

were not providing information to timely and accurately update the PLUS records to facilitate mechanical screening of available assets. Consequently, the effectiveness and efficiency of the program was adversely affected.

In addition, program accomplishments were substantially overstated. It was estimated that reported accomplishments in terms of reutilized materiel was overstated by as much as 75 percent because of incorrect assumptions that potential transfers actually occurred.

As stated earlier, we are identifying in the course of our current work essentially the same problem areas as were identified in the Department of Defense study. Although Defense officials have been aware of the matters discussed in the study for some time now, major improvements in the PLUS Program are not apparent.

We are of the opinion that an improved PLUS Program would contribute significantly towards increased utilization of available assets and would minimize the potential for concurrent buying and selling of similar items in the Department of Defense. We believe that the most significant contribution to program improvement would be the elimination of present asset reporting deficiencies that exclude consideration of world-wide asset data.

MAINTENANCE OF IDLE PRODUCTION EQUIPMENT RESERVES BY GENERAL SERVICES ADMINISTRATION, DEPARTMENT OF DEFENSE, AND NATIONAL AERONAUTICS AND SPACE AGENCY

We inquired into the reserves of idle production equipment maintained by the Department of Defense, the General Services Administration and the National Aeronautics and Space Agency.

The Department of Defense had the following inventories of industrial plant equipment reserves as of December 31, 1965:

[Dollar amounts in thousands]

	Number of pieces of equipment	Assigned values
Idle equipment.....	25,200	\$280,210
Laid away in production packages for mobilization requirements.....	41,151	551,790
Total.....	66,351	832,000

The idle equipment, which is managed by the Defense Industrial Plant Equipment Center, a Department of Defense agency, consists of Department of Defense owned equipment which has been declared excess by its former user and is either awaiting redistribution to another user, is being retained as a reserve to support current Department of Defense production requirements, or is in the process of being disposed of by the Department of Defense.

The items laid away in production packages for mobilization requirements are items of industrial plant equipment maintained for the purpose of producing specific military end items or components at production rates required by mobilization schedules. Each package must be reserved for the use of a specific contractor or Government plant and must be approved by the Department of Defense. The Defense Industrial Plant Equipment Center maintains an inventory of this equipment and its responsibility is primarily one of record-keeping since the owning service has the authority to place items into a package or release items from a package. In the event of a high priority requisition the Defense Industrial Plant Equipment Center may screen the packages and if an item is available, the requestor is notified of the availability and the requestor must proceed to process his request to obtain the item through the Secretary of the owning service.

The General Services Administration is responsible for administering the National Industrial Equipment Reserve. Public Law 883, 80th Congress, cited as the National Industrial Reserve Act of 1948, provided for the establishment of this reserve for immediate use to supply the needs of the armed forces in time of national emergency. The reserve consists of industrial production equipment, primarily metal-working machinery, selected by the Defense Industrial Plant Equip-