

CONTRACTING-OUT PROCEDURES

Subcontract for other architect-engineer

Job	Services performed				Fee	Construction cost		Percent of architect-engineer fee		Fee as percent of actual cost	Dollar profit or loss
	1	2	3	4		Estimated	Actual	Costs	Profit		
1. Armory and garage		X	X		\$3,700	\$92,500		93	7	4.0	\$300
2. Army Reserve Training Center, survey, utilities, paving		X			2,000			117	-17		-340
3. Structural work on aircraft warning system				X	419,600			106	-6		-25,100
4. Heating and air conditioning for 2 Air Force BOQ		X			1,775			70	30		500
5. 70-unit housing project, paving and utilities				X	3,000	100,000		80	20	3.0	600
6. Mechanical and electrical work for Air Force infirmary	X		X		3,000	111,000		193	-93	2.7	-2,800
Total					433,075	303,500		106	-6	3.2	-26,840

Miscellaneous engineering services

Job	Services performed				Fee	Construction cost		Percent of architect-engineer fee		Fee as percent of actual cost	Dollar profit or loss
	1	2	3	4		Estimated	Actual	Costs	Profit		
1. Facilities for naval air station			X		\$5,475	\$91,300		168.0	-68	6.0	-\$3,700
2. Air Force		X			4,200	70,000		63.0	37	6.0	1,550
3. Missile facilities	X		X		17,000		\$496,000	100.0	0	3.43	0
4. Aviation navigation aids	X	X			6,350	211,000		131.0	-31	3.0	-2,000
5. Swimming pool	X	X			9,400		331,000	115.0	-15	2.84	-1,400
6. Firewall design	X	X			12,000		300,000	75.0	25	4.0	3,000
7. Machinery foundations			X		3,000			92.0	8		240
8. Air conditioning for operating suites at naval hospital			X		2,500		50,000	105.0	-5	5.0	-125
9. Control system for dehumidification and temperature control			X		1,150		13,000	120.0	-20	8.9	-2,600
10. Berthing facilities for deactivated vessels			X		4,460	105,000		93.0	7	3.9	300
Total					65,535	1,677,300		107.7	-7	3.74	-4,735

Mr. COURTNEY. We have also had a request from the National Education Association to be allowed to submit a statement for the record.

Mr. HÉBERT. Without objection, it is so ordered.
(The statement is as follows:)

NATIONAL EDUCATION ASSOCIATION,
Washington, D.C., August 16, 1961.

HON. F. EDWARD HÉBERT,
Chairman Subcommittee for Special Investigations, Committee on Armed Services, House Office Building, Washington, D.C.

DEAR MR. HÉBERT: Thank you for your letter of August 9 advising me that your hearings on contracting out practices began on August 8, 1961.

After receiving your letter, I requested to talk with counsel of the subcommittee and on August 10, Mr. William H. Sandweg, counsel, was able to confer with me and with Mr. Robert R. Shafer, president of the Far East Education