

"Chairman DOUGLAS. You are to be commended. A most unusual type of Government official to surrender jurisdiction and cede power.

"Representative CURTIS. But this is reciprocity, is it not?

"Mr. KNOTT. Yes; it should work both ways. [Laughter.]

"But you notice in the items we studied between GSA and DSA in a more narrow field that actually more items stayed with DSA than the ones that came to GSA, but it should be on the basis of the item itself rather than the numbers.

"2. Further analysis of medical and nonperishable subsistence items is needed to identify the savings potential before a decision can be made on the assignment of these items. An indepth study is now underway to determine whether economies can be achieved through DSA supply support of these items to the Veterans' Administration and the Public Health Service.

"3. Since we have already established that economies will accrue through arrangements for the Veterans' Administration and the Public Health Service to utilize Defense Supply Agency facilities in fulfilling their requirements for perishable subsistence, such arrangements are now being made on an installation-by-installation basis.

"4. A joint GSA/VA review has been made of all other items now managed by VA to determine those which should be supplied by GSA and those which should be retained by VA.

"5. Following a recently completed item-by-item review, agreement has been reached with the Post Office Department whereby GSA will provide direct support to major post offices on all items which the review established should be managed by GSA. This does not include items identified as peculiar to Post Office Department programs, such as lockboxes and mailbags, which will continue to be managed by the Post Office.

"Mr. KNOTT. The Post Office Department will redistribute to the smaller post offices the relatively few GSA-managed items used by them. GSA is currently performing all procurement, contract administration, and quality control for all Post Office Department motor vehicle requirements.

"6. GSA regional depots are now supplying stores stock items directly to the Federal Aviation Agency. Such items are no longer stocked at the Federal Aviation Oklahoma City Depot. As you know, this is their largest depot facility.

"Also, DSA presently supplies FAA electronic tube stock replenishment requirements and it is planned to extend this arrangement to other electronic items available from DSA.

"7. DSA is now the principal direct supply source for National Aeronautics and Space Administration facilities for all electronic items available from DSA. NASA does not maintain redistribution facilities of its own.

"In addition, we have been working, and will continue to work, with other civil agencies looking toward further implementation of the national supply system, including utilization of more effective requisitioning practices. For example:

"1. An agreement is being finalized whereby the Maritime Administration of the Department of Commerce will obtain ships' parts, navigational aids, and other technical item support directly from the Defense Supply Agency.