

operating expenses. Most of these actions were initiated at field installations and produced savings of less than \$100,000 each.

Several examples of the savings reported in this area follow:

Army

Savings of more than \$3 million were realized during fiscal year 1966 through improved management of automatic data processing systems. Consolidation of ADP activities, improved equipment utilization management, use of metering devices to compute ADPE utilization and purchasing rather than leasing ADP equipment are typical types of actions which produced savings.

Installation of an automated cargo planning data system produced savings of \$131,000 by reducing demurrage costs, increasing the tonnage loaded per rail car and eliminating double handling of cargo.

Air Force

Net savings of \$638,900 were realized by improvements in the area of automatic data processing. One typical action was the replacement of PCAM equipment with B263 computers at Air Training Command bases. This action saved \$242,800 after deducting the cost of the new equipment.

Net savings of \$124,300 were realized by a change in processing vinyl base charts. Previously, vinyl charts were printed on only one side. Under the new process, two-side printing is accomplished.

III.C.1. Improving telecommunications management

A summary of the savings realized in this area during fiscal year 1966 is as follows:

	Realized hard savings			Realized cost avoidance savings	Total realized savings	Fiscal year 1966 goal
	Budgeted savings	Fund savings	Total			
Army.....	\$47	\$1	\$48	\$2	\$50	\$46
Navy.....	9	1	10	10	10	6
Air Force.....	89	3	92	21	113	83
DCA.....	2	1	3	3	3	2
Total.....	147	6	153	23	176	137

Savings were achieved in this area from the following actions:

Action	Army	Navy	Air Force	DCA	Total
Consolidation and integration of leased lines TELPAK.....	\$25.4	\$10.1	\$66.8	\$0.7	\$103.0
Disapproval of program objectives.....	19.2				19.2
Consolidation, elimination, and noninstallation of circuits, equipment and systems, including maintenance and operations.....	5.2	.2	45.5	1.9	52.8
Reduction in base communications and maintenance operations.....	.5		.7		1.2
Miscellaneous.....			.3		.3
Total.....	50.3	10.3	113.3	2.6	176.5