

ceeded. However, a more precise computation of savings for comparison with the original estimate is not feasible because of the significant but immeasurable influence of several factors. These include changes that have occurred in the contract administration mission where the net effects on workload and resources are not clearly identifiable; the impact of SEA requirements which, on a postfacto basis, are not fully separable from the otherwise normal workload; and the effects of the learning curve on operation during the first year. These factors notwithstanding, current workload and resource data indicate that the full savings originally anticipated were being realized earlier than scheduled and will continue to recur through fiscal year 1967 and fiscal year 1968.

Beginning with fiscal year 1967, DSA budgeted and funded for CAS functions. During fiscal year 1965, DCAS operations were financed through reimbursement to DSA from military appropriations. Fiscal year 1966 financing was accomplished through transfers of funds from the military departments. Support of NASA and other non-DOD agencies will continue to be financed through reimbursement.

Some of the areas of major effort during the first year of operations were:

(a) *Quality assurance.*—The SEA buildup created a significant workload in suppliers' plants, particularly in the ammunition, weapons, clothing and medical commodities. Through extensive training and some recruitment, the challenge has been successfully met. To meet changing industrial and defense technologies, and other factors impinging upon readiness to perform, DSA CAS is pursuing a quality assurance skills acquisition program. DSA CAS is currently training approximately 1,000 quality assurance personnel who are performing on NASA contracts. In addition, quality assurance personnel are attending service schools, non-Government schools, and colleges to become better equipped to accomplish the assigned mission.

(b) *Plant safety.*—Included in the initial CAS functional assignment from the military departments was responsibility for monitoring safety in contractors' facilities pertaining to nonhazardous materials and processes involved in Government contracts. Early in 1966 DCAS was assigned, for contracts administered, the additional responsibility for maintaining surveillance of flight safety and safety matters on hazardous and dangerous materials and processes. Since assignment of the function, as DSA representative has chaired a DOD committee to develop ASPR guidance on hazardous and otherwise dangerous material safety, uniform contract safety clauses, and a Department of Defense manual prescribing standards to be followed by manufacturers of hazardous and dangerous materials.

(c) *Delinquent contracts.*—Due to the urgency of the southeast Asia situation, special management attention had to be given to the problem of reducing the number of contracts in a delinquent delivery status. Increased leadtimes for materials and overloaded plant conditions contributed to a rising trend in contract delinquencies. Top management personnel of selected delinquent contractors were visited by DCASR personnel to emphasize the importance of timely deliveries and to assist the contractors in attempting to reduce their delinquencies.

(d) *Defense materials and priorities assistance.*—Special emphasis was placed on accomplishment of the objectives of the defense ma-