

CONTRACTORS REQUIRED TO REPORT ON PROPERTY

Mr. MALLOY. If I might, Mr. Chairman, just to elaborate on that—we do require contractors to give us reports—I believe it is 12 months' intervals—of the total value of Government property in the possession of contractors and these figures are reported and usually to the Congress. So we can provide that type of information.

Mrs. GRIFFITHS. If they do that, then why did the GAO find a person who said that it would take 20 men a year to identify the Government-owned property in his plant?

Mr. MALLOY. Well, I don't really think that was the situation in the GAO report. They were talking there about keeping detailed utilization records on all items of industrial plant equipment, even though costing \$1,000 or \$1,200. That was the discussion as to how much administrative cost that entailed.

Mrs. GRIFFITHS. Well, they were talking also just about identifying it.

Let me explain to you that I still have some friends that work on some of these problems, and they have told me that when some of this property goes into a contractor's plant, it is lost right then. There is no identification whatsoever. I think you ought to be quite clear on checking this out, because I do not think you have records.

Thank you very much, Mr. Chairman.

Chairman PROXMIRE. Congressman Curtis.

Mr. CURTIS. Thank you, Mr. Chairman.

First, let me say how pleased I am to see you back, Mr. Secretary, in this position, and say that I think you have made a good progress report—what I said in commenting to GAO that I look upon these only as progress reports. We are right in the middle still of a most difficult and probably never-ending area of improvement.

I was pleased to receive the emphasis in this report on training personnel in the procurement area.

As you know, your previous progress reports had developed to some degree what you were doing in the contract service area of creating a special corps.

When you were talking about procurement people, I assume you are talking about the original procurement, and not service contracting personnel. Is that right? Contract servicing personnel?

Mr. MORRIS. I believe we are in agreement there; yes, sir.

Mr. CURTIS. I think it is important to distinguish the two groups, because as I understand it you have one group that handles the original procurement, and then a different group that actually works on the administration of that particular procurement contract?

Mr. MORRIS. That is right, sir—checks the deliveries, pays the bills, does the inspection work.