

SALE OF STAMPS

Mr. STAATS. Or postage stamp revenues for use in the postal fund. So you have three fairly distinct categories, and how you treat it depends a little bit on your philosophy with respect to every one of these three.

Representative CURTIS. Yes.

RECEIPTS FROM SALES OF PROPERTY

I think that is true. Yet in this one area of your report where we are talking about the sale of surplus properties, I think it looks like there can be some uniformity.

Then in these other funds—122 of them, which would include revolving funds and other things—there needs to be some rationale, and I think you are recommending that, too.

Mr. STAATS. Right. I think the question we might advantageously look into as a general accounting office would be the question of the sale of physical assets, what becomes of the proceeds on the sale of physical assets.

I think that is a somewhat different problem than the three categories referred to.

Representative CURTIS. Well, I agree, and that is where I originally started my interrogation. But then when I got into this specific case we found they were commingling those funds with user fees and so forth.

Mr. STAATS. Right.

Representative CURTIS. First, we ought not to commingle. Then we get into this thing of the Pribilof Islands and the seals. This is the most unique kind of thing for the Federal Government. Possibly, it isn't as unique as I think it is, but it isn't a user fee, and it isn't a sale of an asset that we procured. It illustrates some of the problems that exist in both the user fee technique and the sale of physical assets.

Well, my time is up, and I will turn it back to the Chairman.

ACCESS TO COMPANY RECORDS

Chairman PROXMIRE. That post audit report also mentions the matter of access to company records for the purpose of comparing actual costs, costs estimated at the time of negotiation. As I understand it, Mr. McNamara is not sure of his authority in this situation, and you recommended that he could assert his authority by way of regulations.

It has been more than a year since your report was issued. How has this problem been resolved?

Mr. STAATS. I don't believe there has been any resolution on it.

Mr. NEWMAN. No.

DOD EXPLORING PROBLEM

Mr. STAATS. Mr. Keller tells me that Defense has a subcommittee that has been exploring this, reviewing it.

Mr. NEWMAN. For a year.

Mr. STAATS. We do not know what the current status is.