

maximum use of Government gasoline outlets for vehicles of the General Services Administration. The Assistant Administrator for Finance and Administration informed us in his letter dated June 28, 1966, that several problems were being encountered but that the General Services Administration was in general agreement with the objective of our suggestions. He advised us of a number of actions that would be taken.

As part of our continuing review of the motor vehicle operations of Federal agencies, we plan to look into the effectiveness of the actions taken by the General Services Administration to obtain greater use of Government gasoline outlets.

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REVIEW OF PROCUREMENT OF DETACHABLE HELICOPTER GROUND HANDLING WHEEL ASSEMBLIES, DEPARTMENT OF THE ARMY

We found that, as of November 1964, the Army had procured more ground handling wheel assemblies than were needed to support its total planned inventory of UH-1 helicopters. The overprocurement was caused by the fact that Army procedures did not require using units to report accessories or components of major items of equipment which were unnecessary, oversophisticated, or furnished in quantities greater than needed and did not specify that this factor be considered in requirement computations. After we discussed this condition with Army officials, action was initiated to establish more realistic requirements for these assemblies. As a result, procurement orders for 117 wheel assemblies or 58.5 sets costing approximately \$43,700 were canceled and the need for possible future procurement of an additional 2,400 sets costing about \$2.1 million was eliminated.

The Assistant Secretary of Defense subsequently advised us that the Department of Defense concurred in our finding and stated that the Army's revised criteria for wheel assemblies should preclude further overstatement of needs. The Assistant Secretary of Defense further advised that, on the basis of planned procurement of UH-1B/D helicopters through fiscal year 1967, the Army would be able to utilize all the UH-1B/D wheel assemblies in the system and probably would have to procure additional ones. The only wheel assemblies which would then be excess to the Army's needs would be 172 sets for the UH-1A helicopter, valued at \$176,000, which could not be used for the UH-1B/D helicopter. The increased requirement for UH-1B/D wheels was due to the fact that the Army had greatly increased its planned procurement of UH-1B/D helicopters since the date of our review. We believe that, in view of this increase, savings on future procurement of ground handling wheel assemblies resulting from the Army's revised criteria should be even greater than \$2.1 million.

The Assistant Secretary of Defense also advised us that the Office of the Secretary of Defense and the Department of the Army concurred in our proposal that procedures be established to provide for using units to report to higher authority all items received with or furnished on major items of equipment that are unnecessary, oversophisticated, or in excess of actual needs. He said that the Army would make a study to determine the form and scope of these procedures.