

OFFICE OF THE GOVERNOR,
Atlanta, October 13, 1967.

HON. ERNEST GRUENING,
U.S. Senator,
Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: I am pleased to take this occasion to acknowledge receipt of your timely and informative letter of October 5th, together with other information that you provided in reference to surplus property being handled by the Agency for International Development.

Your thoughtfulness in bringing to my attention the shocking and wasteful manner in which surplus material is now being handled is appreciated. The inefficient and shameful way in which this program is being handled is in line with the way numerous other programs are being administered by our national government. Not only is this agency failing to efficiently administer (AID) by looking after the interest of the taxpayers, but also is neglecting the

STATE OF INDIANA,
OFFICE OF THE GOVERNOR,
Indianapolis, November 3, 1967.

HON. ERNEST GRUENING,
Senator, Senate Office Building,
Washington, D.C.

DEAR SENATOR GRUENING: This will acknowledge receipt of your letter concerning surplus property.

During the fiscal year 1964-65, the Indiana Agency for Federal Surplus Property received, through the Department of Health, Education and Welfare, surplus property whose original acquisition cost to the United States Government was \$7,506,115.28. During the 1965-66 year the amount decreased to \$5,904,725.50 and the amount received continued to decline in the 1966-67 year to \$4,031,679.96.

In addition to the decline in dollar value, the quality and variety of supplies, materials and equipment received is far below that received in previous years.

The net result of the above situation has been that we showed an operating deficit of \$5,250.00 in 1965-66 and over \$37,000.00 in 1966-67. For this reason we have moved the Indiana State Agency for Federal Surplus Property from Camp Atterbury to the Indiana State Warehouse at 601 Kentucky Avenue, Indianapolis, Indiana, in an effort to reduce the operating overhead. We will need to reduce the number of personnel employed by this agency, in the near future, in order to bring revenue and expenditures into balance. However, more importantly, we are not able to furnish our Public Schools, Colleges, Universities, Hospitals and Civil Defense Units with the supplies and equipment badly needed in their operation.