

positions must be fully investigated by the Civil Service Commission.

The unit cost of this investigation is approximately \$400, as compared to a cost for——

Mr. RANDALL. \$400, did you say?

Mr. JOHNSON. Yes. In this area we will make 33,600 full-scale investigations for these departments and agencies in 1968. This contrasts with the unit cost of the big-volume item of 486,000 NACI cases at a cost of just under \$5 per case.

We are talking on the one hand about a routine, inexpensive screening device for people entering all positions in the Government service, and on the other hand, an expensive device in which people entering critical, sensitive positions are investigated.

On the NACI side we find 3 percent of the cases developing significant data bearing on the fitness and suitability of the individuals. In the full-scale investigations where we are spending a sizable amount of money, the percentage of significant derogatory data is 15 percent. The cost effectiveness studies that we have recently made show that out of the 15 percent which develop significant derogatory data, one-third of the individuals will either not be hired in sensitive positions, or will be discharged during their first year of employment.

So in terms of outputs and values, we are talking on the one hand of the routine screening investigation of the 3-percent payoff output solely in negative terms and a 15-percent output in terms of negative values in the full-scale program.

There are values in the program, that are not quantifiable, such as we have been able to quantify in terms of the adverse and negative action. The program certainly tends to promote the confidence of the public in its employees, and it tends to give the American public an assurance that Federal employees are reliable and trustworthy. That basically is the result of the \$18,181,000 involved in that expenditure.

Mr. MOORHEAD. Thank you, Mr. Johnson.

C. PROGRAM CATEGORY C—PROVIDING PERSONNEL MANAGEMENT LEADERSHIP

Mr. MACY. Very good. Mr. Oganovic will take program C.

Mr. BROOKS. Without objection, I will put exhibit H in the record at this point.

(Exhibit H follows:)