

The organizational units included in our review subsequently reported 140 cameras as being excess to their requirements and reassigned 33 of the cameras, costing about \$40,000, to other organizational units in need of the cameras, thereby obviating the necessity for procurement of similar equipment. Also, Sandia has taken action to strengthen its procedures for providing assurance that (1) utilization of cameras is periodically reviewed, (2) cameras excess to the needs of individual units are transferred to a central facility and made available to other potential users, (3) procurements of new cameras are authorized only after consideration as to whether the requirements can be met from stocks on hand, and (4) the procurement of specific brands and models of cameras is adequately justified.

The Commission has directed its field offices to make reviews of operating contractors' equipment-acquisition-and-use controls and of the practices and procedures for determining when equipment is excess, particularly in reprogramed areas or areas of reduced activity. In view of the actions taken or planned toward establishing improved controls over equipment, we are making no recommendations at this time; however, in the course of our continuing reviews of the Commission's activities, we plan to examine into the effectiveness of these actions.

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USE OF CONTRACTOR-FURNISHED PERSONNEL IN VIOLATION OF STATUTES GOVERNING FEDERAL EMPLOYMENT, POST OFFICE DEPARTMENT

Since 1958 the Post Office Department has contracted for the services of contractor-furnished personnel to supplement the technical staff of its Office of Research and Engineering. Under these contracts, the Department selects the individuals to be furnished by the contractors, determines their rates of pay, supervises them, and plans and programs their work. In addition the Department can direct the contractors to remove any individual who is no longer needed or who is not performing his assignment in a satisfactory manner. The Civil Service Commission has stated that such a contract or an arrangement is illegal since it is tantamount to an employer-employee relationship and that the services of these individuals should be employed under the Civil Service Act and paid for as provided in the Classification Act.

In his letter dated May 27, 1965, the Postmaster General advised us that it had not been feasible to have a technical staff comprising all civil service personnel because the Congress had not approved the Department's requests to replace contractor-furnished personnel with civil service personnel.

Subsequent to our bringing the Department's practice of using contractor-furnished personnel to the attention of the Civil Service Commission, the Chairman of the Commission advised the Postmaster General on August 20, 1965, that the contracts in question are illegal and that immediate steps must be taken to terminate the illegal practices.

We compared the costs that were incurred by using contractor-furnished personnel during the period July 1961 through November