

With respect to the high percentage of low-cost, low-demand items in the Defense Supply Agency inventory, we believe some alternatives to the need to continue the present degree of centralized management of these items, even on an automated basis, should be studied by the Department of Defense.

POTENTIAL SAVINGS BY CONSOLIDATION OF FIELD ORGANIZATIONS AND FACILITIES FOR RECRUITING MILITARY PERSONNEL

In a report to the Congress in June 1966, we pointed out that the four military services were maintaining separate field recruiting organizations and facilities substantially in excess of their combined needs. We recommended that the Secretary of Defense direct that a field test of consolidation of military recruiting organizations and facilities be undertaken and completed as expeditiously as feasible.

On February 23, 1966, we were advised that action had been taken to have the 70 Armed Forces Examining and Entrance Stations conduct mental tests and physical examinations of all categories of personnel for all the military services and to have these stations also process qualified applicants into all the services. We were also advised that the Army had undertaken a reorganization of its recruitment function, the first phase of which resulted in some reductions in recruiting organizations and facilities, and that further consolidations were under consideration.

The Department of Defense agreed with our recommendation for conducting a field test of consolidations to the extent only that it refers to co-location of local recruiting offices in jointly occupied space and to consolidation of certain administrative, support and logistical functions where feasible and economical.

On September 26, 1966, the Department of Defense issued DOD Directive 5160.58 establishing uniform DOD policies and procedures for providing adequate space for use by recruiting offices and stations and for co-locating such facilities to the maximum extent practicable. In this connection, the Secretary of the Army was designated as Executive Agent for real property management connected with the acquisition, disposal and maintenance of space needed for recruiting offices and stations. By memorandum dated November 19, 1966, the Department of the Army, as Executive Agent, was requested by the Assistant Secretary of Defense (Manpower) to initiate facility surveys in 14 metropolitan areas for the purposes of establishing reasonable target dates for accomplishing the proposed co-locations which were identified as a result of the four Services reevaluating their recruiting office requirements. (The Services have tentatively proposed to reduce the number of locations in 14 metropolitan areas from 524 to 198.)

On December 1, 1966, the Secretary of the Army re-delegated its authority to the Chief of Engineers who is now designated the Executive Agent for recruiting facilities. In this connection, the Chief of Engineers issued implementing procedures and instructions to the Services and plans to report the results of its surveys, including reasonable target dates for accomplishing the proposed co-locations, by early May 1967.

OPPORTUNITIES FOR SAVINGS IN CONTRACTING FOR THE PRINTING OF TECHNICAL MANUALS AND IN OTHER ASPECTS OF THE MANAGEMENT OF TECHNICAL MANUALS IN THE DEPARTMENT OF DEFENSE

A report on our review regarding the opportunity for savings by the Department of Defense in the procurement of the printing of technical manuals was released to the Congress in November 1966. This review was made in cooperation with the Joint Committee on Printing which had requested that we examine the practices followed by the military departments in the procurement of printing.

On the basis of the review we concluded that in most cases the military departments can achieve significant savings by contracting for the printing of technical manuals with commercial printers under formally advertised contracts awarded by the Government Printing Office in lieu of procuring such printing from the manufacturers of the equipment to which the manuals relate. Based on our limited tests, we estimate that this savings could have amounted to about \$8 million for fiscal year 1964.