government. This responsibility required a staff of 18,652 employees as of June 30, 1963, or 57 percent of all GSA personnel. This staff represented an increase of 90, or 0.5 percent, over the employment on June 30, 1962. During the fiscal year, the workload increased by 8.6 percent in average net square feet of space managed. The workload increase resulted from new construction, transfer of post office buildings vacated by the Post Office Department, excess and other properties, and a gain of 3.3 million square feet of leased space. In addition, buildings management employees replaced contract cleaning personnel in numerous buildings for which contracts were canceled.

The area under GSA management responsibility averaged 153.9 million square feet during the fiscal year. In addition, GSA furnished maintenance repairs for 53.9 million square feet of space in 3,168 Government-owned buildings operated by the Post Office Department or other Federal agencies.

The increase of 12.2 million square feet of space, or 8.6 percent from the fiscal year 1962 level extended a series of annual increases in the size of the managed area. The rising trend began in fiscal year 1957. Larger expansions occurred only in fiscal year 1953 and 1962. In 1953, the area rose from 93.5 million to 105.7 million square feet, or 12.2 million square feet.

Table 8.—SPACE MANAGED BY GSA, FISCAL YEARS 1959-63

[In millions of average net square feet]

Fiscal year	Total	GSA-operated space			Lessor-operated space
		Total	Government owned	Leased	
1963.....	153.9	127.1	113.6	13.5	26.8
1962.....	141.7	118.9	104.7	14.2	22.8
1961.....	128.7	106.5	92.8	13.7	22.2
1960.....	119.8	99.2	83.7	15.5	20.6
1959.....	114.5	94.1	78.0	16.1	20.4

In 1962, the increase in area was from 128.7 million to 141.7 million square feet, or 13 million square feet.

The largest part of the increase was Government-owned space which came under GSA management for the first time. This part amounted to 8.9 million square feet of space. The transfer of properties in Government ownership, primarily from the Department of Defense, accounted for more of the increase than did the increment which resulted from new construction. Two major transferred properties were the Engineer Depot at Marion, Ohio, with 3.1 million square feet of space, and the Naval Supply Depot at Clearfield, Utah, with 2.5 million square feet of space, which were excess to the needs of the Department of Defense.

The average buildings management load for the fiscal year (excluding buildings for which GSA had only maintenance - repair responsibility), comprising 153.9 million square feet of space, provided office and other work space for 548,606 occupants employed by 67 Federal agencies. This load consisted of:

- Government - owned buildings with 113.6 million square feet of space for which GSA provided operation, maintenance - repair, and protection services.
- Leased buildings with 13.5 million square feet of space for which GSA provided operation, maintenance-repair, and protection services.

- Privately-owned buildings with 26.8 million square feet of space which the lessors operated and for which GSA furnished limited services under leases.

Due to increased workload, total cost of managing building space for the fiscal year, excluding the cost of maintenance-repairs, increased by \$20 million, or 9.5 percent, to \$229.8 million. In addition, GSA provided maintenance-repairs at the cost of \$5.1 million for 53.9 million square feet of space in 3,168 Government-owned buildings operated by other Federal agencies.

Space cleaned by contract was reduced during the fiscal year to less than 12 million square feet from 17.9 million square feet under contract at the end of the previous fiscal year. The decrease represented a drop of 33 percent.

During the fiscal year, food and vending services in GSA-controlled buildings consisted of 70 cafeterias operated under contract and more than 300 vending stands operated by the blind under the Randolph-Sheppard Act. In addition, 48 percent of the vending machines installed in the buildings were assigned to blind operators of vending stands.

During the fiscal year, an annual contest to select the best GSA building group based on overall efficiency and effectiveness was started, the maintenance management system was fully implemented, pilot projects for term

contracts for repair and alteration work were initiated, and the area and buildings managers data books providing one-source building operating files at strategic management locations were completed. In addition, work stand-

ards were extended to new areas, five employees were trained in the techniques of work measurement, and uniform procedures for periodic inspection and evaluation of field operations were prescribed.

REPAIR AND IMPROVEMENT

Costs for the fiscal year for repair and improvement work amounted to \$98.1 million. These costs consisted of \$64.8 million in obligations from the "Repair and Improvement" appropriation and costs of \$33.3 million for reimburseable repair-and-improvement-type work. Of the latter amount, \$11.2 million were accounted for by the Post Office Department modernization program, \$16.9 million by tenant alteration work for other Federal agencies, and \$5.2 million by work under the public works acceleration program. Not included are obligations for additional court facilities to accommodate additional circuit and district judges authorized by Public Law 87-36, approved May 19, 1961. Obligations from the "Repair and improvement" appropriation were to counteract obsolescence in buildings and their equipment to bring buildings up to modern standards of adequate space for Federal workers, and to obtain urgently needed space by extending buildings. More than \$1 million was allotted to the regions for advance design of approved projects for fiscal year 1964.

Included in the obligations were \$26.5 million for maintenance repairs to improve the service rendered occupant agencies by increasing on-the-spot repairs and small improvements in the buildings. Other costs involved major repairs and improvements, such as building extensions and conversions, conversions of elevators and heating plants, modernization of office space, structural and roof repairs and replacements, and improvement of lighting

and mechanical and electrical systems, and air conditioning.

Under the Public Works Acceleration program, 135 projects were submitted to the Area Development Agency of the Department of Commerce in response to the request for public works projects in areas of substantial labor surplus. Eighty-five projects, including 13 projects under a suballocation from the Post Office Department, at an estimated cost of \$6 million were accepted in February 1963 for construction contract award prior to the end of the fiscal year. The projects were completely designed, plans and specifications were prepared, the projects were advertised, the bids were opened, and all but two, for which the bids were not responsive, were placed under contract for construction prior to June 30. Total obligations for the 83 projects amounted to \$5.2 million.

One of the high-priority assignments for fiscal years 1962 and 1963 was the providing of facilities for 73 additional Federal judges whose appointments were authorized by Public Law 87-36. By the end of fiscal year 1963, permanent facilities had been, or were in the process of being, provided for all of the 69 confirmed judges through remodeling of Federal buildings, relocating of agencies to release space suitable for court use, and leasing of additional space. Facilities will be provided for the remaining four judges to be confirmed. Obligations were chargeable to the "Additional court facilities" appropriation and amounted to \$3.9 million through fiscal year 1963.

Projects to alter any public building involving an expenditure in excess of \$200,000 require the approval of the congressional Committees on Public Works under the Public Buildings Act of 1959. Since enactment, a total of 151 prospectus projects for the repair, remodeling, or improvement of public buildings had been approved by the end of the fiscal year. Their limit of cost was \$269.7 million, of which \$47.5 million has been obligated for the execution of work through fiscal year 1963. Of the total amount obligated, \$21.7 million were obligated during fiscal year 1963.

At the request of the Office of Civil Defense, an alteration prospectus was prepared and submitted to the Public

Works Committees to cover the design and construction of fallout shelter spaces for 482 selected federally owned buildings. A survey of shelter requirements for the remaining federally owned buildings was in process.

Other major accomplishments during the fiscal year were the joining of the responsibilities for building evaluation reports and repair and improvement programing, the increase in the authority delegated to the regions for the selection of architect-engineer contractors from \$10,000 to \$20,000, and the near completion of a system for adaptation of the Repair and Improvement program to automatic data processing.

PROPERTY AND PERSONNEL PROTECTION

Important strides were taken in property and personnel protection. In physical protection, the number of guards was increased by only 21 to 2,768, although both the GSA normal protection workload and the reimbursable security workload increased significantly. The increase in guards was held to a minimum by the expanded use of automatic detection devices and by emphasis on improved manpower utilization. Contract guarding increased by 15,000 productive hours to 212,000 productive hours by June 30, 1963. The contracts were used only when they served the best interest of the Government.

In civil defense, efforts continued in the development of building self-protection organizations and in cooperation with the Department of Defense in the selection of shelter areas. As of the end of the fiscal year, 390 GSA-controlled buildings had been selected as community shelter areas.

In resource evaluation, automatic data processing procedures were completed for updating input data in the Office of Emergency Planning's damage assessment computer library. As

the result of an increase in computer capacity, procedures were being revised to expand GSA data greatly. In mobilization planning, a work program was developed and scheduled to assure PBS emergency readiness. Records were designated for relocation sites, and central office employees were designated and instructed for immediate emergency operations.

Safety program improvements resulted in the lowest employee-disabling injury rates in GSA's history. Consequently, GSA won the 1962 President's Safety Award. The Denver region won the GSA interregional safety contest for the third time and will retain the award plaque permanently. The rate of employee-disabling injuries per million man-hours was 7.3 compared to 7.8 for the previous fiscal year.

GSA fire-prevention programs were given national recognition by the National Fire Protection Association when the New York region won the Grand Award (over 474 other entries) in the Government division of the 1962 fire-prevention contest.

The Federal Fire Council held four meetings. Nine thousand kits for

year-round promotion of fire-safety activities were distributed by the Council to Federal agency field personnel throughout the world. More than 250,000 pieces of material (such as newsletters, library accession lists, Council meeting minutes, selected

technical publications, technical standards, and informational booklets) were mailed during the fiscal year. The Council's reference library kept both Federal and non-Federal personnel informed of fire-safety issuances received from sources throughout the world.

LEASING

During the fiscal year, the leased space under GSA management increased by 3.3 million square feet, or 8.9 percent, to 40.3 million square feet. However, the proportion of leased space to total space managed increased only from 26.1 percent in fiscal year 1962 to 26.2 percent in fiscal year 1963. Between fiscal years 1954 and 1962, the proportion of leased space dropped from 37.2 percent to 26.1 percent. The cost of leased space rose during fiscal year 1963 by \$16.9 million, or 17.6 percent, to \$113 million. The increase in cost was largely for additional space, higher rental rates, and higher costs for labor, utilities, and other services.

The substantial increase in leased space under GSA management resulted from the withdrawal of a delegation of authority to the Departments of Agriculture, Commerce, and Defense to

perform general-purpose leasing in certain cities; unavoidable delays in completion of construction projects; and the continued growth of the space needs of Federal agencies. Withdrawal of leasing authority from the 3 agencies brought 786 leases involving 1 million square feet of space under GSA management. In connection with the rescission of the delegation to the 3 agencies, GSA increased the number of metropolitan areas in which it performs all general-purpose leasing for other agencies from 128 to 283.

To meet the additional demands on the lease acquisition program, GSA central office management capabilities were expanded during the fiscal year. These capabilities, in turn, permitted a further operational decentralization to promote program efficiency and lower administrative costs.

SPACE ASSIGNMENT AND UTILIZATION

At the close of the fiscal year, GSA was responsible for the assignment and utilization of 164 million square feet of space, which represented an increase of 17.6 million square feet or 12 percent over the space on June 30, 1962. The total space on June 30, 1963, consisted of 70.6 million square feet of office space, 62 million square feet of storage space, and 31.4 million square feet of special-type space.

At the end of fiscal year 1962, the ratio of total office space available to the number of employees housed was 153 square feet per person. The utilization rate dropped 3.2 square feet per

person, to 149.8, by the end of the year. With the introduction of automatic data processing of nationwide statistics for the space management program, a more meaningful formula for computing the utilization rate became possible. Under this formula, the rate is computed as the ratio of office space actually occupied to the number of employees housed in such space. By this formula, the utilization rate was 146.8 square feet per person as of June 30, 1963.

Of utmost significance in efforts to improve space utilization throughout

the Federal Government was the issuance of Executive Order 11035 on management of Federal office space, which was signed by the President on July 9, 1962. This Executive order, which established policies and directives governing space management practices and emphasized the responsibilities of the Administrator of General Services, was implemented by GSA circulars and personal letters to the heads of Federal agencies and by a GSA order to GSA offices.

Twelve occupancy guides were developed and published during the fiscal year. As of the end of the fiscal year, 68 had been issued. These guides covered more than 66 million square feet of space. Work on occupancy guides during fiscal year 1964 will concentrate on revisions of existing guides in accordance with Executive Order 11035 and the issuance, for the first time, of guides covering space

occupied by the departments and agencies in the Washington, D.C., metropolitan area. A study covering the Department of Agriculture was underway. In the meantime, GSA Circular No. 304, Interim Office Space Allowances—Washington, D.C., was issued on March 25, 1963.

While primary attention was focused on improving techniques of space layout and design in new buildings, exhaustive surveys of existing space were also undertaken during the fiscal year in an effort to increase utilization. 332 buildings which contain more than 17.5 million square feet of space and house 86,000 Federal employees in 102 cities were identified through information obtained from the automatic data processing system as offering the greatest potential for better utilization. GSA regional offices were in the process of surveying this space.

Part 4. Transportation, Telecommunications, and Other Public Utilities

Through the Transportation and Communications Service, GSA carries out its responsibilities to plan for and operate an integrated civilian agency telecommunication system which encompasses national defense uses and is compatible with Defense Department networks. Also, this Service provides the Government an economical system for: (a) Procurement of transportation; (b) traffic management; (c) the operation of motor pools and systems for the transportation of Government personnel and property within specific areas; and (d) the management of public utility services. The Administrator represents the various Federal agencies as consumers and users in negotiations with carriers and other public utilities producers and distributors and in proceedings before regulatory bodies involving transportation and utilities services.

Through the operation of the Federal Telecommunications System, GSA provides economical local and long-distance telephone, teletype, and data transmission facilities; renders counsel, advice, and assistance to all other Government agencies in telecommunication matters; and procures and manages intercity long-distance circuits used exclusively by other agencies and bureaus.

The various agencies and bureaus are furnished advice and assistance in freight rates, routings, and bookings. They are provided the proper classification and shipping instructions for the movement of Government goods and the personal property of employees being transferred for Government convenience. When desirable, arrangements and contracts are effected for the timely and economical movement of Government cargo and personnel via all modes of transportation. Seminars and workshops are conducted throughout the Nation to increase the knowledge of interested personnel of the field offices of the civilian agencies in modern transportation techniques.

The Interagency Motor Pool System operates 75 pools in cities having high Government vehicle density with a resultant savings in operating costs and the number of vehicles needed to meet the motor vehicle requirements of the participating agencies. By conducting studies and acting in a consultative capacity, GSA has provided counsel, guidance, and assistance in motor vehicle management to those agencies continuing to operate their individual fleets.

TELECOMMUNICATIONS

The responsibility of GSA to provide the Federal civil agencies with efficient and economical telecommunications service requires activity in all the branches of the communications art, from routine telephone switchboard operation to sophisticated implementation of facsimile, radio, telephoto, data, and records transmission systems. Most of the services provided depend to a major extent on facilities and services leased from the common carriers.

Studies are made of the services required by the civil agencies and of the best methods of provide these services with a minimum duplication of facilities and with a maximum operational capability.

Expansion of the FTS voice network, of the data transmission system, consolidation of switchboards, improvement of teletype network, and expansion of experimental programs were the major areas of the acceleration of FTS programs during fiscal year 1963.

In February 1963 the initial phase of the FTS voice grade circuit switching network was inaugurated. This network provides a direct dialing user-to-user or machine-to-machine service offering telephone, data, and facsimile transmission facilities. This phase is now serving 44 of the areas of principal civil Government interests in the Nation and is available to over 260,000 telephones serving Federal civilian agencies in these areas. It is expected that this service will be expanded to include more than 355 metropolitan areas during fiscal year 1964 and will provide for over 87 percent of the requirements of civilian agencies. This network is unique in that it is based upon a number of carrier provided switching centers located outside of probable target areas. Each center is equipped with special facilities such as emergency power, food, dormitories, etc., and is interconnected

by diverse and alternate routing. Thus, the problems of the costs and other factors relative to conversion to an emergency network have been eliminated. The provisions for serving relocation and other emergency sites are inherent in the system and can be accomplished immediately upon notice.

The availability of this intercity network to agencies previously using commercial long-distance service was primarily responsible for an increase in traffic on the network from 890,000 minutes in January 1963 (the month prior to inauguration of the service) to 1,780,000 minutes in June 1963. Through the use of this network the participating agencies are saving 25 percent of the comparable commercial rates with faster and more responsive service.

Prior to the inauguration of the intercity network, GSA regional personnel in conjunction with local Bell Telephone Co. PBX departments, trained approximately 380 supervisors and operators in the operation of the new system. Each supervisor and operator who may be assigned to the serving switchboards was given this training. Supervisors and operators of other agency switchboards having access to the FTS were given special training by GSA regional personnel and by the local telephone company training staff. Similar training will be conducted prior to cutover in other areas.

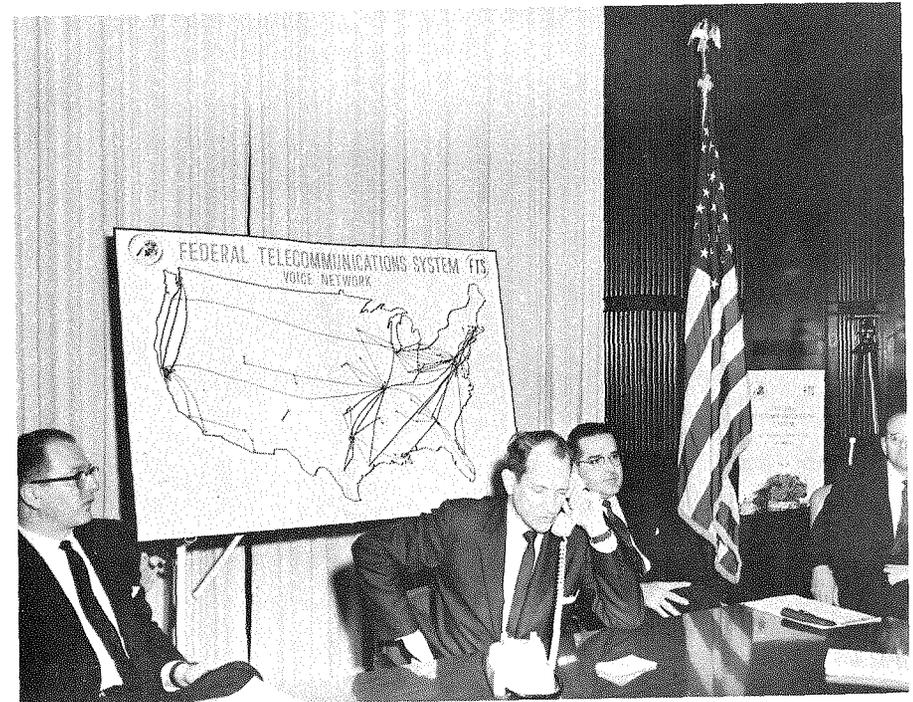
To insure the satisfactory operation and maximum utilization of the FTS voice network, user guides were prepared for each of the 44 areas and a massive training program was completed to indoctrinate approximately 260,000 persons as users or potential users of the system.

The FTS record communications network was upgraded and reconfigured and presently consists of teletype installations in 68 of the principal cities of the United States and

includes a total of 203 stations using 35,811 circuit miles. Traffic volume for fiscal year 1963 was over 63,340,000 words. The system is based upon a series of 10 relay stations serving geographic areas. In order to provide interim emergency capability, each of these relay centers is now connected to at least two other centers. Washington, D.C., and Charleston, W. Va., are connected to most of the other relay centers. Complementing the teletype system is a card data transmission capability located in 10 of the principal cities having sizable requirements. Four of these stations are connected into the Department of Defense SCAN system primarily for exchanging information relating to GSA support of the MILSTRIP program, and all of these data stations are interconnected via the FTS circuit switching network. More stations will be added as requirements necessitate.

Two independent teletype systems, interconnected to the FTS for transmission of multiple-address messages, have been installed to satisfy the needs of other agencies. One, in California, links 10 stations intrastate for the Department of Labor. The other is a 16-State network for the Agricultural Stabilization and Conservation Office of the Department of Agriculture. It is anticipated that these two systems will be expanded for nationwide usage in the near future.

Over 100 supervisors and operators were trained in the operation of the new relay centers; 36 employees of the Department of Agriculture were trained in TELEX procedures; 34 employees of other agencies were trained in tributary teletype stations operations; 60 data transceiver supervisors and operators were trained; and 20 employees received 4 hours training



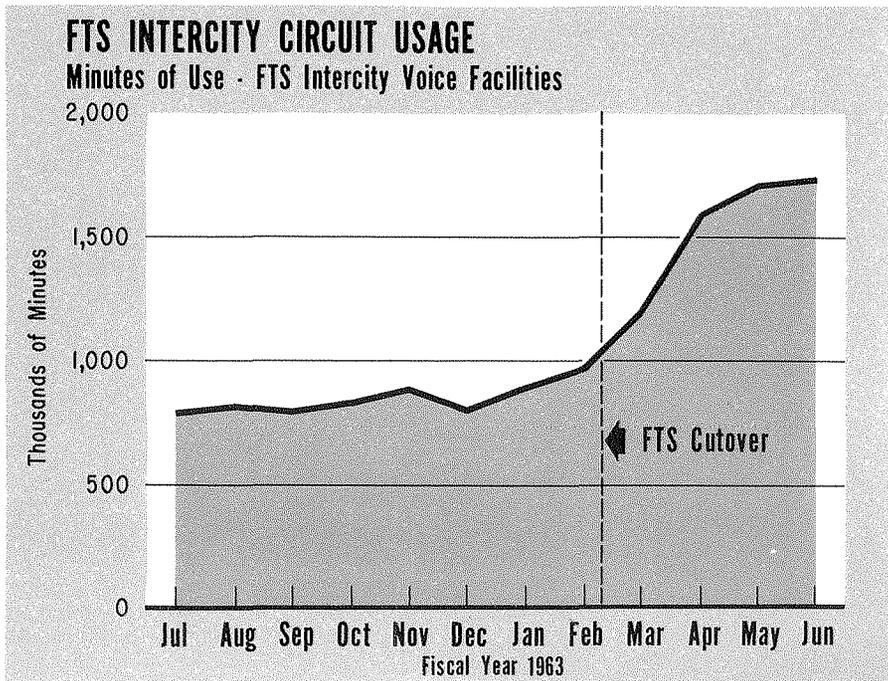
The Honorable Jack Brooks, U.S. Representative from Texas, inaugurating the FTS intercity network February 14, 1963.

each month in classified communications procedures.

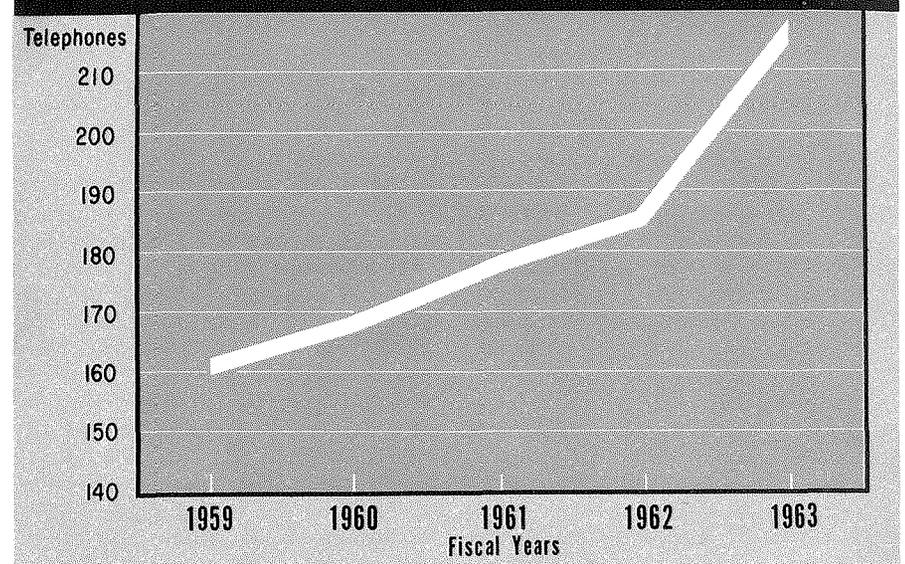
This upgrading and reconfiguration was part of the planned nationwide system for record and data transmission. In addition, engineering was completed, specifications were prepared, and all plans were completed for early release to industry for quotations on the installation of a nationwide Advanced Record System. This service provides for the integration of existing teletype and data networks into a unified system to provide for both direct machine-to-machine service (electronic circuit switching) and for processing service (electronic message switching) such as multiple-address delivery, code, speed, and format conversion and necessary storage, queuing, etc. Emergency features are similar to the Voice Circuit Switching System; i.e., switching and processing facilities located outside probable target areas, multiple and diverse circuit routing, hardening (protection from possible blast damage) where avail-

able, and provisions for serving relocation and other emergency locations. In all plans, both current and future, provisions have been made for direct access to commercial teletypewriter networks and the capability for transmission of classified messages. This system, embracing the latest developments in the state of the telecommunications art, was designed to service initially 1,100 subscriber stations with the capability of expanding to 4,000 stations, and is compatible and interconnectible with the military networks. Upon the planned completion of the installation of this service in December 1965, the growth potential and flexibility of this service will go far in helping to reduce the Government communications cost for the transmission of record data.

The availability of bulk-rate tariffs (TELPAC) for intercity lines used in the FTS network, and the wide and expanding use of private intercity lines by other Government agencies, resulted in the GSA initiating action to develop



AVERAGE TELEPHONES SERVED BY EACH OPERATING POSITION FEDERAL TELECOMMUNICATION SYSTEM Fiscal Years 1959-1963



a close working relationship with Defense Commercial Communications Office, Scott Field, Ill., for coordinating the procurement and management of intercity circuits for all Government traffic. First-year economies to the Government of more than \$2,700,000 have been realized, with an anticipated potential annual savings of \$5 million upon the completion of studies relating to consolidation of intercity circuits.

In addition to procuring and managing the circuits for the FTS, GSA has procured and manages, under the bulk-rate concept, 355 circuits which 36 activities of 17 Federal civilian agencies operate at circuit terminals with personnel and equipment under their control. A savings to the using agencies of \$1,300,000 per year has been realized with an improvement in service and increased flexibility.

The switchboard consolidation program has been pursued at an accelerated rate. Upon completion of studies conducted in 60 metropolitan areas,

18 consolidations and Centrex installations were completed, resulting in the elimination of 54 PBX's with 101 operating positions. By these consolidations, only 17 additional positions were added to the FTS switchboards serving 22,000 more telephones than in fiscal year 1962, with annual net reduction in costs of over \$290,000. Engineering has been completed and consolidations or Centrex installations have been scheduled for an additional 32 cities in fiscal year 1964.

Consultative services have been rendered to most of the executive agencies relative to telecommunications problems ranging from switchboard operations to the most sophisticated advances in the technology of telecommunications. Special studies have been conducted, among others, for the Atomic Energy Commission; National Aeronautical and Space Administration; the Veterans' Administration; the Department of Health, Education, and Welfare; and the Department of Labor.

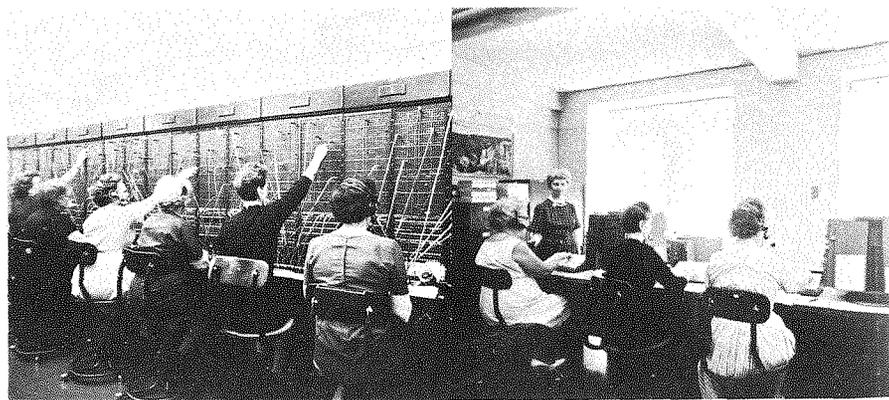
The expansion of the FTS and the advances in the communications art have had a marked effect on the needs for negotiation and representation services in fiscal year 1963. Negotiations for advantageous rates and tariffs in such matters as SCAN, SAGE, and CENTREX, and the general surveillance of the communications cost affecting the Government as a user and consumer, have resulted in the resolution of seven negotiation actions and four representation cases during the year. There are an additional 19 cases now pending before various regulatory bodies, the results of which will have significant impact on the rates and tariffs charged to the Government by the common carriers. It is estimated that savings approximating \$20 million will be realized each year for the next 5 years as a result of annually recurring benefits from prior actions, current negotiations, and broader application of the bulk tariff offerings of the common carriers.

Several experimental programs were under way by the end of the year. They included a mobile radio system in the Boston area and two experimental facsimile systems.

The mobile radio system, for which a contract was awarded in June 1963, has been designed to be interconnected with the FTS voice network. The system will eliminate the need for

many frequencies now utilized only part time and will provide a solid supplemental service to the FTS under emergency conditions. The facsimile systems were installed to study the administration economies resulting from transmitting information relative to commercial transportation rates and routes. It is expected that other agencies will desire to participate in this system in the near future.

The improvement in the financial management of the FTS has received increased emphasis particularly in the areas of rate simplification, cost accounting, and billing procedures. Intercity rates are now based on a zonal system at a flat rate per minute and will be applicable to all new cities to be added to the system. This will provide user agencies with a simplified basis for determining communications cost for budgetary and administrative control purposes. Billing procedures are being perfected by redesigning the toll-call tickets whereby charges can be billed more accurately and rapidly through ADP processing, thereby reducing the manual clerical effort heretofore required. Studies are being conducted for further rate simplification for the purpose of relieving user agencies of costly clerical effort in the analysis and certification of telecommunications billing.



A typical GSA telephone switchboard before and after the installation of direct inward dialing (Centrex).

TRANSPORTATION

GSA has continued to strengthen its program of transportation management assistance to the civilian executive agencies at both the headquarters and field office levels. Under this program, GSA staff specialists now furnish direct on-site assistance to 17 agencies in the Washington, D.C., area.

Also, during fiscal year 1963, GSA regional staff specialists made over 1,800 visits to various civilian agency field installations located in 46 States, exploring the transportation needs of those installations and furnishing practical assistance in carrying out their transportation function. Transportation assistance was rendered in several specific areas including the shipment of coins and other currency for the Department of the Treasury; the distribution of income tax forms throughout the United States for the Internal Revenue Service; the development of packaging specifications on liquid chemicals for the U.S. Weather Bureau; the shipment of hospital units to various locations in the United States for the Department of Health, Education, and Welfare; the shipment of radioactive waste for the Atomic Energy Commission; and the shipment of valuable radar equipment to various installations of the Federal Aviation Agency.

A total of 144 transportation seminars were conducted by the GSA regional staffs, with 1,970 participants from 917 executive agency field offices. Typical subjects covered were "Proper Preparation of Government Bills of Lading," "Selection of Carriers and Routes," and "Recovery for Loss and Damage."

The President has assigned GSA the responsibility for preparing and furnishing to the Government agencies an up-to-date commuted-rate schedule covering the transportation of household goods for civilian employees of the Government. This schedule contains allowances to be paid for trans-

portation and related expenses incurred by employees in moving their household goods on transfer from one official station to another within the continental United States, excluding Alaska. GSA has also continued to work closely with other agencies in determining the most economical basis for handling mass movements of household goods resulting from the relocation of offices and multiple transfers of personnel. In a number of cases it was determined that contracts with moving companies for the mass movement of household goods, in lieu of payment of allowances on a commuted-rate basis, would be advantageous to the Government.

Teletypewriter ticketing services were made available to all Federal agencies under a master contract made by GSA with 17 airlines. Teletypewriter ticketing involves the use of a teletypewriter machine especially designed to print carriers' tickets on machines placed in the using office. Use of this service avoids the expense and delay caused by sending Government personnel to various airline ticket offices. With a teleticketing installation, the traveler will only be required to provide the teleticketing clerk with details of his trip, such as desired time and date of arrival at destination. The teleticketing clerk will complete all arrangements with one call to the carrier.

In compliance with the President's Program on Transportation, a long-range program was initiated to simplify the determination of freight rates and charges and the preparation of shipping documents for the myriad supplies issued through normal supply distribution points for Federal consumption. The simplification is being accomplished by negotiations with the freight carriers to permit the use of a single freight classification commodity description for all of the supply items. This will permit both the Government

and the carriers to profit through minimum documentation requirements and ease of billing and collection.

Through participation in contract team projects, continued attention was focused on the transportation aspects of all GSA transactions involving purchase, sale, lease, or upgrading of stockpiled commodities and procurement of 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 related transportation aspects. It also brought about reduction of delivered costs of materials procured and a greater dollar return on materials sold, as well as the avoidance of costly controversy and litigation in the administration of the contracts. A slight decline in Contract Referrals was expected for fiscal year 1963, based on the anticipated decline in the number of transactions involving acquisition of stockpile commodities. However, due to an accelerated program in disposal of stockpile materials, a 35 percent increase has occurred in fiscal year 1963 (5,773 contract referrals) compared with fiscal year 1962 (4,216 contract referrals).

An increase in requirements of primary program operations for special or unusual transportation and related services resulted in a 30 percent increase in the number of contracts awarded in fiscal year 1963. Total awards reached 698 compared with 537 in fiscal year 1962.

Transportation and technical advice and assistance are provided to executive agencies of the Government by arranging for the worldwide movement of Government property; surveying ocean markets for fair and reasonable ocean freight rates; arranging ocean charter party agreements; obtaining all marine risk and all war risk insurance; negotiating air charters; arranging customs clearances; obtaining export licenses and import permits; leasing tank cars; and administering

the Cargo Preference Act (Public Law 83-644, added August 26, 1954 [46 U.S.C. 124]), under which the movement of 99.7 percent of the GSA-controlled ocean cargoes were shipped in U.S.-flag commercial vessels.

Advice and assistance are rendered to the executive agencies of the Government involving loss and damage and general average claims. During fiscal year 1963, the interests of the Government were protected by reviewing, investigating, and closing over 2,800 claims.

In addition to the provision of transportation services for its own stockpile program, supply distribution program, surplus property disposal, etc., GSA has continued to assist other Government agencies by supplying rates, routes, and other technical data to meet their transportation needs. More than 188,000 items of information involving the proper selection of rates and routes were provided, which represents a 42 percent increase over fiscal year 1962.

During the year, a pilot project was undertaken to test the feasibility of facsimile transmission and reception of rates, routes, and other transportation data between GSA's central office and the agencies which it serves. The results of a 3-month test were sufficiently encouraging to warrant extension of this project to additional areas. Such a system allows the concentration of highly qualified technical personnel and an extensive tariff library at one location, thus permitting a more efficient utilization of personnel throughout the agency, as well as saving in the cost of maintaining a number of tariff libraries.

GSA continues to negotiate with carriers in various modes of transportation for more reasonable rates, charges, and services, particularly on volume movements of Government property for itself and other Government agencies. In a stepped-up program, GSA completed 529 negotiations, representing an increase of 210 over fiscal year 1962. Negotiations

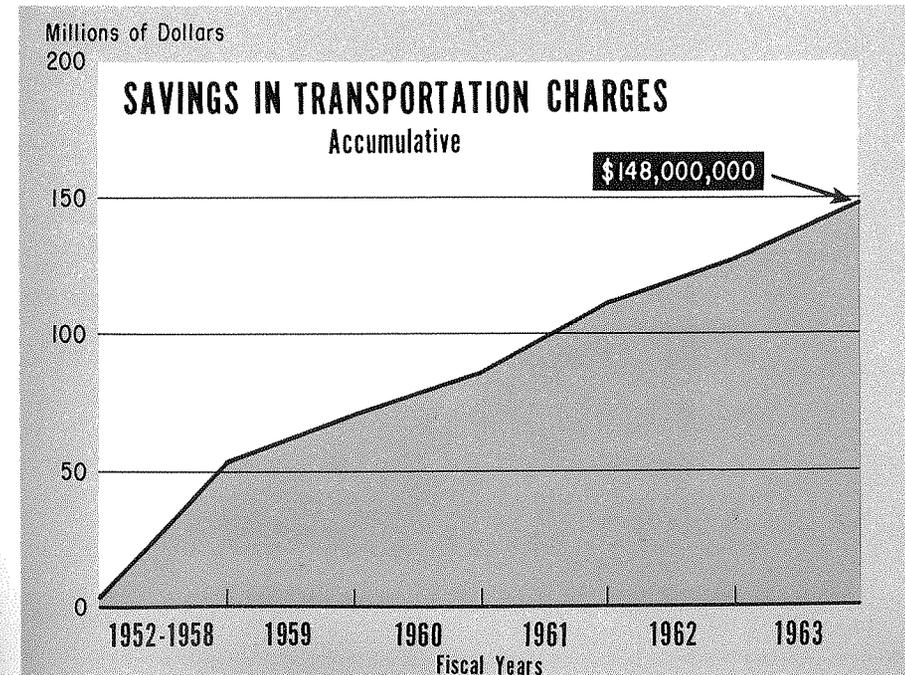
for simplified rates and for simplified tariffs are long-range programs of GSA. Of major importance is a pending request to the carriers for through rates covering "Freight-All-Kinds" to Alaska. If approved, these rates would replace the more expensive three-way combination rates now in effect on traffic to Alaska.

GSA represented the executive agencies in 10 new cases brought before the regulatory bodies.

Direct savings of \$19 million were made through better management of the transportation activities of the civilian executive agencies. Studies of the various Federal civilian agencies' transportation problems have enabled intangible savings to be realized through recommendations relative to improving shipping practices, consolidating shipments, eliminating cross and reverse hauling, and improving requisitioning schedules.

Table 9.—ESTIMATED REDUCTIONS IN TRANSPORTATION CHARGES (ECONOMIES) BY CATEGORY, FISCAL YEAR 1963

Category	Amount	Percent
Freight rates or charges.....	\$16,437,100	86.4
Transit arrangements.....	337,900	1.8
Accessorial service charge.....	143,100	.8
Consolidation of small lots.....	318,200	1.7
Direct-to-consumer deliveries.....	168,900	.9
Improved shipping patterns and methods, and modes of transportation.....	1,479,900	7.8
Miscellaneous.....	121,500	.6
Total.....	\$19,006,600	100.0



MOTOR EQUIPMENT

Operations

Nearing the completion of a decade of progress, motor equipment operations have been expanded to provide further Federal agency coverage through the establishment of nine additional interagency motor pool systems. With 75 pools in operation, comprising

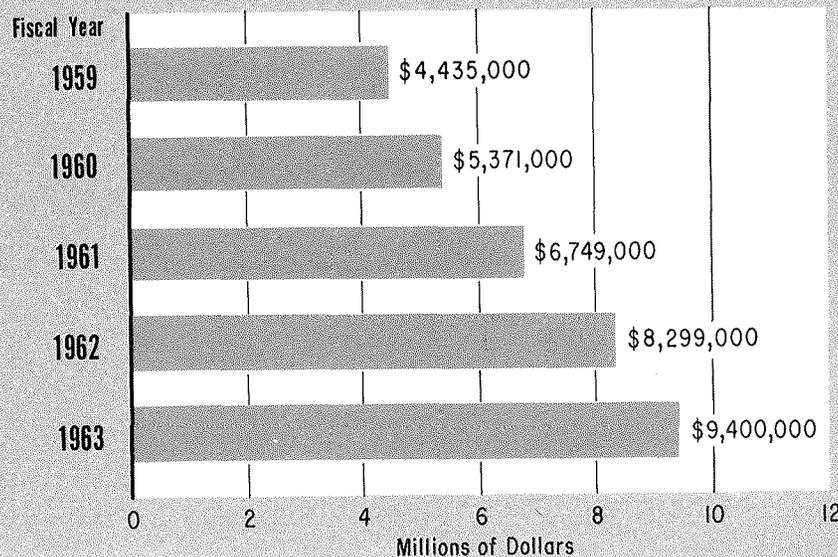
27,487 vehicles, nationwide savings approximated \$9.4 million during the fiscal year; exceeding fiscal year 1962 savings, also a record year, by \$1.1 million. Cumulative savings to the agencies participating in the GSA Motor Pool System for the past 5 years are over \$34 million as of the close of fiscal year 1963.

Table 10.—INTERAGENCY MOTOR POOL SYSTEMS, FISCAL YEARS 1957-63

Fiscal year	Number of pools established (cumulative)	Number of vehicles in pools	Total miles traveled	Miles per vehicle year (average)	Cost per mile
1963.....	75	27,487	294,437,986	11,801	\$0.074
1962.....	66	24,359	249,570,964	11,684	.076
1961.....	60	21,009	222,952,981	11,844	.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

ANNUAL SAVINGS REPORTED BY THE INTERAGENCY MOTOR POOL SYSTEM

Fiscal Years 1959-63



Uniform procedures have been stressed during the year to further simplify operations throughout the nationwide complex of interagency motor pool systems. As a result of GSA efforts in this area, a completely new and simplified concept in rates has been developed for application on a Government-wide basis. Beginning in fiscal year 1964, uniform motor vehicle service rates, applicable to sedans and station wagons, will be in effect throughout the 50 States and Puerto Rico. This breakthrough in rate simplification will afford Federal agency participants an administrative convenience never before considered feasible because of the varying cost of fuels, supplies, and manpower among the geographic areas served. GSA's preventive maintenance program, endorsed by the Interdepartmental Highway Safety Board, has proved most successful since its inauguration in the second quarter of the fiscal year. This program, which insures regular maintenance through the provision of systematic procedures for the servicing and inspection of interagency motor pool vehicles, has resulted in a decrease in direct maintenance costs of approximately \$283,000, or an average of \$15 per vehicle, during fiscal year 1963 over fiscal year 1962.

Vehicle utilization, a significant measure of performance and efficiency, has been improved in accomplishing the present travel with approximately 6,500 fewer vehicles than would have been required by the participating agencies without pooling.

During the year, the GSA Interagency Motor Pool System fleet was increased by over 3,100 vehicles, or 13 percent over fiscal year 1962. Total miles traveled also showed a substantial increase of approximately 44,900,000, or 18 percent over fiscal year 1962. Proportionately, miles traveled exceeded the increase in the size of the fleet by 5 percent—another demonstration of improved utilization.

Management

Striving for consistent improvement in the Federal motor vehicle fleet area, motor equipment management assistance was provided to Federal agencies. In this task, GSA used all available resources, including its vehicle specialists, other Government managers and operators, and personnel of the motor vehicle industry.

To assist agencies in providing better service to their operating elements at less cost, 14 on-site motor equipment management studies were conducted. Findings and recommendations were developed relative to such important elements of management as vehicle selection, balanced utilization and replacement, cost and recordkeeping systems, and maintenance practices in addition to resolving unusual operating problems.

With the cooperation of motor vehicle industry representatives, GSA sponsored interagency motor equipment management conferences in Dallas, Tex., Detroit, Mich., Long Beach, Calif., Philadelphia, Pa., and Spokane, Wash. These meetings were held to foster the mutually beneficial cooperation of industry and Government in the solution of fleet problems, beginning with specifications and standards and continuing through selection, ordering, receiving, warranty, utilization, maintenance, and disposal.

Continuing interest in this free exchange of information and assistance among those concerned with motor equipment management and operation keeps active the 21 Interagency Motor Equipment Management Committees throughout the continental United States.

GSA issued three new or revised publications as aids for management improvements. "The Driver" was reissued; agencies have now distributed about 400,000 copies of this booklet to their employees, and many schools and commercial firms have requested copies. "Guide for Care,

“Servicing and Warranty of Batteries” was published to encourage economy, longer life, and more efficient battery service. “Guide for the Preventive Maintenance of Motor Vehicles,” endorsed by the Interdepartmental Highway Safety Board and vehicle manufacturers, was published for agencies using commercial and Government shops and will effect savings. Through the efforts of the Motor Equipment Management Division, the vehicle manufacturers have extended the warranty for Government vehicles which will result in reduced maintenance cost.

The relationship of laws to vehicles was the subject of two other examples of assistance. Standard Form 97, “Certificate of Release of a Motor Vehicle”, was revised in cooperation with the American Association of Motor Vehicle Administrators. The revised form provides necessary data which will enable the purchaser to comply more readily with State laws govern-

ing the issuance of State titles for surplus vehicles sold by the Government. GSA, through the issuance of a circular to the heads of all agencies, emphasized the procedures relating to official use of motor vehicles as authorized by Federal law.

GSA has promoted State-Armed Forces-Federal Traffic Safety Workshops in Alabama, Tennessee, North Carolina, Georgia, Florida, Kansas, and Minnesota, and hopes to be successful in the promotion of workshops in Missouri, Iowa, Mississippi, and South Carolina.

The Motor Equipment Management Division provided the leadership in revising Interim Federal Standard No. 00122, Automobiles, Station Wagons, and Trucks, by eliminating options and establishing standard vehicles that meet the Government operating requirements. In the case of 1/2-ton pickup trucks, 4 standard units will replace the 259 variations of 1/2-ton pickups previously ordered.

OTHER PUBLIC UTILITIES

The responsibilities of GSA for the management of public utilities services; i.e., electric, gas, steam, water, and sewage required by the Federal civilian agencies as consumers, have been carried out on a broad, nationwide scale. By rendering technical advice and assistance to the Federal agencies in the procurement and conservation of utilities, GSA has provided a means whereby significant savings in the utility bills of the Federal agencies are being realized.

A program of seminars with workshops on public utilities services for the benefit of Federal agencies was initiated in October 1962. These seminars and workshops are designed to provide guidance and assistance to the agencies in the economical procurement and maximum utilization of electric, gas, steam, water, and sewage services. Twenty-seven Government representatives from Federal agencies located in Colorado, New Mexico, Utah, and Wyoming participated in the first seminar conducted in Denver, Colo., in October 1962. A 2-day seminar and an additional 2-day workshop were held in Dallas, Tex., in February 1963 for 35 representatives of Federal agencies located in nearby States. The favorable acceptance of these seminars and workshops by the participating agencies has led to the development of plans and schedules for three additional seminars and three formal training courses in the next year.

Following exploratory correspondence, negotiations were undertaken early in fiscal year 1963 with 18 of the larger public utilities producers for

contracts covering areawide Government utility services. One contract has been negotiated and 10 are in various stages of negotiation. This program will be expanded into other areas wherever they will be in the best interest of the Government.

Nine long-term or special-purpose utilities contracts were negotiated on behalf of several Government agencies. Among other assistance actions, initial savings of \$47,000 were generated by negotiating and contracting for utility services for 144 individual agencies.

By reviewing the utility bills of Federal civilian agencies in selected areas, almost \$75,000 annual savings were generated upon determination of improper charges. GSA also participated, as a user or consumer of services, in five major public utilities cases involving electric and gas rates. During this period, decisions were rendered in four formal rate proceedings in which avoidance of rate increases to the Government amounted to \$444,700.

The Interagency Utilities Committee has provided a valuable forum for the exchange of information and ideas for the solution of common utilities problems. This Committee, composed of representatives of 16 agencies, including the Departments of the Army, Air Force, and Navy, has been particularly active in recommending the adoption or formulation of uniform and coordinated policies and procedures for the procurement and utilization of utilities by the various Federal agencies.



Part 5. Defense Materials

Maintenance of the inventories of strategic and critical materials in prime condition at lowest possible cost, and the orderly disposal of mounting surpluses, continue as the major aims of General Services Administration in operation of the various stockpiling programs.

National Stockpile

The inventory of strategic and critical materials on June 30, 1963, consisted of 51.5 million tons of 98 different commodities, with a market value of approximately \$7.4 billion.

Continuous review and modernization of mobilization plans by the Office of Emergency Planning, and the resultant changes in stockpile objectives, have resulted in the declaration of almost one-half of the quantities of these stockpile materials, valued at \$3.8 billion, as surplus to existing emergency requirements. The most significant contributing factor was the reduction of the mobilization planning period from 5 to 3 years. This action had the almost overnight effect of creating a surplus ranging up to 40 percent of the inventories of some commodities. Also, in many cases, requirements can be met through the use of substitutes and by other means. In recent months, both the executive and legislative branches of Government have given intensive consideration and study to the problems involved in effecting orderly disposal of these surpluses in order to reduce and ultimately eliminate the financial and other burdens involved in their maintenance.

On January 30, 1963, the President established certain policies and guidelines for long-range disposal of these surpluses. The President's action was taken in connection with the recom-

mendations of his Executive Stockpile Committee, which had conducted a comprehensive study of the problem at the President's earlier direction. The Administrator of General Services participated in this study as a member of the Committee. The policies enunciated by the President call for disposal of the surpluses in the light of our national interest and our desire to avoid any serious disruption of markets. In addition, the National Stockpile and Naval Petroleum Reserves Subcommittee of the Senate Committee on Armed Services has conducted extensive hearings into stockpiling matters, including the question of disposal of surpluses. The President's policies are now being carried out, and it is anticipated that a program of accelerated, but orderly, disposal of stockpile excesses will result therefrom.

Disposals

Cumulative disposals from inception of the current disposal program through June 30, 1963, total approximately \$560 million.

Experience in disposals to date shows that, through strict adherence to commercial-type policies on pricing, timing, size of offerings, and other merchandising considerations, releases can be made from the various excess Government inventories without price impairment. Many major disposal programs have been and are being executed under delicate supply-demand situations as a result of careful planning, analysis of each excess, and the establishment of the size and scope of each disposal program on the basis of the particular circumstance found with respect to each commodity.

Therefore, to the maximum extent permitted by existing approved dis-

posal programs and new authorizations received, GSA concentrates heavily in the development of techniques and methods to facilitate orderly disposal of surpluses. In addition to the expansion of disposals wherever possible within existing approved programs, upon the authorization of the Office of Emergency Planning, GSA developed and secured interagency approval on 10 new plans covering disposal of the following materials: aluminum (two plans), cadmium, nickel for foreign aid programs, titanium sponge, low-grade tungsten ores and concentrates, vegetable tannins, rutile chlorinator charge material,

waterfowl feathers and down, and palladium sponge.

Actual disposals from the various excess stockpile inventories during fiscal year 1963 amounted to \$110.5 million in gross sales value on a commitment basis; 26 percent over related disposals in fiscal years 1962.

The development of programs providing for greater use of stockpile excesses in Government procurement programs was a big factor in the increase in disposals. With fine cooperation from the Agency for International Development, General Services Administration devised programs under which, in effect, rubber, tin, and other excess

stockpile materials are supplied to underdeveloped countries in lieu of dollars to purchase these materials from other sources. Utilization programs were also worked out with the Department of Defense for the use of rubber, vegetable tannins, and other materials in procurements being made by the military establishment. Similar programs are in force with the Navy, the Mint, and Atomic Energy Commission, under which the direct or indirect needs for lead, nickel, copper, and other materials normally bought by these agencies from commercial sources, are now satisfied from the stockpile. The added emphasis upon these utilization programs during the year accounted for a volume of \$21.7 million by Federal agencies, an increase of 49 percent over that accomplished in fiscal year 1962. In addition to savings in dollar disbursements by the Government as a whole, the benefits stemming from these Government-use programs extend to assistance of our country in its balance-of-payments

position with other nations, in that the need for the material is satisfied from the stockpile surplus rather than by purchase abroad with the consequent outflow of gold. During fiscal year 1963, these savings in gold amounted to approximately \$12 million, and related primarily to the shipment of rubber and tin abroad under the AID program.

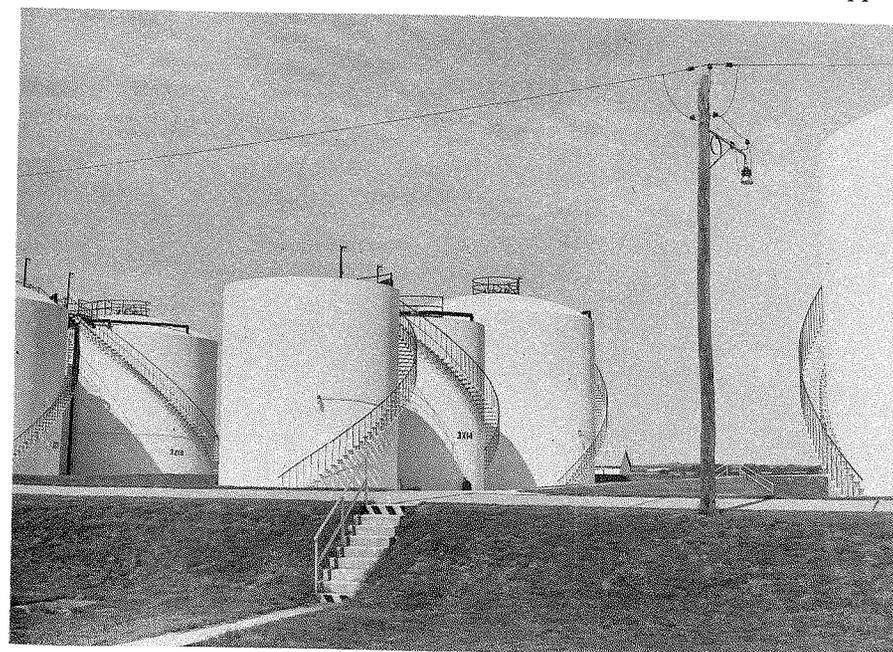
Upgrading

Under upgrading techniques, higher grade forms of materials currently needed for the stockpile are acquired by conversion of lower grade stockpile excess materials. Payment for conversion and other costs is made with excess materials. This approach not only results in acquisition of needed materials without cash disbursement, but also in disposal of unneeded materials with minimum impact upon the market.

During the year, contracts were let for the upgrading of approximately 6,000 short tons of electrolytic copper

Table 11.—DISPOSAL OF STRATEGIC AND CRITICAL MATERIALS, FISCAL YEAR 1963—COMMITMENT BASIS
[In thousands]

	Commercial	Government	Total
S&CM			
Cadmium	\$751		\$751
Castor oil	4,157		4,157
Cobalt oxide	416		416
Coconut oil	7,859		7,859
Cordage fibers	1,879		1,879
Magnesium	809	\$29	838
Molybdenum	7,264		7,264
Nickel	206		206
Palm oil	424		424
Platinum scrap	281		281
Quinine	594		594
Rubber	29,829	11,345	41,174
Silk waste and noils	640		640
Tin	11,886	1,019	12,905
Vegetable Tannins		263	263
Other	810		810
Total S & CM	\$67,805	\$12,656	\$80,461
DPA			
Aluminum	\$11,007	\$56	\$11,063
Copper	2,474	7,543	10,017
Cryolite	403		403
Lead		691	691
Manganese	1,090		1,090
Nickel	5,100	785	5,885
Tungsten	536		536
Other	303	4	307
Total DPA	\$20,913	\$9,079	\$29,992
Total, all programs	\$88,718	\$21,735	\$110,453



Tank farm storage of coconut oil. The development of substitutes for this commodity has made stockpiling unnecessary and it is one of the surplus materials currently being disposed of by GSA.

cathodes to an equal quantity of OFHC copper. All of the contractor's fees, charges, and costs under this contract, estimated at \$960,000, will be paid in additional electrolytic copper cathodes which are excess to the Government's needs. Contracts were also awarded for the upgrading of surplus calumbium-tantalum-bearing materials to needed columbium and tantalum metals and carbide powders at a total estimated cost of \$1,677,744. Similarly, all of the contractor's fees, charges, and costs under these contracts will be paid in tungsten concentrates and ferronickel in surplus Government inventories.

Rotation

Perishable materials in the national stockpile must be rotated when their usability and utility for essential emergency requirements become impaired. Cordage fibers, which are stockpiled primarily for use in ropes and baler twines, are the only materials being programmed for rotation at the present time.

Long-term storage of cordage fibers (and in fact, most of the other materials being stockpiled) is unique, and prior rotation cycles had to be established and adjusted on the basis of actual stockpiling experience. Through research conducted by GSA, it has now been determined that the rotation cycle can be increased from 5 to 7 years for abaca and from 7 to 9 years for sisal. This lengthening of the rotation cycle will lessen the yearly rotation burden and will result in cost reductions of over \$750,000 annually.

Storage

The largest single item of expense in operation of the stockpile program is storage cost. The magnitude of the storage task confronting the Government may be seen when it is realized that the aggregate stockpile inventories constitute a bulk of 51.5 million tons of highly diversified commodities in various

shapes, sizes, and forms requiring different storage accommodations; viz, closed storage, open storage, and tank storage.

A program aimed at providing safe storage at minimum cost is being pushed aggressively. Actions taken in fiscal year 1963 alone will result in a net annual reduction in cost of approximately \$550,000, with more substantial benefits anticipated in future years. The primary objective of this program is to concentrate storage in the most economical locations and, at the same time, improve the posture from the strategic storage viewpoint. It involves the use of excess Government space in active locations, or the GSA activation of facilities declared excess by other departments or agencies. As a result of the various relocations, consolidations, and transfer of materials, including transfer of responsibility for cotton to the Department of Agriculture, the number of storage locations has been reduced from 208 existing as of June 30, 1962, to 165 at the close of fiscal year 1963, despite the increase in tonnage stored from 49.5 to 51.5 million tons. As an example of actions taken last year, all materials stored previously at the Louisville Medical Depot were relocated to other active Government depots having vacant space, thus eliminating the necessity of providing duplicate supporting services. Annual economies of this action are estimated at \$200,000. Similarly, the transfer of large quantities of rubber from commercial storage locations to suitable vacant space in Government depots has resulted in annual savings of \$197,000. A 2-year plan has been started toward evacuation of the Government depot in Buffalo which will result in still more savings of \$253,000 per year in recurring costs, as well as avoid the necessity of major roof rehabilitation at a cost of \$1,440,000. While we consider the effect of these changes to be substantial, our aim is to accomplish greater efficiencies in future years under programs now planned.

Table 12.—STORAGE LOCATIONS FOR STRATEGIC MATERIALS

Type of facility	Number of locations	
	June 30, 1962	June 30, 1963
GSA facilities	22	24
Military installations	57	52
Commercial warehouses	64	24
Leased commercial	16	16
Industrial Plant sites	39	39
Other Government	10	10
Total	208	165

Civil Defense Programs

Still another mobilization responsibility of GSA is the operation of civil defense depots and providing of other services in the stockpiling of medical, engineering, radiological, chemical, biological, and fallout shelter supplies and equipment. Policy guidance under these programs is provided by the Department of Health, Education, and Welfare and the Department of Defense.

During the year, the programs were transferred from the Federal Supply Service to the Defense Materials Service. This integration was designed to obtain the full utilization of the various skills and knowledge which existed in the Defense Materials Service through operation of the various stockpiling programs and to avoid duplicate supervision and operations.

A total of 61 depots, comprising 8.6 million gross square feet of space, and containing a combined inventory of \$174 million in civil defense emergency materials, is utilized under this program. This is exclusive of an inventory of approximately \$35 million of medical supplies and equipment included in 1,808 mobile hospitals which have been pre-positioned in various States for use in time of emergency, and which GSA continues to service.

A move to insure maximum possible security in storage of these emergency

medical supplies was started last year. This is the storage of materials in underground sites, primarily limestone mines which have ceased operations but which are otherwise perfectly safe for development of suitable storage space for the purposes involved. A site consisting of 250,000 square feet of storage space was activated in June 1963 at Wampum, Pa. Medical supplies presently on hand at four other surface depots in that State will be consolidated at Wampum during the coming year.

The radiological instrument inventory maintained by GSA for DOD under this program is valued at over \$22 million. The function of GSA is to store, inspect, test, repair when necessary, and assemble the equipment into various types of training kits, monitoring kits, fallout shelter radiation kits, or sets. The kits or sets are then distributed to State and Federal agencies on a loan or grant basis for emergency use. During the fiscal year ending June 30, 1963, 51,550 instrument kits were shipped to high schools, State and Federal agencies, and shelter locations.

Machine Tool Programs

Under policy determinations made by the Department of Defense, GSA maintains a reserve of machine tools and industrial equipment known as the National Industrial Equipment Reserve which is administered in accordance with the provisions of the National Industrial Reserve Act of 1948.

At June 30, 1963, approximately 7,200 items were being maintained in this reserve at 3 GSA and 6 DOD facilities.

An important facet of this program is the so-called school loan program. Under section 7 of the act, machine tools in the reserve may be loaned to nonprofit educational institutions when the Secretary of Defense determines that the proposed program for the use of such tools will promote the national defense. Interest by the States in this program is mounting. During the

year, 990 additional tools had been received by 29 schools, resulting in a total of 1,916 tools received by 67 schools. An additional 278 tools to 9 schools were under negotiation. At the end of June 1963 the school loan program encompassed 23 States.

The benefits from the school loan program are many and far reaching. More and more communities are utilizing the tools as a part of area rede-

velopment programs. This enables the communities to retrain presently dislocated labor in other skills, without incurring the capital cost for equipment. It increases the labor resources of this country not only for use in time of war, but also for the peacetime economy. Lastly, it provides safe, strategic storage for the machine tools on behalf of the Government at little or no cost.

Part 6. Federal Records

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

Under the Federal Records Act of 1950, 64 Stat. 583, as amended (44 U.S.C. 392-396, 397-401), the Administrator of General Services is specifically required to issue implementing and interpretative standards, promote records management practices and techniques, and provide records center services. For their part the heads of agencies are under the mandate to have an active, continuing records management program and to cooperate with GSA. GSA responsibilities are generally met by promulgating regulations, providing training through workshops, and giving requested technical assistance.

Every 2 years Federal agencies report to GSA the volume of their records holdings. The most recent reports, those for June 30, 1962, were favorable as compared to those for 2 years earlier. They showed that the total quantity of Federal records had increased only 0.3 percent despite larger increases in the population and the budget; records in agency offices had decreased 1 percent, while those in agency depositories had decreased 26 percent.

Agency Surveys and Audits

Agencies with paperwork problems may request GSA assistance. The problems referred are usually of such size or complexity as to require months to gather facts and make recommendations. During the year 24 requests were acted upon by the central office, and 10 of the resulting surveys were completed. Regional analysts conducted 87 surveys, of which 34 were completed.

One study provided the U.S. Civil Service Commission with a new records system, complete with file manual, file station directory, and a continuing program for records control and improvement. A data processing system was devised for the Securities and Exchange Commission.

New correspondence methods and techniques were recommended to the Peace Corps for answering general inquiries of the public. A survey of the Maritime Administration to determine the effectiveness of its active records management program and its paperwork processes and to explore the possibilities for automation was com-

pleted. After pilot tests in Chicago and Kansas City, the Food and Drug Administration adopted the GSA recommendation to automate the inspection paperwork in the FDA field offices.

The Bureau of Prisons was aided by the establishment of a punched card system of reporting on prisoners, which eliminated considerable paperwork. Procedures for processing schedules of transportation charges were completed for the Federal Maritime Commission. The records activities of the Post Office were reviewed at St. Louis and Kansas City, leading to the identification of a number of labor-saving projects that could be undertaken.

Toward the end of the year, GSA began the first of a series of audits of the records management programs in Federal agencies to determine how closely they follow the Federal Records Act of 1950 and its implementing standards. The first agency audited was the Department of Labor. Next, GSA will examine the paperwork management practices of the Comptroller of the Currency.

Standards and Training

The weeklong source data automation workshop is proving to be one of the best paperwork training devices yet developed by GSA. Each workshop participant is expected to develop a project showing how automation at the beginning of a paperwork process would save effort and money. Many of these projects are then adopted for agency use.

In the course of the year, 123 new projects were underway as a result of the source data automation workshops presented in all 10 GSA regions. Savings resulting from 25 of the projects are estimated to be in excess of \$1 million. Case studies of these 25 projects have been written up and added to the 50 studies published the previous year and used as training materials.

The use of automation in files operations is often called "information retrieval." To provide a better understanding of how mechanized information retrieval operates, a comprehensive 5-day seminar was held for over 200 Federal executives.

During the year GSA conducted 427 paperwork management workshops attended by 8,520 Federal employees. Agency personnel, using GSA materials, reached another 5,800 employees. Since its first workshops in 1956, GSA has conducted presentations for over 93,000 participants. Government agencies have reported an additional attendance of 147,000, with non-GSA instructors using GSA workshop scripts and visual aids.

These workshops assist agencies to popularize and strengthen their programs. The disposition workshops, for example, during the year were instrumental in releasing over 3,100 filing cabinets and destroying 30,000 cubic feet of records in participating agencies. Participants in the forms improvement workshop redesigned and improved numerous forms, saving agencies several hundred thousand man-hours.

RECORDS CENTERS

The holdings of the 16 GSA records centers reached a new high at the end of the year—7,445,500 cubic feet of records, about 500,000 cubic feet more than in 1962. The records in the centers amount to about 30 percent of all Federal records in existence.

The 14 regional records centers exceeded all workloads estimated in the year's budget. New records received totaled 735,200 cubic feet; 554,600 cubic feet on hand were destroyed; and 3,125,000 inquiries for information from the records were received. This

is the largest number of reference requests in any one year in records center history.

The two national centers for personnel records likewise exceeded their forecasted targets. Some 6,423,000 items were received and interfiled and 1,690,000 inquiries were handled. The inquiries were largely from the Veterans' Administration, from veterans themselves, and from agency personnel offices.

The program to find permanent locations for the centers proceeded steadily during the year. The records center at Fort Worth vacated rented space in the downtown area to relocate at Government-owned space at an Army base just outside the city. The Seattle center began its move to a single-story warehouse near the Navy air station, and the merger of annexes at Clearfield, Utah, and Honolulu into regional centers moved closer to completion. Design work was started for a new and larger center building in the Washington area.

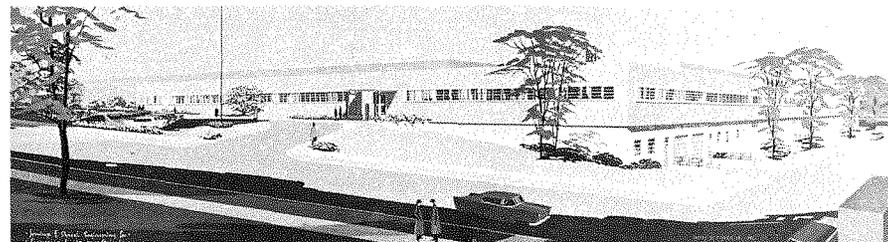
Transfers of records to the centers during the year cleared for reuse 307,400 square feet of office space and 168,400 square feet of storage space. At an average of \$2.20 per square foot for rent and maintenance of office

space and \$0.85 for storage space, the cost of leasing the space cleared would have amounted to \$819,000.

Transfers to the centers also cleared 61,500 filing cabinets, 8,100 transfer cases, and 545,000 linear feet of shelving. Agencies were thus enabled to curtail the purchase of new equipment in the amount of \$3,660,000.

Agencies in two regions have been prompt to avail themselves of the reimbursable microfilming service provided by the centers as announced in GSA Circular No. 295 in January. From then to the end of the year over 955,000 images were produced for agencies.

At the Military Personnel Records Center in St. Louis a mechanized work-measurement system was inaugurated. As reference requests are received, cards are punched in accordance with standards that have been established for each type of reference service. As the employee completes the reference services he fills in the cards, and a machine computes his performance. Those whose performance does not meet the standards are given special training. The system reduces the cost of work measurement and provides a firmer basis for budget preparation.



Civilian Personnel Records Center, GSA, at St. Louis.

ARCHIVES AND PRESIDENTIAL LIBRARIES

The year was the first full year in which the National Archives operated through the functional organization that was put into effect in January 1962. The increased efficiency that resulted made it possible to put more

emphasis on certain programs than had been possible in the past.

One of these programs concerns the identification, from the nearly 24 million cubic feet of Federal records in agencies or in records centers, of the

small core of records of sufficient value to merit permanent preservation in the National Archives. In accordance with section 505(b) of the Federal Records Act, GSA is required to "establish standards for the selective retention of records of continuing value, and assist agencies in applying such standards to records in their custody." To carry out this provision, records retention plans, by means of which records of enduring value can be recognized, maintained, and preserved, are being developed from comprehensive appraisals of agency records and functions.

Plans designating the records of permanent value have been issued or prepared for 40 agencies or major parts of agencies, including GSA itself, the General Accounting Office, and parts of the Departments of State, the Treasury, the Interior, Agriculture, and Health, Education, and Welfare.

The plans cover agencies with over 2 million cubic feet of records, of which about 2 percent have been designated as of permanent value. The preparation and issuance of the plans is meeting with increased interest on the part of Federal agencies because of their value not only in safeguarding valuable records but in simplifying the development of comprehensive records programs and disposal schedules for the elimination of records of temporary value.

Another program that was given increased attention during the year was the inventorying and describing of records in the National Archives. The 18 inventories of record groups or subgroups published exceeded the number published in any other year since the National Archives was established in 1934. Among them were inventories of the War Department Collection of Revolutionary War Records and of the records of the U.S. Supreme Court, the U.S. Housing Corporation, and the Office of Territories. Other inventories and lists of records, 31 in all, were prepared and made available in unpublished form for the use of the staff.

Microfilming records also proceeded at an alltime high rate, and 5,196 rolls of negative microfilm were produced. This film serves a dual purpose: the use of film copies preserves records from deterioration through constant use of the records themselves, and additional film copies may be made to meet research needs outside of Washington.

Among the records that were filmed were State Department records relating to World War I and its termination, 1914-29, and to the internal affairs of Chile, Greece, Japan, and Korea, 1910-29; appellate case files of the Supreme Court, 1792-1831; U.S. direct tax lists for Pennsylvania, 1798; compiled service records of volunteer Union soldiers who served in organizations from most of the Southern and Border States; and letters of application and recommendation during the administrations of Jefferson and Madison.

Pamphlets describing the contents of 37 microfilm publications were issued, more than in any previous year. Sales of microfilm publications amounted to 33,359 rolls, an increase of 20 percent over the previous year and an all time high.

Because of the large amount of microfilming that has been done over a period of more than 20 years, many paper records that would otherwise need repair have been retired from use. Some records are not suitable for microfilming, however, and the more expensive repair processes are still used. During the year about 107,000 sheets were laminated, as compared with 114,000 in 1962, and about 1,134,000 sheets were flattened, as compared with 859,000 in 1962.

For the second successive year the total number of reference services on records exceeded half a million. The providing of reference services was facilitated through the consolidation of numerous small research rooms into fewer but better equipped and staffed units.

Because of the shortage of space in the National Archives Building, many



Opening of the Churchill Exhibit at the National Archives.

records were retained in the Federal Records centers that would otherwise have been transferred to the National Archives. Among the 4,342 cubic feet of records that nevertheless were transferred were records of State Department offices responsible for Latin American affairs, 1905-43; records maintained by the office of Leo Pasvolksy, Special Assistant to the Secretary of State, relating to economic policies and postwar planning, 1938-45; case files of the Federal Communications Commission closed in 1959, involving rates, facilities, and ownership of telephone, telegraph, cable, and broadcasting companies; case files for the most important labor-management dispute mediation cases handled by the Federal Mediation and Conciliation Service in 1955; and records of the Commission for the U.S. science exhibit at the Seattle World's Fair, 1959-63.

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. Most of the records captured by the United States and its Allies have been returned to the German Government at Bonn, but first the more important ones were microfilmed and the microfilm copies deposited in the National Archives. The receipt this year of about 1,000 rolls of microfilm copies of German Foreign Office records, dated mainly 1940-41, made the collection of records of that office virtually complete for the years 1867-1945.

At the end of the year the total holdings of the National Archives amounted to 900,196 cubic feet. Besides hundreds of millions of textual documents, these include 3,413,000 still pictures, 1,489,000 maps and charts, 54,000 reels of motion pictures, and 36,000 sound recordings.

The *Guide to Federal Archives Relating to the Civil War*, which was published during the year, received favor-

able reviews in several scholarly publications. A companion volume, describing the archives of the Confederate States, is being compiled. *National Archives Accessions* No. 57, which lists the records transferred to the Archives during the years 1961 and 1962, also contains an article evaluating the Censuses of Manufacturers, 1810-90, as sources for the industrial history of the Nation.

Visitors exceeded those of the previous year, when more than 1 million people visited the National Archives to see the originals of the Declaration of Independence, the Constitution, and the Bill of Rights. Visitors also viewed documents relating to these charters of freedom, an extensive Civil War exhibit, and two new exhibits, one in observance of the 100th anniversary of the signing of the Emancipation Proclamation on January 1, 1863, and the other in recognition of Winston Churchill's becoming an honorary American citizen.

An exact-size facsimile of the Emancipation Proclamation was reissued and was in great demand. During the year the public purchased about 90,000 separate facsimiles of documents or publications containing reproductions of documents.

Presidential Libraries

The Eleanor Roosevelt Memorial Foundation made plans for the construction of two wings to the Franklin D. Roosevelt Library building to house Mrs. Roosevelt's papers and memorabilia. With gifts received during her lifetime and bequests from the estate, the Franklin D. Roosevelt Library now has all her papers, amounting to about 1,100 cubic feet, except a small number of personal letters retained by her family.

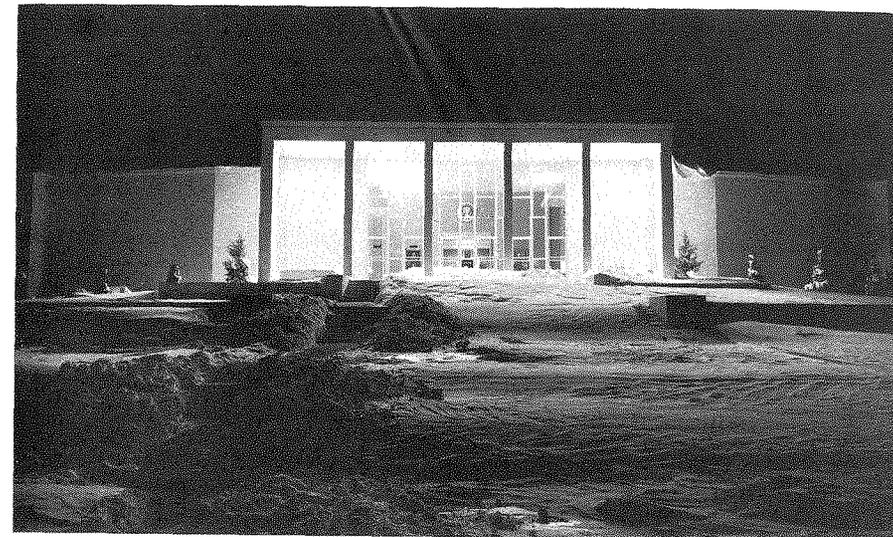
The library also received papers of Vice Adm. Ross T. McIntire, Rear Adm. Wilson Brown, Herbert C. Pell, David Gray, and Isador Lubin. Permits to use the historical collections of the library were issued to 164 persons, and 37 books, articles, and doctoral

theses based in part on research in the library were published during the year. Over 161,000 persons visited the museum of the library.

The Harry S. Truman Library received papers of Clinton P. Anderson, Robert E. Freer, James Foskett, Paul M. Herzog, Lou Holland, J. Weldon Jones, Philip M. Kaiser, Stephen A. Mitchell, J. J. O'Connell, Frank Pace, Jr., Willa Mae Roberts, Theodore Tannenwald, Jr., and Sidney R. Yates. Also received were records of the President's Materials Policy Commission and of the National Committee Against Limiting the Presidency. As a part of the oral history program, interviews were held both in Missouri and in Washington, D.C., with associates of former President Truman, and the first four of the interview transcripts were opened for research. The Harry S. Truman Library Institute awarded seven grants-in-aid for study at the library and established a \$1,000 prize, as a memorial to the late David D. Lloyd, for the best book published every 2 years dealing with the Truman period. About 140,000 persons visited the museum of the library.

The staff of the Dwight D. Eisenhower Library continued to process the papers and other historical materials in the library, which include 11,899,000 pages of manuscripts, 35,000 still pictures, 1,045 sound recordings, and 412,000 feet of motion-picture film. Commitments for the deposit in the library of the papers of many of former President Eisenhower's associates in the Government and in military life were received. Nearly 107,000 visitors toured the public areas of the building during the year.

The Herbert Hoover Library was dedicated on August 10, 1962, and the exhibit areas were opened to the public. More than 39,000 persons visited the library. The Herbert Hoover Birthplace Foundation, Inc., which had financed and built the original building, completed plans for an addition to the library, to include an auditorium, a research room, stacks, a photographic laboratory, and offices.



The Harry S. Truman Library, Independence, Mo.

FEDERAL REGISTER AND OTHER PUBLICATION ACTIVITY

The Office of the Federal Register experienced a 7½ percent increase in its overall publications workload during the year as compared with an annual increase during the past 10 years of 3 percent. Much of this has been due to better agency compliance with publication acts. In addition, enactment of the new Canal Zone Code doubled the publication volume of the slip laws and *U.S. Statutes at Large*.

Despite the heavier workload, the Office was able to enhance the usefulness of its publications and to improve services to agencies and the public. The addition of legislative histories to the public laws eliminates wasteful duplication of effort in the Government and saves many hours formerly required for research.

The instruction given to agencies has resulted in better public documents and more efficient publication practices. Annotations and tables were added to the *U.S. Government Organization Manual* to provide a closer tie with the *Code of Federal Regulations*.

The 1962 Kennedy volume of the *Public Papers of the Presidents* series was published during the year. This volume, largest in the series to date, includes a unique foreword in which the President highlights significant events of the year. The 1946 Truman volume was published during the year.

National Historical Publications Commission

The Commission's *Report to the President Containing a Proposal * * * To Meet Existing and Anticipated Needs Over the Next Ten Years Under a National Program for the Collection, Preservation, and Publication, or Dissemination by Other Means, of the Documentary Sources of American History* was released in March 1963. To permit the planning of a broader and more balanced program over the next 10 years for the preservation and publication of historical documents of national importance, the *Report* recommended that both private and public funds, to total \$1 million an-

nually, be made available to the Commission for grants to supplement local funds for projects that deserve encouragement.

President Kennedy endorsed the "Proposal" strongly, and legislation authorizing the Commission to make grants and authorizing appropriations up to \$500,000 annually for that purpose was introduced in the Senate by Senator John McClellan (S. 1307) and in the House of Representatives by Congressman Jack Brooks (H.R. 6237). Hearings were held June 18 on the House bill by a subcommittee of the Committee on Government Operations, and the proposed legislation was subsequently reported out favorably by the committee. The President's interest in this program was manifested further by a luncheon given at the White House on June 17 in honor of the editors and supporters of publication projects that have been promoted and assisted by the Com-

mission. The President was host and spoke informally on the importance of this kind of work to about 60 guests.

At its meeting on November 27, 1962, the Commission endorsed a plan for editing and publishing the papers of George Mason to be sponsored and financed jointly by the Regents of Gunston Hall and the Institute of Early American History and Culture. Several of the documentary publication enterprises with which the Commission cooperates published additional volumes during the year, notably *The Papers of Benjamin Franklin*, *The Papers of Alexander Hamilton*, and *The Papers of John C. Calhoun*; and progress toward publication was reported by others as set forth in detail in the appendix to the Commission's own *Report*. The annual bibliography, *Writings on American History*, was compiled for the year 1958 and sent to the Government Printing Office.

Part 7. Business Services and Small Business

In fiscal year 1963, as a result of its efforts to assure that qualified small business firms receive a fair portion of its contracts for property and services, the General Services Administration placed 40.5 percent of its total prime contracts, or \$328.9 million, with small business firms.

During this period, vigorous efforts were made in all GSA procurement programs to assist small business firms in obtaining Government contracts. In order to accomplish this, we have made extensive efforts to simplify our procurement methods, to acquaint small businessmen with Government buying programs and practices, and to encourage their participation in supplying the Government's needs.

Specifically, in the procurement of personal property, continuous efforts have been made to simplify contract needs and techniques to make it easier for small businessmen to participate in our buying programs. Particular attention was given to adjustments in the size of lots and to the making of contracts on a zone basis to insure that small business concerns may effectively compete for Government business. Where necessary, delivery terms have been modified to accommodate small business capabilities. Certain types of contracts have been delivered by hand to small business contractors, at which time terms and conditions were reviewed with them to help them avoid pitfalls and difficulties which might otherwise occur in contract performance. In addition, quality control inspectors have assisted small business firms in meeting contract requirements and in solving production, delivery, and quality control problems. With

regard to GSA's quality assurance inspection program, more than 6,400 visits were made to small business firms to advise and assist them in qualifying under the program.

An aggressive small business set-aside program was continued by GSA in its buying programs. Close liaison is maintained with Small Business Administration representatives at each of our Federal Supply Service buying offices. Clearly worded regulations and procedures to encourage and promote joint set-aside determinations have been issued and are kept current to reflect latest Small Business Administration policy. Likewise, invitations for bids involving small business set-asides are clearly worded to assure that small business concerns understand the bidding procedures.

Numerous partial or total set-asides have been made in the procurement of moving and draying services, packing, and crating, loading and unloading, and other related services. For example, notable progress was made by GSA's San Francisco office in setting aside 19 separate procurements of transportation and related services, under term contracts, with an estimated total value of \$220,000.

In the procurement of real property services, an agreement was made with the SBA to initiate a joint set-aside for small business with regard to each proposed contract for construction, alteration, maintenance, and repair services having an estimated value from \$2,500 up to \$500,000. Proposed contracts of this nature having an estimated value of more than \$500,000 were considered for small business set-asides on an individual basis.

As a result, in the Public Buildings Service Repair and Improvement Program, approximately 92 percent of the total program was accomplished by small business concerns. This program amounted to \$65 million in fiscal year 1963. The repair and improvement program is particularly available to diversified locations because contracts are awarded every year among the majority of approximately 4,000 Federal building locations throughout the United States, Puerto Rico, and the Virgin Islands. In addition to these repair and improvement contracts, approximately 350 contracts, estimated at \$3 million annually, were in effect during the course of the year for cleaning and servicing Federal buildings. These contracts were all made with small business firms.

The surplus personal property disposal program, over which GSA exercises general supervision, including disposal of strategic materials from stockpile, continued to operate with a view to assisting small business firms. Lotting practices provided for quantities small enough to attract small business participation, particularly for items that would be of interest to purchasers for their own use. Sufficient time was allowed to permit inspection of property prior to bid-closing dates. Catalog and property listings used commercial descriptions so that prospective small business purchasers would readily identify property.

Another important area in which GSA continued in its efforts to provide assistance to small business concerns was in its Business Services Program. During the past fiscal year, GSA's Business Service Centers, located in 11 key cities throughout the United States, provided one-stop counseling service and assistance to businessmen. These centers are located in Boston, New York, Washington, D.C., Atlanta, Chicago, Kansas City, Mo., Dallas, Denver, San Francisco, Los Angeles, and Seattle.

Although services were offered to all business groups, small business firms located in labor surplus and redevelop-

ment areas were by far the primary beneficiaries of the assistance provided by the agency's Business Service Centers. Services provided businessmen included:

- Information concerning procurement of Government goods and services.
- Counseling on how to do business with the Government—the facts on what steps to take, what forms to use, and whom to contact.
- Detailed information and guidance on such subjects as: locations of contracting offices; how to get on bidders mailing lists; how and where to obtain Government specifications; how to establish Government-consumer demand and promote sales; how to introduce new products to Government supply systems; and how to keep informed on current bidding opportunities.
- Assistance by trained personnel, whose primary function and interest is to make available their time and ability to fit the needs of the individual businessman requesting their help.
- Providing reference copies of Government regulations, catalogs, bid invitations, and other materials of interest, and supplying copies of mailing list applications, specifications, and related forms and publications.

In addition, these Centers continuously seek to stimulate and maintain the small businessman's interest and capability in doing business with GSA and other Government agencies by:

- Publication of bidding opportunities in trade and other news media—in addition to the Department of Commerce "Commerce Business Daily."
- Participation in local business opportunity meetings sponsored by State and local business or Government groups.
- Distribution of publications which are helpful to small business concerns interested in obtaining contracts.

Of the publications prepared by GSA, two of them, "Doing Business With the Federal Government" and "Guide to Specifications and Standards of the Federal Government," were significantly revised during the year. The revised copies were distributed to potential Government suppliers or contractors through GSA Business Service Centers, Department of Commerce, the Small Business Administration, and military procurement offices. These publications were designed for use by the business community dealing with the Government, and particularly for small business concerns. They provide a ready reference to those agencies engaged in major procurement programs, identification of the commodities procured, and an explanation of the development, make-up, and need for specifications and standards required in Government

procurement, as well as where copies may be obtained. Strong interest by the business community in these publications is attested by the fact that over 100,000 copies of "Doing Business With the Federal Government" were distributed during the year. Intangible benefits accrued to the Government also, since the information conveyed precluded numerous inquiries from business concerns and obviates entering into contracts without full knowledge of the depth and scope of the specification requirements.

GSA's business service centers across the country serviced 503,237 business inquiries during the 1963 fiscal year. In the same period, they provided significant counseling to 41,322 individual businessmen seeking assistance in doing business with the Federal Government.

Additionally, GSA's business serv-



A businessman is counseled in developing a market for his product in one of GSA's regional business service centers. This scene is repeated many times daily in 11 such centers throughout the country, where businessmen interested in doing business with the Federal Government receive assistance tailored to their individual needs and products.

ice center personnel participated in 74 local business opportunity meetings attended by approximately 46,465 businessmen; provided 374,499 procurement specifications; distributed 24,545 bidders mailing list applications; handled 627 new product applications; and processed 100,625 bids received in response to 11,012 bid invitations issued by GSA.

In an effort to further increase the effectiveness of GSA's business services and small business program through its Business Service Centers, a new technique has been developed in the past fiscal year. Basically, it has meant conversion from a passive role to one which requires the business service centers to take the initiative in contacting business concerns which have not previously done business with GSA in order to develop maximum competition on Government contracts. It involved: (1) searching out and compiling a list of firms marketing products and services needed by the Government, with particular attention to small concerns and to those located in labor surplus and redevelopment

areas; (2) inviting such firms to participate in GSA's procurement programs; (3) providing these businesses with the maximum available past procurement and contract data on the individual products involved in each instance, together with such additional information, counseling, and assistance necessary to develop their interest; and (4) maintaining sufficient followup contact with each firm contacted to determine the results of the initial Business Service Center effort, and providing additional information as required to fully develop each firm's potential.

Still another area where GSA provided important assistance to small business firms was through its development and issuance of the Federal Procurement Regulations. Through their issuance, businessmen were provided overall Government procurement regulations in readily accessible and codified form. Throughout these regulations the needs of small business firms are given particular consideration, with a view to facilitate and extend their participation in Government contract work.



Keen competition for Government contracts is evidenced by this large attendance at a public bid opening in one of GSA's business service centers. Well-advertised bid invitations, carefully counseled businessmen, and many responsive bids throughout the year attest to the effectiveness of GSA's procurement program.

Part 8. Finance and Administration

The Office of Finance and Administration is responsible for the planning, implementation, direction, and coordination of all financial management, personnel management, and administrative management services and programs of General Services Administration and for formulation of GSA-wide program planning policies and objectives, automatic data processing, and for coordination of the manpower utilization program.

Financial Management

Under GSA's role for improving property accounting and property management in the civilian agencies, joint financial and supply management studies were made in the National Aeronautics and Space Administration (Cape Kennedy, formerly Cape Canaveral) and the Coast and Geodetic Survey at the request of those agencies. Improvements resulting from these studies are being installed by the agencies.

Completed during the year was a Government-wide study of motor vehicle cost and operations data. The resultant report, dated in May 1963, includes recommendations which, if implemented, point toward substantial Federal savings each year. Principal savings could result from a more systematic replacement of vehicles at age of optimum economic return, by curtailment of uneconomical vehicular repair and maintenance, by improved utilization, and by reduction in size of the Federal fleet. While this study was chaired by GSA, it was developed jointly by representatives of GSA, Bureau of the Budget, General Accounting Office, and Treasury.

To insure adequate working capital for the general supply fund operations,

purchasers of materials were urged to make payments within 30 days of GSA's billing. The progress achieved in obtaining customer compliance with this request reduced the days' sales outstanding in billed receivables from 36.1 to 28.8 days in the last half of the year. Capital was increased by additional loan-type advances obtained from the Department of Defense agencies based on volume of sales.

In the areas of financial analyses and credit programs, attention was directed to evaluating disposal plans and bids for excess defense materials, establishing the financial responsibility of contractors and purchasers requesting credit, and participation in negotiation and administration of stockpile up-grading contracts.

During the year plans were initiated for establishing an integrated top management information system in GSA. Included in this plan is the approval of recurring data requirements. As a first step, a critical spotlight was turned on every financial-type report. The necessity for each report was confirmed or negated, based on strict "need-to-know" criteria. As a result, some 40 reports were eliminated, the frequency of 16 was reduced, and reports distribution was curtailed by 955 recipients. An added dividend from these analyses was the expansion of one DMS stockpile report which made unnecessary the preparation and typing of 76 pages included in another similar report.

In collaboration with GSA's program managers, an intensive drive was initiated to more closely tailor GSA's accounting and reporting to the ever-changing management needs of its varied missions. Revised or new systems were developed for interagency

motor pools, telecommunications, supply distribution, printing operations, and training institutes. The new systems provide the program managers with better means to monitor costs versus business volume. In addition, agreement was reached on a uniform system to mechanize GSA's basic accounting and reporting functions, to be installed in all regional offices.

Fruitful results were obtained from effective work by GSA's audit staff during the year. For example, its effort in connection with a claim totaling \$865,000 for an equitable adjustment under a construction contract saved the Government \$685,000 by establishing GSA's proper liability to be only \$180,000. Also, audit scrutiny revealed that a nickel-supply contractor recorded certain costs as expense rather than in its capital accounts, and thus overcharged GSA approximately \$1.8 million. The contractor has been billed but has disputed the Government's claim; the case is now in the hands of the Department of Justice.

Cost information developed in connection with a supplier of special-purpose vehicles to the Government resulted in a negotiated price which was \$134,000 less than that originally proposed by the supplier. The General Accounting Office upheld GSA's audit-based decision to withhold approximately \$500,000 from a terminated contractor who had supplied the Government with titanium.

As the result of a joint financial/supply study of statistical sampling techniques, a pilot test is now in operation applying such techniques to the inventorying of supply stocks and the diagnoses of related management problems. This test, if successful, should light the way to significant future savings, both in man-hours and dollars.

Annually, GSA compiles a Government-wide report on all real estate owned by and leased to the Federal agencies located around the globe. This report and its supporting detail is made available to other Government agencies, Congressional committees,

State governments, and the general public. The interest in this type of data is growing as its availability becomes more widely known. Many agencies have found this inventory to be an excellent screening device that serves as an indicator in identifying potential sites or buildings for current or future needs. The most recent report reveals the Federal Government owning a wide variety of properties having a total acquisition cost of approximately \$61.5 billion.

Management Services

In the Automatic Data Processing program a standard GSA-wide FSS Stores Order Processing and Related Accounting System became operational July 1, 1962. This system also implements the Department of Defense uniform issue priority system and the Military Standard Requisitioning and Issue Procedure (MILSTRIP). Substantial improvements to the system were made during the year to provide more efficient service to customers. Plans have been developed for implementation of a Federal Standard Requisitioning and Issue Procedures (FEDSTRIP) throughout Government effective on approximately January 1, 1964. Also plans for the implementation of the Department of Defense Military Standard Transportation and Movement Procedures (MILSTAMP) have been completed for installation as of October 1, 1963.

The first portion of a nationwide integrated data processing system for public buildings management was installed during the year covering space assignments and utilization in both Government-owned and leased space. A second part of this system pertaining to the repair and improvement program will become operational in the near future. Significant progress was also made in the development of ADP systems for motor pool operations and accounting, an integrated nationwide receipts and disbursement system, and a defense materials inventory system.

SUMMARY OF REAL PROPERTY OWNED BY THE UNITED STATES THROUGHOUT THE WORLD

As of June 30, 1963

	Number of installations	Land (acres)	Buildings		Land	Buildings	Structures and facilities	Total
			Number	Floor area (sq. ft.)				
United States:								
Civil agencies.....	10,329	741,214,401.7	87,483	542,240,366	1,489,905	6,574,639	9,552,272	17,616,816
Defense-military functions.....	4,073	22,741,235.0	336,005	1,915,373,665	754,857	15,828,382	13,852,462	30,435,701
Defense-civil functions.....	990	5,947,701.5	5,615	11,090,639	1,519,819	85,387	4,856,762	6,461,968
Total, United States.....	15,392	769,903,338.2	429,103	2,468,704,670	3,764,581	22,488,408	28,261,496	54,514,485
Outlying areas of United States:								
Civil agencies.....	129	428,772.6	4,360	15,128,673	26,104	121,492	586,939	734,535
Defense-military functions.....	(1)	98,060.0	(1)	(1)	(1)	(1)	(1)	1,247,325
Defense-civil functions.....	1	6.4	16	52,301	100	418	105	623
Total, foreign countries.....	315	526,839.0	4,376	15,422,304	54,124	170,790	63,243	1,982,483
Foreign countries:								
Civil agencies.....	(1)	3,689.4	(1)	(1)	(1)	(1)	(1)	288,157
Defense-military functions.....	0	0.0	0	0	0	0	0	4,692,006
Defense-civil functions.....	0	0.0	0	0	0	0	0	0
Total, foreign countries.....	1	3,689.4	1	1	1	1	1	4,980,163
Worldwide:								
Civil agencies.....	10,773	741,646,863.7	94,219	572,791,343	1,570,133	6,866,921	10,202,454	18,639,508
Defense-military functions.....	(1)	22,839,295.0	(1)	(1)	(1)	(1)	(1)	36,375,032
Defense-civil functions.....	991	5,947,707.9	5,631	11,142,940	1,519,919	85,805	4,856,867	6,462,591
Total, worldwide.....	11,764	770,433,866.6	100,841	583,935,284	3,090,163	752,527	15,060,322	61,477,131

¹ These data were not furnished by Department of Defense for its military functions outside the United States.

areas; (2) the development of training agreements, with Civil Service Commission approval, covering architects and engineers, space management, personal property management, and transportation specialists; and (3) the conduct of two executive development seminars for senior GSA officials at Airlie House in Warrenton, Va.

A major change affecting all employees and supervisors was the inaug-

uration, during the 1963 annual performance rating period, of the new combined employee appraisal system. Under this system, performance appraisals, promotion appraisals, and career development appraisals are conducted simultaneously, and the results recorded on one form. Under the former system, three separate appraisals were conducted at different times and recorded on separate forms.

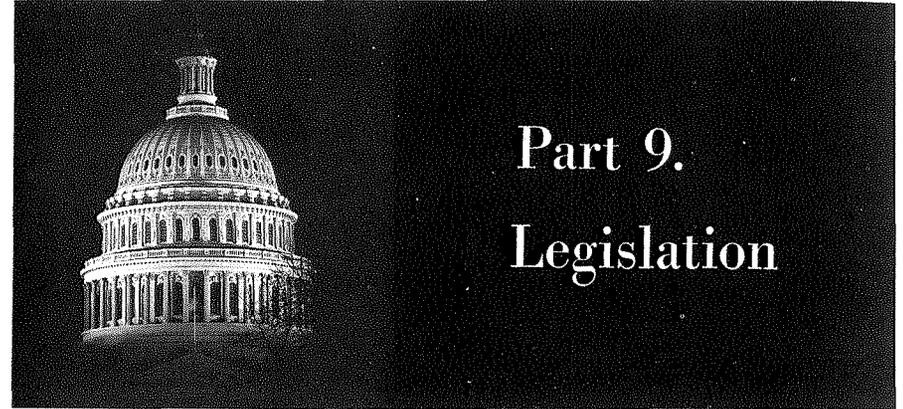


The GSA Institute in action.

General Services Administration

COMPARATIVE STATEMENT OF FINANCIAL CONDITION, FISCAL YEARS 1962-63

	June 30, 1963	June 30, 1962	Increase or (—decrease)
ASSETS			
Cash	\$814, 385, 908	\$653, 897, 054	\$160, 488, 854
Accounts and notes receivable— private debtors	131, 327, 518	145, 729, 914	—14, 402, 396
Accrued interest receivable—private debtors	1, 608, 583	1, 696, 676	—88, 093
Advance payments—private con- tractors	3, 965, 573	5, 491, 593	—1, 526, 020
Bond and securities	61, 950, 051	64, 122, 242	—2, 172, 191
Accounts receivable—Government agencies	95, 605, 638	104, 209, 259	—8, 603, 621
Advance payments—Government agencies	4, 407, 612	493, 907	3, 913, 705
Prepayments and deferred items	1, 689, 308	1, 447, 818	241, 490
Inventories	8, 766, 010, 272	8, 806, 110, 010	—40, 099, 738
Equipment (net)	175, 686, 461	167, 904, 750	7, 781, 711
Land and land rights	242, 902, 902	216, 717, 447	26, 185, 455
Buildings and other structures and facilities	1, 131, 752, 221	1, 028, 353, 488	103, 398, 733
Construction in progress	660, 784, 967	505, 618, 268	155, 166, 699
Surplus personal property	16, 098, 198	10, 071, 877	6, 026, 321
Surplus real property	66, 377, 699	125, 583, 108	—59, 205, 409
Total assets	\$12, 174, 552, 911	\$11, 837, 447, 411	\$337, 105, 500
LIABILITIES			
Accounts payable	\$353, 041, 822	\$286, 836, 062	\$66, 205, 760
Advance payments to GSA	67, 957, 500	45, 211, 877	22, 745, 623
Trust and deposit liabilities	6, 664, 949	5, 838, 905	826, 044
Deferred credits	102, 728, 466	45, 655, 064	57, 073, 402
Liabilities for purchase-contract program	40, 272, 881	35, 643, 731	4, 629, 150
Employees' leave liability, funded	1, 817, 782	1, 411, 582	406, 200
Employees' leave liability, unfunded	17, 208, 673	16, 568, 224	640, 449
Total liabilities	589, 692, 073	437, 165, 445	152, 526, 628
INVESTMENT U.S. GOVERNMENT			
Investment U.S. Government	11, 584, 860, 838	11, 400, 281, 966	184, 578, 872
Total liabilities and invest- ment U.S. Government	\$12, 174, 552, 911	\$11, 837, 447, 411	\$337, 105, 500



Part 9. Legislation

Section 212 of the Federal Property and Administrative Services Act of 1949, as amended (64 Stat. 580; 40 U.S.C. 492), 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, and "shall also cite the laws becoming obsolete by reason of passage or operation of the provisions of this Act."

The Administrator of General Services does not have occasion at this time to recommend to the Congress any additional amendments to the Federal Property and Administrative Services Act of 1949, 63 Stat. 377, as amended, or to cite any laws becoming obsolete by reason of passage or operation of the provisions of the act. Several proposed amendments to the Property Act, however, which are included in GSA's legislative program for the 88th Congress, 2d session, have been submitted to the Bureau of the Budget for coordination with other interested Federal agencies and advice as to the relationship of the legislative proposals to the program of the President. If approved by the Bureau of the Budget the proposed amendments will be formally transmitted by the Administrator of General Services to the President of the Senate and the Speaker of the House of Representatives, subsequent to January 1, 1964, for referral

Proposed Amendments to the Federal Property and Administrative Services Act of 1949 Recommended by the Administrator of General Services to the 88th Congress During Its First Session and the Status of Such Proposed Amendments as of November 18, 1963.

The Administrator of General Services, with the approval of the Bureau of the Budget, recommended to the Congress during fiscal year 1963 five proposed amendments to the Property Act which he considered necessary or desirable to enable him to carry out his statutory responsibilities of providing for the Government an economical and efficient system for the management of real and personal properties and records. These proposed amendments and their status as of November 18, 1963, are as follows:

Amend the act so as to improve the administration of transfers and conveyances of certain real property for various public uses. This proposed legislation would (1) provide common standards for determining the terms and conditions on which Federal surplus real property may be conveyed for authorized non-Federal public purposes; (2) authorize new disposal procedures in the interest of flexibility of administration and stimulation of local public programs for increased use of Federal surplus real property for such programs; and (3) define and make uniform the administrative responsibilities of the Federal agencies involved in the Government's surplus

the scope of existing laws to include additional categories and purposes for which surplus real property can be conveyed without consideration or at a substantial monetary discount. It deals with those provisions of the present law authorizing the disposal of surplus real properties to qualified applicants for airport, health, education, park and recreation, historic monument, and wildlife conservation uses. In addition, it would supplement the authority contained in the Property Act to permit the negotiated sale of surplus real property to public bodies at 75 percent of the estimated fair market value of the property for worthwhile non-Federal public uses. Existing authority permitting the negotiated sale of surplus real property to public bodies at the estimated fair market value would be retained, however, where in the discretion of the Administrator a 25 percent discount is not justified. This legislative proposal embodies the recommendations of an Ad Hoc Interdepartmental Committee of which the Administrator of General Services served as Chairman and which was created in August of 1961 pursuant to Presidential direction for the purpose of studying the public-use aspects of the Government's surplus real property disposal program. The proposal was introduced in the 88th Congress, 1st session, as S. 1508 and H.R. 7774, and as of November 18, 1963, these bills were pending before the Committee on Government Operations of the Senate and House of Representatives, respectively.

Amend the act so as to authorize the cooling towers; fans, air handlers, and interior distribution wiring; safety and more economical and efficient service. This legislative proposal amends the act on Government Operations of the Senate and House of Representatives,

Amend the act so as to make the procurement procedures specified in title III thereof directly applicable to the procurement of property and nonpersonal services by executive agencies. Title III represents a modernized code

of procedures for procurement by the Government of property and nonpersonal services and concerns such matters as advertising, negotiation, small business, antitrust laws, covenant against contingent fees, cost-plus and incentive-type contracting, examination of contractors' books and records, and advanced payments. Presently the use of all title III procedures is permissive with most executive agencies under a general delegation of authority to such agencies made by the Administrator of General Services on March 26, 1962 (27 F.R. 3017). Procedures corresponding to those of title III already apply to procurement by the Army, Navy, Air Force, Coast Guard, and the National Aeronautics and Space Administration (10 U.S.C. 2303 [a]). Accordingly, the proposed legislation recognizes this existing authority as well as other authority of agencies to procure without regard to all or part of the Property Act. For agencies which do not use title III procedures pursuant to the delegation of authority made by the Administrator of General Services, or which do not come within chapter 137 of title 10 of the United States Code (derived from the Armed Services Procurement Act of 1947), the only general legislative procurement-procedure directive is section 3709 of the Revised Statutes. Section 3709 merely requires formal advertising for procurement by the Government, except in certain specified cases. It is narrow and limited in application, and silent as to other important facets of procurement procedures, such as those provided in title III and chapter 137. Thus, this proposal would achieve a common legislative foundation by making title III of the Property Act the basic procurement code for executive agencies and repealing the disparate requirements of other laws regulating these agencies in their procurement of property and nonpersonal services. This proposed amendment to the act was introduced in the Senate as S. 1232 and the bill as of November 18, 1963, was pending before the Sen-

ate Committee on Government Operations. GSA's draft bill covering the proposal was referred by the Speaker of the House of Representatives to the House Committee on Government Operations but it was not introduced in the House during the 88th Congress, 1st session.

Amend the act as to authorize the Administrator of General Services to enter into contracts necessary for the inspection, maintenance, and repair of fixed equipment and equipment systems in Federal buildings for periods not to exceed 5 years. The fixed equipment systems intended to be covered by this legislative proposal include heating, refrigeration, ventilating, air conditioning, electrical, vertical transportation, plumbing, fire protection, watchmen, fuel and pneumatic tube systems installed in Federal buildings. Typical items common to these systems are boilers, stokers, and oil burners; compressors, chillers, and cooling towers; fans, air handlers, and induction units; transformers, motors, generators, high-voltage switchgear and interior distribution wiring; pumps, piping, and water tanks; fire alarms and watchmen central recorders; fuel tanks and lines; blowers and tube stations; and elevators and escalators. These systems are relatively complex and costly and require continuous inspection, maintenance, and repair (when necessary) of such a character that they can be operated efficiently, with the greatest possible safety, with a minimum of service interruption, for the longest possible time economically justifiable. Under present law, the period of contracts for the inspection, maintenance, and repair of such equipment and equipment systems is limited to 1 year, the period of availability of appropriations made to GSA for such purposes. It is believed that longer term authority for these contracts will assure better quality performance upon the part of contracts resulting in better maintenance, a lessening of interruptions in service, a greater degree of safety and more economical and effi-

cient service. This legislative proposal was introduced in the 88th Congress, 1st session, as S. 1233 and H.R. 6285, and these bills as of November 18, 1963, were pending before the Committees on Government Operations of the Senate and House of Representatives, respectively.

Amend the act so as to authorize the Administrator of General Services, within the limits of funds available therefor, to make allocations to Federal agencies, and grants to state and local agencies and to nonprofit organizations and institutions for the collecting, describing, editing, and publishing (including microfilming and other forms of reproduction) of documentary sources significant to the history of the United States. Prior to making such allocations and grants the proposal provides that the Administrator should seek the advice and recommendations of the National Historical Publications Commission. Section 503 of the Property Act established the present National Historical Publications Commission and charged it with a dual responsibility: first, to "cooperate with and encourage appropriate Federal, State, and local agencies and nongovernmental institutions, societies and individuals in collecting, preserving and, when it deems such action to be desirable, in editing and publishing the papers of outstanding citizens of the United States and such other documents as may be important for an understanding and appreciation of the history of the United States"; and, second, to "make plans, estimates, and recommendations for such historical works and collections at public expense." The proposed amendment to section 503 of the Property Act would authorize the establishment by the National Historical Publications Commission of special advisory committees to assist in the establishment of priorities among projects proposed for the Commission's consideration. Further, it would authorize an appropriation of \$500,000 annually to the GSA for the purpose of making al-

locations to Federal agencies, and grants to State and local agencies and to nonprofit organizations and institutions for the collecting, describing, editing, and publishing of documentary sources significant to the history of the United States. The proposed legislation was introduced in the 88th Congress, 1st session, as S. 1307 and H.R. 6237, and these bills were referred to the Committees on Government Operations of the Senate and House of Representatives, respectively. H.R. 6237, which passed the House October 15, 1963, was amended so as to (1) delete the word "editing" from the bill and substitute therefor the words "preserving" and "compiling"; (2) authorize an appropriation to the General Services Administration for the fiscal year ending June 30, 1965, and each of the 4 succeeding fiscal years an amount not to exceed \$500,000 each year for the purposes specified in the bill; (3) require the Administrator of General Services to make an annual report to the Congress concerning the projects undertaken and carried out pursuant to the provisions of the bill, including detailed information with respect to the receipt and use of all appropriated and donated funds available for such projects; (4) require each recipient of the grant assistance provided for by the bill to keep such records as the Administrator of General Services shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grants, the total cost of the project or undertaking in connection with which such funds are given or used, the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit; and (5) make accessible to the Administrator of General Services and the Comptroller General of the United States for the purposes of audit and examination any books, documents, papers, and records of the recipients that are pertinent to the grants re-

ceived pursuant to the provisions of the bill. H.R. 6237 as of November 18, 1963, was pending before the Senate Committee on Government Operations as was S. 1307.

Amend the act so as to grant authority to certain officials of the Federal Government to authorize the Administrator of General Services or his delegate to certify to facts and make administrative determinations on the basis of information contained in records transferred from their agencies to the General Services Administration. Subsection 506(d) of the Property Act authorizes any official of the Federal Government, who is authorized to certify to facts on the basis of records in his custody, to certify to facts contained in records which have been transferred by him or his predecessors to GSA. Under the present law the Administrator of General Services has no authority to execute certifications contemplated by this proposed amendment, but can only certify as to the literal terms of the original document. Federal Records Centers are established and maintained by GSA under statutory authority (64 Stat. 583; 44 U.S.C. 395). These centers now hold over one-third of all Federal records. Approximately 3 million inquiries regarding records in the custody of the Administrator of General Services are received at the Federal records centers annually. As a consequence, GSA has found it necessary to staff these centers with competent and professionally trained personnel who have developed a knowledge and sense of responsibility comparable to that of the personnel of the Federal agencies which created the records. In many instances, GSA personnel at the records centers may be more familiar with the records than currently employed personnel of the record-creating agencies, since records center personnel are continuously servicing these records. The present method of processing requests for certifications provides that records center personnel conduct a search for

the records, prepare the legal certification for signature, and transmit the documentation to the designated official in the record-creating agency for signature. This procedure is obviously time consuming and cumbersome. The proposed amendment to the Property Act would permit the record-creating agency to delegate the certifying authority to the Administrator of General Services in those instances where it appears that such action is in the best interest of the United States. This legislative proposal would in most cases relieve Federal agencies of a routine and perfunctory function and would eliminate unnecessary duplication of effort.

Legislative Proposals Other Than Amendments to the Federal Property and Administrative Services Act of 1949 Recommended by the Administrator of General Services to the 88th Congress During Its First Session and the Status of Such Legislative Proposals as of November 18, 1963.

In addition to the above-mentioned proposed amendments to the Federal Property and Administrative Services Act of 1949 the Administrator of General Services, with the approval of the Bureau of the Budget, recommended to the Congress during fiscal year 1963 the following three other legislative proposals which as of November 18, 1963, were awaiting congressional action:

Authorize the head of any executive agency, to the extent administratively determined by him to be fair and reasonable, to reimburse owners and tenants of lands or interests in lands acquired for projects or activities under his jurisdiction for their moving expenses, and other losses and damages incurred by such owners and tenants in the process of moving themselves, their families, and their possessions. The total amount of such reimbursement to the owners and tenants would in no event exceed 25 percent of the fair value of any parcel of land or interest in land, as determined by the head of the executive agency con-

cerned. In order that all landowners and tenants receive equal treatment by all executive agencies, the proposed legislation would provide for the issuance of uniform rules and regulations by the Administrator of General Services. The proposal would apply only to real property acquired, after the date of enactment, for Federal use by purchase, condemnation, or otherwise. Except for acquisitions by the military departments and the Department of the Interior, owners or tenants of land or interests in land acquired by GSA and other executive agencies may be paid only the fair market value of the property acquired. Expenses, losses, and damages incurred by the owners or tenants as a direct result of moving themselves, their families and possessions, are not compensable. This legislative proposal would thus provide to GSA and other executive agencies authority similar to that now applicable to the military departments and the Department of the Interior and would eliminate the present inequitable situation where the question as to whether owners or tenants may be reimbursed for moving expenses depends on the agency acquiring the property rather than the merits of the case. The proposed legislation was introduced in the 88th Congress, 1st session, as S. 1509 and H.R. 6043, and as of November 18, 1963, these bills were pending before the Senate Committee on Government Operations and the House Committee on Public Works, respectively.

Amend section 1114 of title 18 of the United States Code, relating to assaults upon, and homicides of, certain officers and employees of the United States, as constituting a crime, so as to include within the provisions of this section those officers and employees of the General Services Administration who are engaged in hazardous duties. The operations of GSA require many of its officers and employees to guard and protect property of the United States and to perform investigative, inspection, or law-enforcement func-

tions. It is believed that these officers and employees are entitled to and should have the same protection as is now afforded other officers and employees of the Federal Government engaged in similar activities. This legislative proposal was introduced in the 88th Congress, 1st session, as H.R. 6355, and the bill as of November 18, 1963, was pending before the House Committee on the Judiciary. GSA's draft bill covering the proposal was referred by the President of the Senate to the Senate Committee on the Judiciary, where it is pending in draft form.

Amend section 11 of the Federal Register Act (44 U.S.C. 311) so as to authorize the Administrative Committee of the Federal Register (the Archivist of the United States, the Public Printer, and a representative of the Attorney General of the United States) to adopt modern and improved publication techniques whereby the Code of Federal Regulations may be produced more quickly, more economically, and in a more usable form. The proposed legislation would strike out the existing outmoded requirements for pocket supplements (involving slow and costly hand operations) and substituting the discretion of the Administrative Committee as to the techniques whereby books of the code are updated. It would also make some formal changes based on good draftsmanship but would not change existing practices and procedures. All the changes are designed to improve usability, speed up availability of the Code of Federal Regulations, and reduce costs to the Government and the user. These changes include (1) giving the established name "Code of Federal Regulations" a clear statutory basis; (2) making it clear that the provisions of section 11 of the Federal Register Act are applicable to the existing Code of Federal Regulations as well as to future codifications; and (3) making clear the fact that the text of Presidential documents is not subject to codification in title 3 of the Code of Federal Regulations. The present

provisions of section 11 of the Federal Register Act were enacted on August 5, 1953. The Code of Federal Regulations has grown from 34,000 pages to 45,000 pages since that date. The volume has doubled since the 1949 edition. There has been a corresponding increase in demand for compact and timely code books. Coincidentally there have been many improvements in publication techniques. This proposed amendment to section 11 of the Federal Register Act would enable the Administrative Committee of the Federal Register to take full advantage of the improvements available now and in the future in producing the Code of Federal Regulations. The proposed legislation was introduced in the 88th Congress, 1st session, as H.R. 2837, and passed the House March 18, 1963. The bill passed the Senate April 25, 1963, and on April 26, 1963, the majority leader, by unanimous consent, entered a motion to reconsider H.R. 2837. The motion to reconsider was withdrawn by unanimous consent on November 18, 1963, and the bill was cleared for Presidential action.

Legislative Proposals Other Than Amendments to the Federal Property and Administrative Services Act of 1949 Recommended by the Administrator of General Services to the 88th Congress During Its First Session and Which Were Enacted Prior to November 18, 1963.

Public Law 88-118, approved September 6, 1963 (77 Stat. 152), repealed that portion of the Second Supplemental National Defense Appropriation Act, 1943, approved October 26, 1942 (56 Stat. 990, 999), as amended, relating generally to the purchase and installation of air-conditioning and temperature and humidity control equipment in Government-owned or leased buildings in the District of Columbia and the adjacent areas. The portion of the act of October 26, 1942, which this law repealed provided that all electric fans, water-cooling units, and air-conditioning equipment procured by a Federal ac-

tivity and installed in Government-owned or leased buildings in the District of Columbia and adjacent areas, operated by the Administrator of General Services, shall be and remain in the custody and under the control of the Administrator without exchange of funds and irrespective of the appropriations from which they were obtained. Further, that only appropriations to the Administrator of General Services shall be available for the purchase and installation of such equipment in the buildings. Also, that GSA cannot accept reimbursement for air-conditioning and similar equipment in the District of Columbia and vicinity unless such equipment is determined to be for special laboratory, scientific, and research purposes. There was no longer a need for the continued existence of these restrictions contained in the act of October 26, 1942, as amended. Prior to the repeal of such restrictions by Public Law 88-118, GSA had issued regulations providing for the purchase, operation, and maintenance of air-conditioning equipment in public buildings outside the District of Columbia area which have proved satisfactory from the viewpoint of the executive agencies concerned, and which it is believed are more than adequate to cover the problem of providing air conditioning in the District of Columbia on a reimbursable basis.

Public Law 88-154, approved October 17, 1963 (77 Stat. 272), authorized the Administrator of General Services to dispose of approximately 5,800,000 pounds of waterfowl feathers and down held in the national stockpile, without regard to the waiting period prescribed in section 3(e) of the Strategic and Critical

Materials Stock Piling Act, as amended (60 Stat. 597; 50 U.S.C. 98b(e)). Under section 3(e) of the act, as amended, disposals for reasons other than obsolescence of the material for use in time of war may not be made without prior notification and the express approval of the Congress and until 6 months after the publication of the proposed disposal in the Federal Register, unless the statutory waiting period is waived by an act of the Congress. On June 17, 1963, notice of the proposed disposal was filed with the Federal Register by GSA for publication and was transmitted to the Congress pursuant to a revised determination by the Director of the Office of Emergency Planning under section 2(a) of the act that the feathers and down were excess to stockpile needs. GSA was requested by OEP to seek a waiver of the 6-month waiting period to meet an urgent need by the Department of Defense for feathers and down required in connection with new military procurement of sleeping bags in the manufacture of which the excess materials would be used. The GSA disposal plan provides for the transfer to DOD and other Federal agencies of their requirements and for the sale of the remainder of the feathers and down on a competitive basis over a period of approximately 6 years. The quantities offered for sale will vary from time to time, taking into account the prevailing market price, the avoidance of serious disruption of the usual markets of producers, processors, and consumers, the avoidance of adverse effects on the international interests of the United States, and the protection of the United States against avoidable loss.