QUESTIONS FROM CHAIRMAN WILLIAM PROXMIRE

Question. What results has GSA obtained when it actively participated in rate cases before regulatory bodies as compared to negotiation for rates with utilities?

Answer. Specific results obtained from active participation in cases before regulatory bodies are listed in the response to the 3rd question asked by Representative Griffiths. Comparison of these results with the results of negotiaitons for rates with utilities shows that both negotiations and cases before regulatory bodies in which GSA has actively participated have resulted in significant economies. Expressed in terms of total dollars, the GSA negotiation and representation effort has resulted in annual savings of approximately $11,500,000 during the 1960–1967 period. The outcome of rate cases entered before regulatory bodies during that period represents approximately two-thirds of this total. The negotiation and representation effort is a coordinated one, with each phase contributing to the success of the other. As a matter of policy, GSA prefers the negotiated approach with resort to litigation only where negotiation efforts have been exhausted without satisfactory results.

Question. Does GSA have any authority to survey the real property holdings of executive agencies and report to Congress or the President as to the extent of use of the property and recommendations for improvements?

Answer. Section 202(b) of the Federal Property and Administrative Services Act of 1949, as amended, 40 U.S.C. 483, imposes upon each executive agency (not the General Services Administration) the responsibility to survey its property continuously to determine which is excess to its needs and to promptly report any such excess to the Administrator of General Services.

It should be noted that if GSA were required to undertake the task of surveying the real property holdings of the other Federal agencies, it would require a substantial increase both in appropriations and personnel.

Question. Does GSA maintain listings of all Federal real properties by States or other political sub-divisions? Explain.

Answer. GSA maintains an inventory of Federal real property throughout the world. The real property inventory was established primarily to serve as a ready reference within the Federal Government to all of the Government's holdings. As a byproduct, copies of the worldwide detailed inventory listings, arranged both geographically and by reporting agency, are on file and available for public inspection (except classified data on Department of Defense military installations) in the central office of the General Services Administration in Washington, D.C. Copies are also available in each GSA regional office. Copies of the worldwide detailed inventory listings are also furnished to the Senate and House Committees on Appropriations and the Senate and House Committees on Government Operations, Bureau of the Budget, General Accounting Office, and each of the contributing Federal agencies.

Question. What will be the role of GSA under the new Budget Circular A–2?

Answer. The General Services Administration will make an annual survey and report of the real property holdings under its jurisdiction as presecribed by BOB Circular A–2 and will transmit its report and the reports of other agencies to the Bureau of the Budget.

Question. What criteria does GSA use for direct delivery purchases: for storage and issue; for use of open-end supply schedules?

Answer. Criteria for direct delivery purchases:

(*a*) The items shall be equipment or supply items of such a character that it is feasible to forecast requirements for delivery to specific use points; and

(*b*) Conditions exist where any of the following factors requires purchasing of such items for direct delivery to use points—

(1) Where greatest price advantage, both direct and indirect costs considered, is obtainable through large definite quantity purchasing;

(2) Where an item is of special manufacture or design and is not readily available from commercial sources;

(3) Where contracts for production quantities are necessary to secure timely deliveries and advantageous prices; and

(4) Where the quantity is large enough to assure lowest transportation costs or, conversely, where transportation costs for small quantity redistribution are so excessive that it is not feasible to store and issue the items.