

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-14

June 4, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Presidential Management Improvement Award

Circular No. A-44, Revised, dated February 16, 1970, established a Government-wide management improvement program aimed at carrying out the President's interest in increased efficiency and economy of Government operations. Section 6 of that Circular stated that heads of Federal agencies would have the opportunity to submit nominations for Presidential recognition of exceptional contributions to cost reduction or improved operating effectiveness within Federal agencies, or on a Government-wide basis.

A plan has been developed, in consultation with other agencies, for granting these awards. The plan contemplates that 15 Presidential Management Improvement Awards will be granted at an appropriate ceremony to be held in Washington, D.C., during September 1970. Also, Presidential Certificates of Merit will be granted for a number of additional achievements. These certificates will be forwarded to the appropriate agency head for presentation at agency-conducted ceremonies.

Nominations for these awards must be submitted to the Bureau of the Budget by July 20. They will be reviewed by the President's Advisory Council on Management Improvement which will recommend to the President the individuals and organizations to receive Presidential recognition.

Criteria and procedure for nominations are set forth in Attachment A.

ROBERT P. MAYO
Director

Attachment

ATTACHMENT A
Bulletin No. 70-14

NOMINATIONS

1. Criteria. Achievements having the most outstanding impact during FY 1970 on:

a. Increased effectiveness in a vital function of Government (including improved service to the public).

b. Cost reduction.

(For further amplification, see paragraphs 3 and 4 of Circular No. A-44.)

2. Types of nominees. Nominations may be made of:

a. Individuals (including civilian and military).

b. Small working groups or teams.

c. Organizational groups whose membership and size are such that the total group performance can be equitably appraised by established performance goals or indicators, or by other accepted objective measurement. Entire bureaus or commands are excluded.

3. Number of nominees. Agencies may submit nominations not to exceed the numbers specified in paragraph 6.

4. Selection factors. In making selections for award, consideration will be given to these factors:

a. Achievements that increase effectiveness in vital Federal functions:

(1) The degree to which previously accepted levels of performance or specific statements of goals in a vital Federal function were exceeded.

(2) The degree to which objective evidence is available that factually demonstrates the extent to which previously accepted levels of performance or specifically stated goals were exceeded (as contrasted to subjective statements of opinion).

(3) The importance of the Federal mission that is affected, including improved service to the public.

b. Cost reduction achievements.

(1) The estimated monetary savings resulting from the achievement, the degree to which objective evidence supports the amount of savings, and the relationship of savings to the budget item affected.

(2) The degree of ingenuity and innovation, or the extent to which the achievement required extraordinary dedication for accomplishment.

To the extent feasible, it is intended that the awards will exemplify and be representative of outstanding improvement in a wide variety of Federal programs.

5. Content of nominations. Submissions must have:

- a. A one page summary sheet (see Exhibit 1).
- b. Attached sheets which provide amplifying information organized under the following headings:

(1) "Increased Effectiveness."

(a) Amplification of achievement including:

- A statement of the importance of the Government mission, function, or activity that was affected.
- A specific explanation of the previously accepted level of performance, or advance statements of goals. Were performance levels or goals stated in writing? Approved by whom? Explanation of any factors subject to quantitative or other objective evaluation.
- A statement of the quantitative or other objective evidence of how previously accepted levels of performance or goals were exceeded and objective evaluation of results.
- If a team achievement, the degree to which each member made a contribution. How individuals went beyond their job responsibilities.

-- Degree of ingenuity or innovation, or extraordinary dedication that was exhibited.

(b) Amplification of benefits:

-- Analytical statement describing factually and objectively the benefit derived from the achievement in terms of how it has helped carry out the mission more effectively.

(2) "Cost Reduction Achievement."

(a) Amplification of achievement including date originated and date approved or completed.

(b) How the achievement went beyond job responsibility. Degree of ingenuity or innovation required or extent to which extraordinary dedication was needed.

(c) Dollar value of the achievement.

-- How computed? How validated?

-- Identification of the budget item affected and description of the impact and consequences of the achievement. Include statement of any effect on current expenditures for man-hours, supplies, equipment, and other.

-- Statement of any effect on budget in FY 1971 or 1972.

6. Nomination limitations. Agencies may submit no more than the number of nominations shown on this list. Agencies not shown on this list are limited to one nomination. Each group or organization nomination will be counted as one nomination, and such nominations will specify the name of the individual designated to represent the group or organization for award purposes. The limitations on number of nominations, which are based on an analysis of agency populations, are as follows:

<u>Department or Agency</u>	<u>Number of Nominations</u>
Department of Agriculture	4
Department of Commerce	2
Department of Defense	38
Department of Health, Education, and Welfare	4

<u>Department or Agency (cont'd)</u>	<u>Number of Nominations</u>
Department of Housing and Urban Development	2
Department of the Interior	3
Department of Justice	2
Department of Labor	2
Post Office Department	9
Department of State	2
Department of Transportation	3
Department of the Treasury	4
Agency for International Development	2
Office of Economic Opportunity	2
Peace Corps	2
Atomic Energy Commission	2
Central Intelligence Agency	2
Civil Service Commission	2
Farm Credit Administration	2
Federal Communications Commission	2
Federal Deposit Insurance Corporation	2
Federal Home Loan Bank Board	2
Federal Power Commission	2
Federal Trade Commission	2
General Services Administration	2
Interstate Commerce Commission	2
National Aeronautics and Space Administration	2
National Labor Relations Board	2
Panama Canal Company	2
Railroad Retirement Board	2
Securities & Exchange Commission	2
Selective Service System	2
Small Business Administration	2
Smithsonian Institution	2
Tennessee Valley Authority	2
U.S. Information Agency	2
Veterans Administration	5

Attachment

EXHIBIT 1
Bulletin No. 70-14.

ONE PAGE SUMMARY FOR NOMINATIONS FOR
PRESIDENTIAL MANAGEMENT IMPROVEMENT AWARD

Agency :

Name of Nominee :

**Position
Title & Grade :**

Organization :

**Summary of
Achievement :**

(attach additional sheets for amplification)

**Summary of
Benefits :**

(attach additional sheets for amplification)

**Any Agency
Award Granted
for this
Achievement :**

**NOTE: For individual nominees, include in the attached statements
any readily available biographical material--home address,
date of birth, community activities.**

**(Submit original and five copies of all material, and one
glossy photograph.)**

Finance

EXECUTIVE OFFICE OF THE PRESIDENT

**BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503**

BULLETIN NO. 70-13

May 25, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Information on agency financial management improvement efforts

1. Purpose. This Bulletin provides an opportunity for each agency to report on its financial management improvement activities during fiscal year 1970 and its future plans. The reported information will be used to review the status of agency financial management systems and current improvement efforts under the Joint Financial Management Improvement Program.

2. Accomplishments and plans. The reporting of significant accomplishments in the improvement of financial management systems is important and necessary for an evaluation of improvement efforts. The identification of planned actions for the coming fiscal year as well as a critical evaluation of the extent to which plans for fiscal year 1970 were met is also important. Planned actions should give emphasis to those problem areas which are delaying the formal submission and approval of accounting systems. Positive, continuing, and aggressive action is needed to insure the development of modern financial management systems which meet the needs of managers at all levels for financial and related data.

3. Reporting requirements. The information required under this Bulletin is identified in Attachment A. The instructions call for data on significant accomplishments in financial management during fiscal year 1970, the status of agency budget and accounting systems improvement work as of June 30, 1970, and plans for future improvements. An original and five copies of the report are to be furnished the Bureau of the Budget not later than June 30, 1970. The General Accounting Office and the Treasury Department will participate in the review of the agency reports.

ROBERT P. MAYO
Director

Attachment

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REPORTING INSTRUCTIONS AND GUIDELINES

1. Coverage. All executive agencies are to submit reports in response to this Bulletin.

2. Content of required reports. Agencies are to present the material in two sections--Part A, Accomplishments and Future Plans, and Part B, Status Information--as shown in Exhibit 1. The content of each part is to be developed according to the guidelines set forth below.

3. Part A, Accomplishments and Future Plans. This section of the report is to provide clear and concise narrative statements on significant accomplishments and future plans. Such statements should be reported for the agency or department as a whole or, if it is more meaningful, in terms of major components or the tabular line items used in Part B.

a. Statements should be provided on financial management improvements completed during fiscal year 1970, emphasizing the management benefits derived. Improvements installed during prior years, properly identified as such, should also be included if the operating and managerial gains resulting from the change began to be realized substantially during fiscal year 1970. In reporting on specific achievements, emphasis should be placed on those accomplishments that resulted in major savings or other benefits.

b. To provide for effective presentation of accomplishments on the annual report of the Joint Program for fiscal year 1970, the narrative statement of improvements in agency submissions should be accompanied by illustrations wherever practicable, employing graphs, charts, photographs, etc., that will demonstrate pictorially the nature and significance of the improvements. Illustrations of before and after comparisons of significant improvements would be useful.

c. The requested information should be set forth in a brief narrative description of significant improvements and the results obtained, together with a preliminary outline of any proposed illustrations. Agencies may wish to consult with General Accounting Office or Bureau of the Budget staff on questions concerning improvements to be reported and proposed illustrations. To facilitate development of the Joint Program report, agency submissions should be classified under broad functional headings such as financial organization, budgeting, accounting, reporting, and internal audit. Changes involving mechanization or automation should be included in the functional area most directly involved, or may be set forth in a separate section on automation.

d. To provide for clear understanding of the agency's modernization program, reports of accomplishments should be accompanied by future plans for needed improvements. Each planned improvement should be appropriately related to other information furnished in the report, and should include a realistic target date for completion.

e. Several areas of improvement action should be covered in the reports of those agencies in which identified objectives of the Joint Financial Management Improvement Program have not been fully attained. These include:

- Adoption of cost-based budgeting practices for presentation of budget requests.
- Actions taken or planned toward effective use of responsibility centered cost-based operating budgets and quantitative measures of planned performance. Special emphasis should be given to reports that will permit comparison of actual costs and performance with approved plans for purposes of promoting efficiency and cost reduction.
- Synchronization of classifications for programming, budgeting, accounting, reporting, and control in order to permit use of an integrated management system for conduct of agency operations. For agencies in which program planning and evaluation systems are employed, the reports should identify the progress being made in coordinating that effort with the financial management improvement program. The objectives of such coordination should be to assure that the financial systems provide an accurate and reliable basis for associating costs with program elements and budget classifications, and that the data demands of the program structure are satisfied within the framework of a unified management system in the agency.
- Actions taken or planned toward installing effective accrual accounting practices, and obtaining Comptroller General approval of agency accounting systems.
- Progress made toward the accounting and monthly reporting of accrued revenues and expenditures consistent with the guidelines and instructions contained in Bureau of the Budget Bulletin No. 68-10 and Supplement No. 1, thereto, the GAO Manual, and the Treasury Fiscal Requirements Manual. Agencies which have fully complied with these requirements should clearly indicate this achievement.
- Actions taken or planned toward improvement of financial management for grant-in-aid programs, with particular reference to coordinating and simplifying financial requirements imposed on grantees. This should include

a statement as to whether (1) requirements for depositing any grant-in-aid to a State in a separate bank account apart from other funds administered by the State have been eliminated, as required by section 202 of Public Law 90-577, and (2) States have been notified of such change.

- Actions taken or planned to increase the effectiveness of internal auditing, including strengthening of systems for following up on audit findings and prompt reporting of problems to management.
- Arrangements made for improved coordination and more efficient accomplishment of Federal audit objectives in grant-in-aid programs, as called for in Bureau of the Budget Circular No. A-73.
- Application of statistical sampling techniques to financial operations, with specific identification of actions taken or planned toward use of such techniques in the administrative examination of vouchers.
- Improvements in cash management, covering particularly the use of letters of credit or other methods of reducing cash balances held by contractors, States, international institutions, foreign governments, or other recipients of grants or contributions.
- Actions taken or planned in the recruitment and training of financial personnel in order to permit development and effective operation of a financial management system that conforms to requirements and satisfies the needs of management.

4. Part B, Status Information. This section of the report is to identify the status of agency efforts toward modernization of budget and accounting systems in relation to the provisions of the Budget and Accounting Procedures Act of 1950, as amended by Public Law 84-863. The central agencies under the Joint Financial Management Improvement Program have urged operating agencies to attain these goals as quickly as possible so as to provide better service to management and to promote more effective conduct of program operations. The House Government Operations Committee has reemphasized the congressional interest in more rapid implementation of legal requirements in agency financial management systems.

a. For each agency in which those requirements have not been met, the status tabulation will provide firm target dates that reflect positive plans for full compliance, and represent a realistic commitment by the agency to attain the desired objectives within the specified time period. In this connection, any postponement of target dates from those reported in last year's report of status will be explained under "Remarks" and will include the reasons for the

slippage in schedule and the action being taken to avoid similar problems with respect to the new target date. Footnotes without target dates and entries such as "Indefinite" or "Not planned" will not be sufficient.

b. The status tabulation in Exhibit 1 is to be completed by each agency as of June 30, 1970.

c. Column (a) is to identify the organization and/or accounting entity for which information is submitted. The tabulation in each agency's submission is to reflect the stub entries used for the agency in the Appendix of the published Annual Report of the Joint Financial Management Improvement Program for Fiscal Year 1969. The entries are to cover both complete systems and segments of systems. If any adjustments in the stub entries of the published tabulation are warranted by reorganization or by other changes, the agency should contact General Accounting Office representatives to work out a mutually agreeable stub column for its tabulation.

d. For all systems where formal approval of the documentation of the complete system in operation was obtained from the Comptroller General prior to October 16, 1969, (when the Comptroller General changed his approval procedure) and the system has not been scheduled for resubmission, enter the approval date (month and year) in column (h) along with the notation "(CG)" to indicate that the system in operation was approved by the Comptroller General.

e. For all systems other than those approved prior to October 16, 1969, a two-stage submission for approval by the Comptroller General is required.

(1) Columns (b) and (e) will reflect the dates of approval, if applicable, for each of the present two formal approval stages.

(2) Columns (c) and (f) will show, where applicable, the date each such stage was submitted to the Comptroller General if it has not been formally approved or disapproved.

(3) Columns (d) and (g) will show the agency target dates for submission of the respective stages to the Comptroller General, where formal submission has not yet been made.

(4) Where previous submissions have been withdrawn by an agency or returned as unapproved by the Comptroller General, new target dates for resubmission of the principles and standards and system design should be provided. For accounting systems not legally subject to approval by the Comptroller General, the entry "Not applicable" will be shown.

(5) Column (h) will show the status of implementation of the approved system design. Insert the word "complete" when the agency head has determined that the system design is installed and operating as approved, or insert the target date (month and year) for completion of the installation.

f. Column (i) is to show "Complete" if the agency has adopted internal cost-based budget procedures and uses operating budgets and related reports for planning and control of the costs of operations on a current basis throughout the year; otherwise, the column should show the target date for completing such action.

g. "Complete" is to be used in column (j) where all appropriations of the agency were printed on a cost basis in the 1971 "Budget Appendix." "Incomplete" will be shown for all others, along with the target date for making such change.

h. The "Remarks" section of Part B is to provide any necessary explanations of the tabular entries. Such explanations should be identified, as appropriate, with the line item in the tabulation. The tabular entries and the supporting remarks should indicate clearly the degree to which each organization has progressed in developing its financial management system to meet the requirements of the Budget and Accounting Procedures Act of 1950, as amended.

Attachment

Financial Management Improvement Program Agency Report as of June 30, 1970

Agency _____
Date _____

Part A - Accomplishments and Future Plans

Part B - Status Information

Organization and/or Accounting Entity (a)	Status of Approvals by the Comptroller General						Status of Implementation		
	Principles and Standards			Accounting System Design			System in Operation (h)	Cost-Based Budgeting	
	Approved (b)	Submitted (c)	Target Date (d)	Approved (e)	Submitted (f)	Target Date (g)		Used Internally (i)	Budget Presentation (j)

Remarks:

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-12

May 13, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Increased pay costs pursuant to Public Law 91-231

1. Purpose. This Bulletin provides instructions for reports on amounts required for increased pay costs in fiscal year 1970 for civilian employees under the Federal Employees Salary Act of 1970 (Public Law 91-231), and for military personnel pursuant to Public Law 90-207 (an Act to increase the basic pay for members of the uniformed services...). These costs include both direct pay and related benefits, such as Government payments to employee retirement and life insurance funds, and the employer's share of Federal Insurance Contributions Act taxes.

This Bulletin also prescribes the method of obtaining approval of transfers and additional appropriations to meet the increased pay costs under those laws in 1970 in accordance with Title III of the pending Second Supplemental Appropriation Act, 1970 (H.R. 17399, passed by the House of Representatives on May 7, 1970). If the finally enacted version of H.R. 17399 changes these requirements in any way, this Bulletin will be amended accordingly.

The instructions also prescribe apportionment procedures for appropriation transfers and additional appropriations for increased pay costs, and procedures for reports on budget status for 1970.

2. Material to be submitted. The following material will be submitted to the Bureau of the Budget:

a. An "Interim Report on Outlays for Increased Pay Costs" in 1970 in accordance with Attachment A and in the format of Exhibit 1, by June 5, 1970.

b. A "Revised Report on Outlays for Increased Pay Costs" in 1970, also in the format of Exhibit 1, by August 1, 1970.

c. An "Analysis of Pay Increase Costs and Financing Plan" for 1970 in accordance with Attachment B and in the format of Exhibit 2, by August 1, 1970, accompanied by:

(1) A letter from the agency head requesting approval of proposed transfers necessary to meet the increased pay costs, and certifying the additional appropriations required after all possibilities for transfers have been exhausted.

(2) A list of accounts (symbols and titles) and the amounts of proposed transfers and additional appropriations.

(3) A justification of any additional amounts required.

It is imperative that the above material reach the Bureau of the Budget no later than the specified dates in order to meet statutory requirements.

With respect to the executive branch of the Government, it is expected that the "Analysis of Pay Increase Costs and Financing Plan", including the Budget Bureau's record of transfers and additional appropriations approved by the Director, will suffice for the September 15 report which is required by H.R. 17399. Transfers must be made in the exact amounts approved by the Director. If it becomes necessary to revise the amounts of proposed transfers prior to the deadline of August 15 (which is prescribed in H.R. 17399), it will be necessary to submit an amended request for approval.

With respect to the legislative branch, the Judiciary, and the municipal Government of the District of Columbia, approval by the Director of the Bureau of the Budget of transfers and the additional appropriations is not required. However, in order to comply with the requirements of the pending Second Supplemental Appropriation Act, 1970 (H.R. 17399), the officers having administrative control over their appropriations or funds are requested to complete an "Analysis of Pay Increase Costs and Financing Plan" in the format of Exhibit 2, and send it to the Bureau of the Budget, on or before September 15, 1970.

3. Policies.

a. Basis for amounts needed. Amounts reported as required under this Bulletin will be limited strictly to those resulting from increased pay costs under Public Law 91-231 and Public Law 90-207.

b. Absorption. For fiscal year 1970, the increased pay costs must be absorbed insofar as possible within the respective appropriations, by transfers of balances under existing agency authority, and by additional transfers authorized by the Director of the Bureau of the Budget, in that order. Supplemental appropriations will be requested only in cases where the head of the agency has determined that possibilities for transfers and other absorption have been exhausted.

For fiscal year 1971, the agencies should make every effort to absorb these additional pay costs within the respective appropriations and funds. Apportionments should anticipate supplemental appropriations only where the agency head determines that full absorption is not possible. These supplemental appropriations are expected to be requested early in calendar year 1971.

c. Transfer authority. Maximum advantage should be taken of existing transfer authority to increase the absorption of the increased pay costs in 1970 on an agency-wide basis. The pending Second Supplemental Appropriation Act, 1970 (H.R. 17399), would authorize the Director of the Bureau of the Budget to make further transfers as necessary to meet the increased pay costs, upon request by the head of the agency. The procedure for the submission of such requests is given in paragraph 5 below. The following guidelines will be observed by the Bureau of the Budget in approving such transfers:

(1) Transfers will be limited to those from accounts which expire for obligation on June 30, 1970.

(2) Preference will be given to transfers from appropriations for operations and administrative expenses ahead of transfers from appropriations for other purposes.

4. Outlay ceiling for 1970. Outlay ceilings currently established for each agency by the Bureau of the Budget pursuant to Title IV of the Second Supplemental Appropriation Act, 1969 (Public Law 91-47), do not cover 1970 outlays resulting from recently increased pay costs due to Public Law 91-231 and Public Law 90-207. The outlay ceiling for each agency is hereby increased temporarily by the amount of the total net outlays initially reported on line C of the "Interim Report on Outlays for Increased Pay Costs" which is due to be submitted by June 5, 1970. This ceiling will be adjusted finally by the amount of the

total net outlays reported on line C of the "Revised Report on Outlays for Increased Pay Costs" which is due to be submitted by August 1, 1970 (see Attachment A), or by such modifications therein as the Director of the Bureau of the Budget may make (notice of which will be given to the head of the agency concerned).

5. Approval of transfers and additional appropriations. Agency requests for approval by the Director of the Bureau of the Budget of proposed transfers of balances and of additional appropriations required will be presented in a letter (in an original and three copies) addressed to the Director and signed by the head of the agency transmitting the "Analysis of Pay Increase Costs and Financing Plan." The letter will indicate that it is presented pursuant to the Second Supplemental Appropriation Act, 1970.

If any transfers are proposed, the letter will set forth the facts pertaining thereto, a statement that the transfers are necessary to meet the costs of pay increases pursuant to Public Law 91-231 and Public Law 90-207, and provide a list of the accounts (symbols and titles) to which and from which transfers are to be made and the amounts involved.

If any appropriations are required, the letter will also include a certification, substantially as follows:

"I hereby certify that the following additional amounts are required to meet the increased pay costs pursuant to Public Law 91-231, and that [with the proposed transfers] [because this agency has no other appropriation accounts expiring June 30, 1970], I have determined that the possibilities of meeting these costs through the use of transfers have been exhausted."

[Use appropriate phrase]

The certification will be followed by a list of the accounts (symbols and titles) requiring additional amounts and the sums required. Necessary increases in limitations that do not require Treasury appropriation action will be shown in parentheses.

Space for approval of the Director of the Bureau of the Budget will be provided on the lower left side of the last page of the letter, in the following style:

Approved: _____
Director, Bureau of the Budget

Upon approval, the original of the agency letter will be forwarded by the Bureau of the Budget to the Treasury Department marked as necessary to show the approved transfers and additional appropriations. Concurrently, a copy of the letter showing action by the Director of the Bureau of the Budget will be returned to the agency. The Treasury Department will issue the necessary appropriation warrants for the fiscal year ending June 30, 1970, based on the approved certification. The transfers will be accomplished by processing Standard Form 1151 by the respective agencies through the customary channels. The transfer voucher should cite the approval of the Director of the Bureau of the Budget pursuant to the Second Supplemental Appropriation Act, 1970, as authority for the transfer.

6. Justifications. A narrative statement will be submitted in an original and three copies, justifying any additional amounts required, explaining the method of determining the costs, the amount of the current payroll, the number of employees covered, and any other pertinent facts.

7. Apportionments and reports on budget status for 1970. Section 31-E(2) of Bureau of the Budget Circular No. A-34, Revised, provides for the upward adjustment of amounts apportioned by time periods, by the amounts of any supplementals enacted in the last period. This provision is hereby extended to (a) accounts which are apportioned on bases other than time periods; and (b) all transfers and additional 1970 appropriations for increased pay costs and other purposes provided for in the pending Second Supplemental Appropriation Act, 1970 (H.R. 17399). This extension applies to funds apportioned on Standard Form 142 as well as those apportioned on Standard Form 132, and permits adjustments of apportionments without submission of an apportionment form. Where apportionments are broken down by project, activity, or object class, the head of the agency will distribute the additional sums so apportioned.

Reserves are hereby released to the extent required to meet increased pay costs, including transfers to other accounts, unless the agency is informed by the Bureau of the Budget that specific reserves are not to be released.

In some cases transfers and supplemental appropriations required to pay the increased pay costs will not be determined or approved in time for the preliminary Standard Form 133 or 143 reports which are to be submitted as of June 30, 1970. In these cases, the additional amounts estimated to

be required will be reported on lines 1B or 1D of Standard Form 133, and on lines 1B or 4 of Standard Form 143, as appropriate, and identified in a footnote on the preliminary Standard Form 133 or 143 reports. The "final" (amended June 30) reports on Standard Form 133 or 143 will take account of all transfers and supplemental appropriations as approved by the Director of the Bureau of the Budget to meet the increased pay costs for 1970.

ROBERT P. MAYO
Director

Attachments

REPORTS ON OUTLAYS FOR INCREASED PAY COSTS
IN FISCAL YEAR 1970

1. Reports required and timing. Each executive branch agency will submit an "Interim Report on Outlays for Increased Pay Costs" in 1970. This interim report will be submitted to the Bureau of the Budget by June 5, 1970, in an original and three copies, in the format of Exhibit 1.

This report will present the full increased pay costs for 1970 under Public Law 91-231 and Public Law 90-207 with a breakdown by major pay system (e.g., General Schedule, Postal Field Service, Foreign Service, and Uniformed Services).

A "Revised Report on Outlays for Increased Pay Costs" in 1970, which is due on or before August 1, 1970, will be prepared in a similar manner (also in the format of Exhibit 1) except that actual amounts will be reported. This report will also be submitted in an original and three copies.

2. Basis for charges and estimates. For purposes of the reports on 1970 outlays due to pay increases, allocation accounts will be listed in the report of the agency having administrative control of the parent account, rather than being reported by the receiving agency. It is therefore necessary that each agency receiving an allocation furnish to the agency responsible for the parent account the information required at least two weeks prior to the due dates of the prescribed reports.

In the case of advances and reimbursements, the receiving agency will include the additional reimbursements as an amount available to meet the increased pay costs, without the necessity of separate identification or clearance with the paying agency. In order to expedite the payment of the increased costs and the interagency settlements involved, each agency providing services to others should promptly notify its customer agencies of the increased reimbursements required for 1970 to cover increased pay costs.

In the case of costs which are regularly met by income or reimbursements from non-Federal sources, the receiving agency will include (as a deduct entry) the amounts collected in 1970 attributable to increased 1970 pay costs.

3. Entries for Exhibit 1. All entries on the Exhibit 1 reports will be made in thousands of dollars.

The total increased pay costs will be shown, covering both direct pay and related benefits, with a separate entry for each statutory pay system and for administrative action systems. The total costs on line A-3 in the "Revised Report on Outlays for Increased Pay Costs" must equal the sum of the total costs reported in columns 2 and 3 in the "Analysis of Pay Increase Costs and Financing Plan" (see Exhibit 2).

A series of adjusting entries will be made, as illustrated in Exhibit 1, to determine the net effect of the pay increase on the 1970 outlays for the agency.

EXHIBIT 1
Bulletin No. 70-12

[INTERIM][REVISED] REPORT ON OUTLAYS
FOR INCREASED PAY COSTS
Fiscal Year 1970
(In thousands of dollars)

<u>[DEPARTMENT OR AGENCY]</u>	<u>[DATE]</u>
<u>Description</u>	<u>Amount</u>
A. Cost of increase in direct pay and related benefits (by pay system):	
1. General schedule	6,728
2. Administrative action	884
	<hr/>
3. Total cost	7,612
B. Adjustments	
1. Portion of cost to be paid in 1971 (-)	-610
2. Portion of cost collected from non-Federal sources (-)	-150
	<hr/>
3. Subtotal	6,852
4. Portion of cost collected from other agencies (-)	-425
5. Payments to other agencies for increased pay costs	320
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C. Net outlays in 1970 for increased pay costs	<u>6,747</u>

ATTACHMENT B
Bulletin No. 70-12

ANALYSIS OF PAY INCREASE COSTS
AND FINANCING PLAN

1. Reports required and timing. Each executive branch agency is requested to submit an analysis of its 1970 pay increase costs and plans to finance these costs for fiscal year 1970. This analysis, prepared in the format of Exhibit 2, will be accompanied by a certification and justification by the head of the agency as to the need for the proposed transfers and the additional appropriations required. A list will also be provided of the proposed transfers and the additional appropriations required, by appropriation account. The above material will be submitted to the Bureau of the Budget by August 1, 1970, in an original and three copies.

Since one of the purposes of this analysis is to indicate the total pay costs of the Government and the portion which is being absorbed, this analysis is required of all agencies - covering all of their accounts - even where no transfers or additional appropriations are necessary.

With respect to the legislative branch, the Judiciary and the municipal Government of the District of Columbia, approval by the Director of the Bureau of the Budget of transfers and additional appropriations is not needed. However, due to the requirement of the pending Second Supplemental Appropriation Act, 1970 (H.R. 17399), for a complete report to the Congress on the transfers and additional appropriations made to meet the increased pay costs provided by Public Law 91-231 and Public Law 90-207, the officer in administrative control of the appropriations in each of these governmental organizations should send an analysis of its pay increase costs, transfers, and additional appropriations to the Bureau of the Budget in the format of Exhibit 2, on or before September 15, 1970.

2. Basis for charges and estimates. The agency estimates should assume that the increased pay costs will be charged to the appropriation account or fund from which the regular salaries were paid during the period of service covered.

Allocation accounts will be listed on the "Analysis of Pay Increase Costs and Financing Plan" of the agency having administrative control of the parent account, and will not be listed otherwise. Each agency which has allocation accounts must inform the agency responsible for the parent account by July 17, 1970, of the information required to make up this

analysis. Allocation accounts will be considered a source of transfers only to other allocations from the same source or, when applicable, to other accounts of the parent agency.

In the case of advances and reimbursements, the receiving agency will include the additional reimbursements as an amount available to meet the increased pay costs, without the necessity of separate identification or clearance with the paying agency. In order to expedite the payment of the increased costs and the interagency settlements involved, each agency providing services to others should promptly notify its customer agencies of the increased reimbursements required for 1970 to cover increased pay costs.

In the case of costs which are regularly met by income or reimbursements from non-Federal sources, an agency may elect to absorb the increase within funds available in the account from which the employees were paid. If full absorption is not practicable, and if the law or the contractual agreement does not permit retroactive adjustment of the charges to such non-Federal sources, transfers and certificates of supplemental amounts required to cover increased pay costs will be approved for the public enterprise fund or the most nearly related appropriation of the administering agency.

3. Entries for Exhibit 2. The "Analysis of Pay Increase Costs and Financing Plan" will be prepared on 8" x 13" paper, as described below. Separate line entries will be made in columns 1 through 9, as appropriate, for: (a) allocation accounts (under the parent agency); (b) administrative action pay systems; and (c) the uniformed services pay system. Separate entries will also be made where waiver of a limitation on personal services or an increase in an administrative expense limitation is required. The amounts for such entries will be shown in the appropriate columns as non-add items in parentheses. Except for employees covered by administrative action and uniformed services pay systems, all entries will pertain to civilian personnel under the statutory pay systems listed in Public Law 91-231. Separate totals will be shown for the administrative action, uniformed services, and statutory pay systems, as applicable.

The columns in the analysis will be completed as follows:

Column 1. List under each bureau or organizational unit to which separate appropriations or funds are available, the title of each appropriation or fund account (other than allocations from other agencies) out of which any increased pay costs are paid directly. This will include revolving and management funds (including consolidated working funds) and

trust funds. Account titles should be listed in the order in which they appear in the budget. At least one line should be left between account titles. Allocations to other agencies will be indented under the parent appropriation account title. Separate entries will be used for any limitations which must be increased to meet the additional pay costs. These entries will be shown as non-add items in parentheses.

Column 2. Report the direct cost of the recently enacted 1970 pay increases pursuant to Public Law 91-231 and Public Law 90-207 for employees paid from the account being reported, whether or not the costs are reimbursable. Do not include any portion of the July 1969 pay increase costs, as the indefinite supplemental appropriation (Title III of H.R. 17399) is not available for such costs. Agencies should be careful to include any additional payments to employees required by these laws normally associated with object class 11, such as over-time, hazardous duty, and other premium pay. If the increase is disproportionately high in relation to the base for any account, the components and method of calculation should be fully set forth in the narrative explanation. Do not report in this column advances or reimbursements to other appropriations or funds for work or services; to the extent they cannot be absorbed, they are to be reported in column 4.

Column 3. For each listed account, report the added pay costs recently provided for by Public Law 91-231 and Public Law 90-207, which are not direct, but are related to the pay increases, whether or not the costs are reimbursable. For this purpose, the related costs include those items normally associated with object class 12, such as Government retirement and life insurance contributions, cost-of-living allowances, and other payments which are based on salaries.

Do not include any portion of the cost of personnel benefits which relate to the July 1969 pay increases, as the indefinite supplemental appropriation (Title III of H.R. 17399) is not available for such costs.

Do not report advances or reimbursements to other appropriations or funds for work or services; to the extent they cannot be absorbed, they are to be reported in column 4.

Column 4. Report the unabsorbed amount of the pay increase costs to be paid as advances and reimbursements to other appropriations or funds. In most cases this column should be blank. Whenever an amount is shown in this column, column 5 must be blank, and an equal or greater amount must be shown in column 6, since payments to other accounts will be considered for absorption ahead of the increased pay cost of the account itself.

Column 5. Report for each account the amount available for meeting increased pay costs, including amounts available for transfers to other accounts under the authority expected to be granted to the Director of the Bureau of the Budget in the pending Second Supplemental Appropriation Act, 1970 (H.R. 17399). Transfers made under other independent authority granted to the head of the agency will be included in this column as a deduction from the amount available in the parent account and an addition to the amount available in the receiving account.

For purposes of calculating the amount available for 1970 and the absorption of these pay increase costs, the full amount of the definite supplemental appropriations for programs and for the July 1969 pay increase as finally enacted in the Second Supplemental Appropriation Act, 1970, will be taken into account. For accounts not expiring for obligation on June 30, 1970, this amount should not exceed the sum of columns 2, 3, and 4, because any excess balances in such accounts are not available for transfer to other accounts.

Column 6. Report the sum of the amounts in columns 2, 3, and 4, minus the amount in column 5. A plus entry in column 6 represents the amount required to meet the increased pay costs by transfer or additional appropriation. A negative entry in this column is the amount available for transfer to other accounts requiring approval of the Director by the Bureau of the Budget. The amount reported in column 6 should be the same as the sum of columns 7, 8, and 9.

Column 7. Report the amount of proposed transfers to other accounts, which require approval by the Director of the Bureau of the Budget.

Column 8. Report the amount of proposed transfers from other accounts, which require approval by the Director of the Bureau of the Budget.

Column 9. Report the additional appropriations considered necessary as a result of the reported increased pay costs. The amount reported in this column should equal the difference between column 6, and columns 7 and 8. In cases where waiver of a limitation on personal services or an increase in administrative expense limitation is also required, the amount will be reported as a non-add item in parentheses.

EXHIBIT 2
Bulletin No. 70-12ANALYSIS OF PAY INCREASE COSTS AND FINANCING PLAN
(Pursuant to PL 91-231)
Fiscal Year 1970

[DEPARTMENT OR AGENCY]

[Date]

Organizational unit and account title (1)	Increase in direct pay and related costs		Unabsorbed amounts for payment to other accounts (4)	Amount available to meet increased pay costs (5)	Amount re- quired or available for transfer (-) (6)	Transfers		Additional appropriation required (9)
	Direct pay (2)	Related costs (3)				To other accounts (-) (7)	From other accounts (8)	
Office of the Secretary Salaries and expenses	151,860	12,231	---	30,016	134,075	---	32,075	102,000
Bureau of Inspection Salaries and expenses	730,120	60,000	---	898,980	-108,860	-108,860	---	---
Allocations to: Department of the Interior	17,000	1,360	---	18,360	---	---	---	---
Inspection services	160,000	13,300	64,700	---	238,000	---	---	238,000
Personal services limitation	(160,000)	(13,300)	---	---	(173,300)	---	---	(173,300)
<hr/>								
Government Corporation Revolving Fund (Adm. action)	817,000	67,000	---	884,000	---	---	---	---
Limitation on administrative expenses	(185,000)	(15,000)	---	---	(200,000)	---	---	(200,000)
<hr/>								
Total	6,215,000	512,750	65,000	3,246,750	3,546,000	-528,000	528,000	3,546,000
Statutory schedule	817,000	67,000	---	884,000	---	---	---	---
Admin. action								

Notes: 1. Amounts in this schedule are in dollars, not rounded to thousands.
2. Actual size of this form is 8 X 13 inches.

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-11

April 15, 1970.

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Coordinated statistical program

1. Purpose. The Director's Memorandum for Heads of Executive Departments and Agencies, dated June 25, 1969, on the subject "Steps to Strengthen the Federal Statistical Program," states in paragraph 2:

"The Office of Statistical Policy will develop a unified Federal statistical program in cooperation with the various Departments and Agencies and other elements of the Budget Bureau. This program will put in perspective the statistical activities of the different agencies and form a primary basis for individual budget submissions. I am also formalizing the responsibility of the Office of Statistical Policy, jointly with the appropriate Budget Bureau Divisions, for review of agency budgets for statistical activities. Further advice on statistical budgets will be provided to your agency later."

The coordinated statistical program will consist of:

- a. A statement of broad Government-wide statistical goals and objectives, supplemented by a presentation of the statistical goals and objectives of individual agencies.
- b. A multi-year financial plan encompassing all Federal statistical activities included within the scope of this Bulletin.
- c. A comprehensive presentation in the annual budget of financial requirements for Federal statistical programs.

The purpose of this Bulletin is to set forth guidelines for the submission by agencies of information required to prepare those parts of a coordinated program of Federal statistical activities noted in a. and b. above.

2. Authority. Section 103 of the Budget and Accounting Procedures Act of 1950 (P.L. 784, 81st Congress) provides that:

"The President, through the Director of the Bureau of the Budget, is authorized and directed to develop programs and to issue regulations and orders for the improved gathering,

compiling, analyzing, publishing, and disseminating of statistical information for any purpose by the various agencies in the executive branch of the Government. Such regulations and orders shall be adhered to by such agencies."

Executive Order No. 10253, dated June 11, 1951, directs the Bureau of the Budget to:

" ... maintain a continuing study for the improvement of the statistical work of the agencies in the executive branch of the Federal Government with a view to obtaining the maximum benefit from the funds and facilities available for such work."

3. Scope. To permit development of a comprehensive coordinated Federal statistical program, the provisions of this Bulletin apply to all statistical operations conducted by executive departments and agencies which are concerned with aspects of economic, social, health, and demographic phenomena.

a. For the purpose of this Bulletin and unless otherwise noted, statistical operations include: data collection, processing, and primary analysis; classification; preparation of estimates and projections; statistical manipulation of data collected by others; statistical methodology and research; management and coordination of statistical operations. Included in the coordinated statistical program will be:

(1) Statistical bureaus or other organizational units for which separate appropriations are made, in their entirety;

(2) Bureaus or other organizational units the activities of which are primarily statistical, even though they are not financed through separate appropriations;

(3) Significant statistical operations of other agencies, bureaus or offices. Agreement on "significant" will be reached with the Office of Statistical Policy, generally including any statistical operation with expenditures of at least \$300,000 per annum.

Such statistical operations may involve:

-- Contracts, grants and intragovernmental transfers, involving the substantial collection of economic, social, health and demographic data.

-- Grants to States or local bodies specifically for statistical purposes.

-- Compilation of operating or administrative data which is made available to the public and is not solely for internal use.

4. Definition. A statistical activity is defined as that portion of an agency program which is statistical in character and readily identifiable by reason of its subject matter or scope. The program of which a statistical activity is a part may itself be either statistical or nonstatistical. The following examples are illustrative:

-- In the Bureau of the Census, the production of current statistical information is financed by the appropriation "Salaries and expenses, Bureau of the Census," (p. 217, 1971 Budget Appendix). The program and financing schedule under that appropriation presents budget activities, each of which constitutes a statistical activity.

-- Transportation information planning in the Department of Transportation is financed by the appropriation "Transportation, planning, research, and development" (p. 718, 1971 Budget Appendix). It is included in the budget activity "Transportation policy and planning," and the presentation in the Budget Appendix does not, therefore, separately identify statistical activities. In this case, the appropriate statistical activities for the purposes of this Bulletin are "urban transportation," "interurban transportation," "international transportation" and "systems development," because these are the statistical activities used by the Department of Transportation in the presentation of its long-range program for the improvement of transportation information.

5. Information required. To enable the development of a coordinated Federal statistical program, each agency conducting statistical operations as defined in paragraphs 3 and 4, will submit the information called for below.

a. Multi-year financial plan. The multi-year financial plan is a presentation of budget authority and outlays attributable to agency statistical activities over a 7-year period showing the future financial and full-time employment implications of decisions already made and incorporated in the 1971 Budget. These data are to be furnished in the format shown in Exhibit 1. For those bureaus or organizations which conduct more than one statistical activity or program, a summary table will be prepared for the bureau or organization as a whole, using the same format.

b. Planning statement. This submission will consist of a narrative statement of agency goals and objectives and the projects under consideration to meet essential needs for statistical information. It will include activities planned under new legislation (properly identified) as well as those presently authorized. It will reflect both increases and decreases being considered for the activity. It will cover each statistical activity over a future 5-year planning period, beginning with fiscal year 1972. More specifically, the statement will show for each statistical activity:

(1) A brief description of the present activity and of the goals and objectives sought to be achieved over a future 5-year period with special attention to program changes which are contemplated. It is recognized that some statistical activities are conducted essentially to support the goals of a program of which they are a part. In some cases of this kind, it will be possible to describe the goals and objectives of such supportive statistical activities. In other cases, it may not be possible to describe specific goals and objectives of statistical activities separately from the goals and objectives of the programs they serve. When the goals and objectives of a statistical activity cannot be separately described, a brief description of the present statistical activity should be provided, together with an indication as to whether it is anticipated that the level of statistical activity will increase, remain the same, or will decrease over the next 5 years.

(2) For each proposed change in program being considered, the planning statement will include the following information:

(a) Program: What is being sought? How does this relate to stated goals? What alternative procedures for meeting these goals have been considered?

(b) Funding: State how the proposal will be implemented: in-house, by transfer of funds to another Federal agency, or by contract with a non-Federal agency. Would additional personnel or additional data processing equipment be required? State estimated costs for each year of the 5-year planning period.

6. Timing. Six copies of the information requested above are to be submitted to the Bureau of the Budget by May 14. Questions concerning this report should be directed to Mr. Roye Lowry, IDS Code 103, ext. 3772, (or 395-3772).

ROBERT P. MAYO
Director

Attachment

Department or Agency
Bureau or other Organization
Appropriation Title^{1/}

DATE: _____

Multi-Year Financial Plan for Statistical Programs

<u>Name of statistical activity</u>	1970	1971	1972	1973	1974	1975	1976
Budget authority.....							
Outlays.....							
Totals <u>if more than one appropriation or activity</u>							
Budget authority.....							
Outlays.....							
Memorandum:							
Estimated amounts included above for transfer to other Federal agencies.....	()	()	()	()	()	()	()
Estimated amounts included above to go to contractors..	()	()	()	()	()	()	()
Estimated amounts to be transferred from other agencies for statistical activities.....							
Average number of full-time employees ^{2/}							

1/ For those statistical activities financed from more than one appropriation or other source of financing, show each source of financing under the activity name in the stub column and the related budget authority and outlays in the remaining columns.

2/ Includes employees supported by funds received from other agencies.

TO: Mr. Clarke / Mr. Kwoche *[Signature]*

ROOM NO. *[Blank]*

BUILDING

REMARKS:

I talked with Jim Taylor about this Circular today raising the issue of CIA input to total U.S. Govt. reporting.

He has granted exception to this one, primarily because he recognizes we're not in the business as other Agencies are. He suggests that we raise the question on individual issuances. Mainly he will also feel more comfortable if CIA conforms.

STAT ROOM: *[Redacted]*

ROOM NO.

BUILDING

EXTENSION

CIA excepted from reporting per
conversation with Jim Taylor (15 April 1970)

*File this note with the Bulletin
we return.*

Hm

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO.

DATE

UNCLASSIFIED

CONFIDENTIAL

SECRET

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-10

April 2, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Agency public relations activities

1. Purpose. This Bulletin provides instructions for reporting data on agency public relations activities to permit a central review of these operations.

2. Scope. The provisions of this Bulletin apply to all executive departments and agencies, and cover all activities which fall wholly or partially within the definitions contained herein.

3. Definition. For the purposes of this Bulletin, public relations activities are those which serve to publicize or promote the objectives, operations, facilities, or programs for which the agency has a responsibility or in which it has an interest--whether or not they are specifically authorized by law. These include, but are not limited to, activities concerned with press contacts, broadcasting, advertising, exhibits, films, publications, and speeches.

The activities to be reported will include those which provide information that is intended to be useful or of assistance to the public. For example, there should be reported activities that provide information on practices which are intended to improve health or to encourage safety and prevent accidents, and on the requirements of regulations or new benefit programs. Preparation of information for dissemination abroad and activities concerned with answering public inquiry and congressional mail should be excluded from the report.

4. Reports and timing. By May 1, 1970, each agency will submit 3 copies of a report, in the format of Exhibit 1, to the Bureau of the Budget. Executive departments will report separately for each bureau or other principal organizational unit (or major program) as well as for the agency as a whole.

In accordance with the instructions contained in Attachment A, information will be provided on three separate sheets, showing

(a) obligations, (b) man-years, and (c) full-time permanent positions at the end of the year. Actual information for fiscal year 1969 is required in a detailed cross-tabulation; estimates for fiscal years 1970 and 1971 are to be reported in more summary form. Where detailed supporting records are not available, statistical estimates and approximations should be reported.

ROBERT P. MAYO
Director

Attachment

INSTRUCTIONS FOR REPORTING ON
PUBLIC RELATIONS ACTIVITIES

Information is required to permit a central review of agency public relations activities. The requested information is to be provided in three separate schedules in the format of Exhibit 1, covering (1) costs in terms of obligations, (2) man-years, and (3) full-time permanent positions as of June 30.

Many of these activities are performed as part of other full-time duties and responsibilities. Specifically, the figures reported for man-years and for obligations will include the applicable proportion of the efforts of individuals who are not engaged full-time in public relations activities. Reported obligations will cover activities conducted directly by agency employees (including supplies, materials, and equipment, as well as personal services and travel costs) and those also carried out under contractual arrangements (including the appropriate proportion of contracts which cover a wider area of agency operations, such as the operation of a Federal installation). In the case of jointly funded facilities, all the required information will be reported by the agency operating the facility.

Following are the instructions and guidelines for specific entries in the agency report:

(Note: Detailed entries for each line and column will reflect actual 1969 information. However, estimates for 1970 and 1971--consistent with 1971 budget requests--will be shown only in total for each line and column.)

Lines

1. Press contacts. Include the preparation and distribution of material sent to non-Federal newspapers, periodicals, and other publications, or provided to their reporters.
2. Broadcasting. Cover the preparation, distribution, and dissemination of materials for radio and television broadcasts. Include such functions as the preparation of scripts and video tape presentations, the production of shows, appearances on programs, and contacts with stations to facilitate the use of materials.

3. Advertisements. Include the preparation, review, and placement of advertisements (even if the publication of the advertisement is provided free). This covers all types of institutional activities pertaining to specific agency programs or activities. Exclude advertising relating to the acquisition or disposal of Government property, and help-wanted advertising for specific vacancies.
4. Exhibits, films. Provide data on the preparation, installation, and circulation of exhibits, motion picture films, film strips, and other graphics. Include those prepared for fairs, public holidays, and agency celebrations (such as Armed Forces Day and Veterans Day) in addition to those for regular program purposes.
5. Publications. Include the preparation and distribution of all publications--whether or not they are specifically authorized by law--except for "house organ" periodicals primarily devoted to matters of interest to employees, and for accounting, statistical, and legal reports that are developed primarily for use within the Government. Use line 5.a. for periodicals, and line 5.b. for other types of publications such as monographs, pamphlets, and books which are issued once or at random intervals.
6. Speeches. Include the preparation and delivery of speeches, talks, lectures, etc., to primarily non-Federal audiences. When these are prepared for or delivered on radio or television, report such activity in line 2.
7. Other. Include and specifically identify any other outputs not covered above, which are designed to inform the public about agency programs and activities. The handling of requests for information in personal contacts with individuals (for example, providing directions to tourists and providing benefits information at Social Security offices) would be included here.
- 8-10. Totals. Show the summary totals for 1969, 1970, and 1971, and a distribution of those totals among the purposes identified in columns (A)-(F). The 1969 entries will reflect the sum of the entries on lines 1-7 in columns (A)-(G). The 1970 and 1971 entries in columns (H) and (J) respectively will reflect the sum of the entries on lines 1-7 in each of those columns.

Columns

- (A) Internal agency management. Include work done within the reporting agency to prepare materials for use in employee recruitment, orientation, and training. Exclude personnel interviewing, help-wanted advertising for specific job vacancies, and similar direct personnel office operations.
- (B) Congressional relations. Include staff time spent in maintaining liaison with members of Congress and their staffs, and preparing materials that are not specifically requested. Exclude resources applied to preparation of materials for and appearances at congressional hearings, and responses to specific congressional inquiries.
- (C) Agency activities. Include work involved in the development and presentation of information relating to the activities of the agency or any of its bureaus or other organizational elements. Report information on agency programs and their objectives, and on agency operations and facilities (both old and new projects). This includes, for example, publicizing the effects of recent congressional action (for pending congressional action, use columns (B) or (E) as appropriate) concerning the agency, and other information of interest to localities, clientele groups, etc.
- (D) Benefits and regulations. Cover activities involving publicized information on specific benefits available under agency programs, such as time limits, eligibility, and procedures for filing claims. Also cover activities involved in providing information to the public on agency regulations and their interpretation, implementation, or rescission.
- (E) Issues and problems. Cover information prepared and disseminated on the agency position, or proposed action, on specific issues or problems such as natural disasters, installation closings, proposed legislation, and response to public criticism.
- (F) Other. Include information on activities directed toward purposes other than those included in columns (A)-(E). Each of these will be identified in a brief footnote.
- (G) 1969 totals. Show the total of the entries in columns (A) through (F) for each type of output listed in the stub column.

(H), (J) 1970 and 1971 totals. Show the estimated totals for 1970 and 1971, distributed according to the types of output identified in the stub column.

Attachment

[DEPARTMENT OR AGENCY NAME]
Public Relations Activities/
[Obligations-in thousands of dollars]
[Man-years]
[Full-time permanent positions
as of June 30]2/

DATE _____

<u>Type of output</u>	<u>PURPOSE OF OUTPUT</u>						<u>1969 actual Totals</u> (G)	<u>1970 est. Totals</u> (H)	<u>1971 est. Totals</u> (J)
	<u>Internal agency management</u> (A)	<u>Congres- sional relations</u> (B)	<u>Agency activ- ities</u> (C)	<u>Benefits and regu- lations</u> (D)	<u>Issues and problems</u> (E)	<u>Other (Specify in footnote)</u> (F)			
1. Press contacts									
2. Broadcasting									
3. Advertisements									
4. Exhibits, films									
5. Publications: a. Periodicals b. Other									
6. Speeches									
7. Other (Specify)									
<hr/>									
8. Totals: 1969 (Actual)							XXXX	XXXX	
9. 1970 (Estimate)							XXXX	XXXX	
10. 1971 (Estimate)							XXXX	XXXX	

1/ Separate sheets, showing the prescribed stub items, will be provided on (a) obligations incurred; (b) man-years of effort; and (c) full-time permanent employment attributable to these activities.

2/ This will be based on more than 50 percent of the employee's time being spent in public relations work.

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-9

February 2, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Acquisition of peripheral components for
installed ADP systems

1. Purpose. This Bulletin requires Federal agencies to review and make certain determinations on whether leased peripheral equipment components in computer systems supplied by the system manufacturer should be replaced with less costly equipment available from independent peripheral manufacturers or other sources.

2. Background. According to information provided by agencies under the ADP Management Information System (see BOB Circular A-83), there are many ADP systems in operation in which certain peripheral components currently being leased from the system supplier could be replaced with comparable components offered by independent manufacturers at substantial cost reductions. The Comptroller General's report of June 24, 1969, discusses in detail the possibility of achieving economies through a program for replacing installed equipment with "plug-to-plug" compatible peripheral units.

3. Agency reviews. Federal agencies will review all installed leased peripheral components for which there are compatible, reliable and comparable substitutes available at lesser cost to determine where substitutions should be made for cost saving reasons. To facilitate this review, the General Services Administration will, by February 6, 1970, transmit to each Federal agency a listing of all installed leased components which, as of June 30, 1969, were scheduled to be retained for a period long enough to assure the achievement of the potential cost reduction. Instructions on the use of this listing will be provided by the General Services Administration.

Each agency upon receipt of the listing will review it in consideration of the agency's present equipment retention plans and/or component substitution plans currently under way, and determine those instances in which substitution actions would be consistent with the plans. Following this

determination and no later than April 15, 1970, the agency will advise the General Services Administration of the substitutions that should be made by returning an annotated copy of the listing. From the consolidated replies, the General Services Administration will be in a position to determine the additional procurement actions that should be taken and, in coordination with the agencies involved, will institute appropriate action. For those peripheral components on the General Services Administration listing which the agency determines should not be replaced with a lower cost substitute, the reason for such decision will be shown on the annotated list by the use of a decision code which will be included in the instructions provided by the General Services Administration.

ROBERT P. MAYO
Director

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-8

December 6, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Special analysis of Federal Housing Programs

1. Purpose. This Bulletin provides instructions for the submission of information required to prepare a special analysis of Federal housing programs. The analysis will summarize agency plans and highlight agency programs and activities which add directly or indirectly to the supply of family housing in the United States, its territories and possessions.

2. Coverage of Federal housing programs. The analysis is intended to cover all Federal or federally sponsored activities which produce or assist the production or sale of family housing except for housing in foreign countries. This includes not only those programs which have the primary objective of producing housing, but also those for which assistance to the production of housing is a secondary--but clearly discernible--benefit. These latter activities should be included only if assistance to housing production is a clearly recognized aspect of the activity, or if the activity has as a major objective, assistance to an industry, group or agency which is concerned primarily with the production of housing. In addition, programs which are specifically aimed at preventing the deterioration of the existing housing stock will be included.

The following types of activities are specifically excluded from the coverage of this analysis:

a. Housing allowances which are paid as a part of either employee compensation (including allowances of military personnel) or income maintenance programs.

b. Programs which result in the production of dormitory or barracks-type housing.

c. Programs which assist housing by providing only land or facilities.

3. Availability of data. The data for the past year should be based on accounting records. If accounting data are not available, an estimate of the outlays and outputs should be submitted, and this fact as well as the method of estimating should be noted in the narrative accompanying Exhibit 2 submissions.

4. Information requested. The following information is required for the preparation of this special analysis:

a. A summary table of outlays covering the three years shown in the budget for housing activities for the agency as a whole. The table will utilize the coded categories shown in Attachment A and will be prepared in the format shown in Exhibit 1.

b. An individual tabulation of the outlays and number of housing units affected for each appropriation which is included in the agency totals shown on the summary table. These will be prepared in the format shown in Exhibit 2. Attachment B provides instructions for the preparation of the summary table and tabulations.

c. A narrative attachment accompanying each Exhibit 2, setting forth:

(1) A concise description of how the program functions and its major objectives. If any subsidies are involved, explain the nature and amount.

(2) Important budget year changes in the program, including major proposed legislation, if any.

(3) If housing units are not an appropriate measure of the output of the program, other appropriate measures should be provided and defined.

5. Category codes. To the maximum extent possible, activities should be distributed among the established categories outlined in Attachment A. However, activities may be identified by agencies as having a substantial impact on housing, but which cannot be included within one or more of the listed categories. In these instances agencies should include the amounts in Exhibits 1 and 2 under the various "Other" categories (codes 149, 159, 199, 299 or 399). If these category codes are used, the narrative accompanying Exhibit 2 submissions should contain the agency's suggestion for a new category (or subcategory, if appropriate).

6. Timing. An original and two copies of the requested information will be submitted to the Bureau of the Budget within 10 days following the publication of this Bulletin or receipt of 1971 budget allowances, whichever is later. If any change in the data should occur (as from revised allowances) revised data are due in the Bureau of the Budget within 5 days from the time the change becomes known. Final revisions must be received no later than December 29, 1969.

7. Interpretations. Questions concerning implementation of this Bulletin may be addressed to Mr. Harry Havens (Code 103, extension 4610 or 395-4610).

Robert P. Mayo
Director

Attachments

ATTACHMENT A
Bulletin No. 70-8INFORMATION FOR SPECIAL ANALYSIS
OF
FEDERAL HOUSING PROGRAMS

This attachment outlines and defines the categories in which the data in Exhibits 1 and 2 will be shown. Each category is assigned a code number to facilitate processing. This number will be used to identify the entries on Exhibits 1 and 2.

Data in the analysis will be shown in three main groupings:

- Federal housing programs: those activities involving the use of Federal budget resources to assist the production of housing, to prevent a decline in the condition of the existing housing stock, or to provide indirect support for housing. The sum of the outlays from these programs will constitute a measure of Federal budget support for housing;
- Housing activities of Government sponsored enterprises: those programs which appear in the annexed budgets, but are not included in the budget totals.
- Federally aided private investment in housing: those private housing activities which occur because of Federal programs listed in the first main grouping, but which do not appear in the budget as Federal outlays (e.g., private investment in federally guaranteed or insured housing mortgages).

FEDERAL HOUSING PROGRAMS

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
	<u>Assistance for mortgage financing of privately owned housing</u>	
111	Facilitating the flow of private mortgage credit	Programs involving (a) Federal guarantee or insurance of privately financed mortgage loans and (b) Federal guarantee or insurance of deposits or other direct support for financial institutions which have mortgage lending as a primary activity. (Examples are FHA mortgage insurance and insurance of deposits in savings and loan associations by the Federal Savings and Loan Insurance Corporation.) An entry for this code should be accompanied by an entry for Code 310, "Guaranteed or insured private investment in housing."

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
112	Supplementing private sources of mortgage credit	Programs in which the Federal Government provides direct mortgage financing without an intentional or explicit subsidy. (Examples are the "market rate" direct loan programs of VA and the Farmers Home Administration.) Subsidized direct loans will be included under category code 121, below. If direct loans are sold to Government sponsored enterprises or to private investors, this code should be accompanied by an entry for code 210 or 320, as appropriate.
	<u>Reduced housing costs for special groups</u>	
121	Financing combined with subsidy	Programs which provide both the capital financing of the housing unit and a subsidy. (Examples are the below market interest rate direct loan programs of HUD and the Farmers Home Administration.) This code also covers programs providing one-time grants covering all or part of the cost of building, repairing or modifying a housing unit. (Examples are HUD's Rehabilitation Grant Program and VA's Housing Grants for disabled veterans.)

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
122	Subsidy without Federal investment	Programs in which the subsidy is distinct from the capital financing of the housing unit. Usually this involves a Federal commitment to provide a regular payment to cover all or part of the ongoing costs (i.e., debt service or operating costs) of the housing unit in order to reduce housing costs to the occupant, but with the initial capital investment in the form of a federally-guaranteed mortgage. (Examples are HUD's Rent Supplement and Public Housing programs.) Programs should be included only if the subsidy is associated with a specific unit. Housing allowances paid in connection with employee compensation, including allowances of military personnel, or income maintenance programs should not be included.
<u>Direct Federal construction or acquisition of family housing</u>		
131	Construction or acquisition* of family housing for military personnel	Programs which result in federally owned housing for the families of military personnel, both on and off base. Exclude barracks and BOQ housing and any housing constructed outside the United States and its possessions. For purposes of this analysis, military personnel includes Army, Navy, Air Force and Marine Corps. All other uniformed personnel are considered civilian.
132	Construction or acquisition* of family housing for Federal civilian employees	Programs which result in federally owned housing for the families of Federal civilian employees, both on and off Government reservation. Include housing for contractor personnel. Exclude barracks-type housing and any housing constructed outside the United States and its possessions.

*Identify in the narrative any acquisition of housing which results from default on a guaranteed or direct loan.

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
133	Construction or acquisition* of family housing for others	Programs which result in federally owned housing for families other than military personnel or civilian employees of the Federal Government. (Examples are direct construction of family housing for Indians or for disaster victims.) Exclude barracks-type housing and any housing constructed outside the United States and its possessions.
	<u>Preventing deterioration of the existing housing stock</u>	
141	Enforcement of housing codes	Programs aimed at preserving the quality of the existing housing stock through Federal assistance for the enforcement of housing codes. (Examples are the training of housing code inspectors and the salaries of the inspectors to the extent paid by the Federal Government.)
149	Other activities to preserve the housing stock	Programs other than code enforcement in which the Federal Government prevents the deterioration of the existing housing stock. (If this code is used, explain the nature and impact of the program in the narrative attachment.)
	<u>Indirect support for housing</u>	
151	Research and development	Programs for research, development, testing and evaluation of residential construction methods or materials; development of housing quality standards. General construction research should only be included if it is primarily concerned with <u>residential</u> construction.
152	Statistical and market analysis	Collection and publication of statistical data on the housing sector; preparation and publication of housing market analyses. Programs should be included only if they are primarily concerned with <u>housing</u> .

*Identify in the narrative any acquisition of housing which results from default on a guaranteed or direct loan.

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
159	Other indirect support for housing	Programs other than the above which provide indirect support for the housing sector. Programs should be included only if assistance to housing is a primary objective. (If this code is used, explain the nature and impact of the program in the narrative attachment.)
199	<u>Other Federal housing Programs</u>	Programs which are included in the budget and which have a substantial impact on housing, but which cannot be included within one or more of the above categories. (If this code is used, explain the nature and impact of the program in the narrative attachment.)

HOUSING ACTIVITIES OF GOVERNMENT SPONSORED ENTERPRISES

210	<u>Assistance for mortgage financing</u>	Programs of federally sponsored enterprises which provide mortgage funds. (Examples are mortgage purchases by the Federal National Mortgage Association and advances to savings and loan associations by the Federal Home Loan Banks.)
299	<u>Other housing activities of Government sponsored enterprises</u>	Programs of federally sponsored enterprises other than assistance for mortgage financing, which have assistance for housing as a primary objective. (If this code is used, explain the nature and impact of the program in the narrative attachment.)

FEDERALLY ASSISTED PRIVATE INVESTMENT IN HOUSING

310	<u>Guaranteed or insured private investment in housing</u>	All private investment in housing which is subject to a Federal guarantee or insurance under programs included in code 111. This should include private investment in housing assisted by programs included in code 122, if the investment is also guaranteed or insured by the Federal Government.
320	<u>Purchase of direct Federal loans by private investors</u>	Direct Federal loans originated under programs included in category 112 and subsequently sold to <u>private investors</u> should be included under this code, even if the loan is guaranteed or insured.

<u>Code</u>	<u>Category/subcategory</u>	<u>Description</u>
399	<u>Other federally assisted private investment in housing</u>	Any private investment (or State or local government investment) in housing which occurs as a direct result of a Federal program included in codes 111-199, but which is not included in codes 310 or 320. (An example would be nonguaranteed private investment in housing assisted by a program included in code 122.) If code 399 is used, explain in the narrative attachment why the investment can be considered to be federally assisted.

NON-HOUSING ACTIVITIES

900	<u>Outlays for non-housing activities</u>	Outlays for non-housing activities which occur in an account containing housing programs. To be used only as a balancing item in the totals section of Exhibit 2 to arrive at a total outlay figure for the appropriation account.
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ATTACHMENT B
Bulletin No. 70-8

INSTRUCTIONS FOR PREPARATION OF EXHIBITS

Exhibit 1. - This agency summary is intended to permit the rapid development of government-wide totals for outlays in each category of Federal housing activity. The entry for each category, therefore, should equal the sum of the entries for that category on the Exhibit 2.

Exhibit 2. - A separate Exhibit 2 will be prepared for each appropriation and fund account having activity to be included in the analysis. Each Exhibit 2 will be accompanied by the narrative described in paragraph 4c of this Bulletin.

a. Heading. Programs appearing in the annexed budgets may have neither appropriation title nor account number. In this case, another identifying description may be used.

b. Category code. The appropriate category code will be selected from the list in Attachment A. A single program may require several category codes for a complete description. Each code will contain an entry for one type of financial data (budget outlays, outlays of Government sponsored enterprises or private investment) and generally will contain an entry for both stages of output.

c. Data code. These codes are to facilitate ADP processing by the Bureau of the Budget, and should accompany the type of data as shown in the exhibit.

d. Financial data. Each entry should use only one type of financial data, determined by the category code. Category codes in the 100 series require net budget outlays as the financial data. Those in the 200 and 300 series require outlays of Government sponsored enterprises and private investment, respectively. However, the use of some category codes, e.g., code 111 for mortgage insurance programs, necessarily implies an accompanying entry for another category code, e.g., code 310 for guaranteed private investment in housing. In this example, the category code 310 entry would use private investment.

e. Outputs. For purposes of this analysis, "unit commitments" and "units made available" are two stages of the output and will overlap. "Commitment" refers to the first point at which the Federal Government (or government sponsored enterprise) agrees to take an action which will assist a particular unit of housing. "Available" refers to the point at which that unit is ready for occupancy. Most units pass through both stages but may do so in the same or different years. "Existing units" are those in which the ownership or occupancy of a unit is changed without materially altering the condition of that unit. The output should

be shown as "new or rehabilitated" only to the extent that new units are created or existing units are substantially improved in quality. In some programs, a single output results from activity which is described in two category codes. In the mortgage insurance example cited above, the output should be attributed to the category code 111 entry. The entry for category code 310 would thus contain no output data.

f. Totals. Totals will be drawn for each Exhibit 2 as follows: "Total budget outlays for housing" will be the sum of the "budget outlays" entries for each category code where that type of financial data is used. Similarly, "total outlays of Government sponsored enterprises" and "total private investment" represent the sum of those respective entries for each category code where they appear. In those cases where an appropriation account contains both housing and non-housing activities, the entry "non-housing budget outlays" will be used as a balancing item which, when added to "total budget outlays for housing" will yield "total budget outlays." This figure should agree with the total outlays printed for that account in the budget.

FEDERAL HOUSING PROGRAMS
AGENCY SUMMARY

AGENCY: _____

DATE: _____

Category	Category code	Net Outlays (In millions and tenths)		
		1969 actual	1970 est.	1971 est.
FEDERAL HOUSING PROGRAMS				
<u>Assistance for mortgage financing of privately owned housing</u>				
Facilitating the flow of private mortgage credit.....	111...			
Supplementing private sources of mortgage credit.....	112...			
<u>Reducing housing costs for special groups</u>				
Financing combined with subsidy....	121...			
Subsidy without Federal capital investment.....	122...			
<u>Direct Federal construction or acquisition of family housing</u>				
For military personnel.....	131...			
For civilian Federal employees.....	132...			
For others.....	133...			
<u>Preventing deterioration of the housing stock</u>				
Housing Code enforcement.....	141...			
Other.....	149...			
<u>Indirect support for housing</u>				
Research and development.....	151...			
Statistical and market analysis....	152...			
Other.....	159...			
Other Federal Housing programs.....	199...			
Total budget outlays for housing.....		==	==	==
HOUSING ACTIVITIES OF GOVERNMENT SPONSORED ENTERPRISES				
<u>Assistance for mortgage financing....</u>	210...			
<u>Other.....</u>	299...			
Total.....		==	==	==
FEDERALLY ASSISTED PRIVATE INVESTMENT IN HOUSING				
<u>Guaranteed or insured private investment in housing.....</u>				
Purchase of direct Federal loans by private investors.....	320...			
<u>Other.....</u>	399...			
Total.....		==	==	==

FEDERAL HOUSING PROGRAMS

AGENCY: _____ DATE: _____

APPROPRIATION TITLE: _____

APPROPRIATION ACCOUNT NUMBER: _____

CATEGORY CODE	DATA CODE	TYPE OF DATA	1969 ACTUAL	1970 EST.	1971 EST.
------------------	--------------	--------------	----------------	--------------	--------------

Each category code will have an entry in the following format.

		<u>Financial data (millions and tenths):</u>			
_____	1.20	Budget outlays.....			
	1.30	Outlays of government-sponsored enterprises.....			
	1.40	Private investment.....			
		<u>Outputs:</u>			
		<u>Unit commitments:</u>			
	2.30	New or rehabilitated units.....			
	2.32	Existing units.....			
		<u>Units made available:</u>			
	2.34	New or rehabilitated units.....			
	2.36	Existing units.....			

Totals for each Exhibit 2 will be shown in the following format.

			_____	_____	_____
		Total budget outlays for housing.....			
900	1.24	Non-housing budget outlays in this appropriation account.....	_____	_____	_____
		Total budget outlays in this appropriation account.....	=====	=====	=====
		Total outlays of government-sponsored enterprises.....	=====	=====	=====
		Total private investment.....	=====	=====	=====

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM

UNCLASSIFIED	CONFIDENTIAL	SECRET	
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	Mr. Clarke		<i>[Signature]</i>
2	Mr. Knoche	12/9	<i>[Signature]</i>
3	STAT ₃	12/10	<i>[Signature]</i>
4		12/11	<i>[Signature]</i>
5		12/11	<i>[Signature]</i>
6	return to CCS		
ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks:			
Mr. Hurley excused us from this exercise on December 3, 1969 per phone conversation with Mr. Sherman.			
<i>Keep this attached.</i>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
CCS			12/8
UNCLASSIFIED	CONFIDENTIAL	SECRET	

12/8 copy sent to OSC Library

this reference per phone

EXECUTIVE OFFICE OF THE PRESIDENT *on Dec. 3, 1969*

BUREAU OF THE BUDGET

Ed. Shannon

WASHINGTON, D.C. 20503

BULLETIN NO. 70-7

November 19, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Increased pay costs

1. Purpose. This Bulletin provides instructions for an analysis of costs attributable to pay increases (including related costs) effective in fiscal year 1970, and for the preparation of requests for 1970 supplementals.

2. Application. These instructions apply to pay increases effective in fiscal year 1970, as follows:

a. Civilian personnel pay increases effective in July 1969 under Executive Order 11474 issued pursuant to Public Law 90-206, and comparable increases granted by administrative action.

b. Military personnel pay increases effective in July 1969 under Executive Order 11475 issued pursuant to Public Law 90-207.

c. Actual wage board pay increases granted under 5 U.S.C. 5341(a), together with additional increases estimated to be granted under the same authority through June 30, 1970.

3. Policy. The following policies will apply:

a. Basis for the estimate. The amount of pay increase costs attributable to the Executive Orders specified above, and to wage board increases during fiscal year 1970, will be computed on the basis of 1970 program levels as approved, after giving effect to reductions made in agency budgets including those resulting from implementation of Title IV of the Second Supplemental Appropriations Act of 1969 (Public Law 91-47).

b. Absorption. Agencies will absorb the costs of these increases to the fullest extent possible. Toward this end, each agency will apply the principles set forth in Bureau of the Budget Circular Nos. A-44 and A-64 to achieve economies and savings in operations through cost reduction, position management, and other management improvement programs. Pay supplementals should be proposed only in cases where the

head of the agency has determined, by personal review, that full absorption is not possible. Provision must be made for these supplementals within agency outlay ceilings established in accordance with Bureau of the Budget Bulletin No. 70-3, July 31, 1969.

c. Application of savings. Savings available within an account should be applied in priority order as follows:

(1) Program increases for uncontrollable items which qualify for deficiency apportionments, including increases due to the one-half percent additional contribution to the Civil Service Retirement Fund (Civil Service Retirement Amendments of 1969 - Public Law 91-93) if the total amount can be absorbed.

(2) Any increased pay costs which can be absorbed in full.

(3) Any increased pay costs which cannot be absorbed in full:

(a) Civilian pay.

(b) Wage board pay.

(c) Military pay.

The priority order under item 3 will be used for the purpose of distributing pay increase costs in the estimates of proposed supplementals for fiscal year 1970 in the 1971 budget submission, where more than one type of pay increase cost occurs within a single account (entries 44.10, 44.20, or 44.30, section 32.4 of Circular No. A-11).

d. Transfer authority. Maximum advantage should be taken of any existing transfer authority to increase the absorption of the increased pay costs in fiscal year 1970 on an agency-wide basis. The provision of additional transfer authority by Congress for fiscal year 1969 should also be sought under the following rules:

(1) Transfers will be limited to those from accounts which expire for obligation on June 30, 1970, and from unexpired accounts for which no additional new obligational authority will be required in future years.

(2) Preference should be given to transfers from appropriations for operating and administrative expenses ahead of transfers from appropriations for other purposes.

(3) No consideration will be given to transfers from accounts for which supplemental estimates are requested or contemplated.

4. Preparation of required analysis. Each agency is required to prepare and submit an analysis of increased pay costs for fiscal year 1970. The format and instructions for the preparation of these analyses are set forth in Attachment A to this Bulletin. Agencies are requested to comply with these requirements by December 5, 1969.

In addition to the required analysis, agency submissions will include the following:

a. A narrative explanation of the methods used in computing the increased pay costs and the reasons why sufficient 1970 savings cannot be achieved to permit absorption of the entire amount.

b. Appropriation language where transfers must be authorized or limitations changed.

5. Apportionment and reapportionment requests for fiscal year 1970. Apportionment or reapportionment requests which anticipate a need for a supplemental appropriation will be prepared in accordance with the instructions in section 32 of Bureau of the Budget Circular No. A-34. The requests will also include three copies of the agency head's statement of necessity, as required by law. When a group of apportionment requests is transmitted at one time, a single certification may be used for all requests. The analysis required by paragraph 4 above will also serve to justify the request for deficiency apportionment when it is due solely to increased pay costs.

6. Requests for supplemental appropriations for 1970. The analysis required under paragraph 4 will serve as the request for 1970 pay act supplemental appropriations. In those cases where program supplementals are required in the same account, they will be handled separately and in accordance with the regular procedures of Circular No. A-41, except that Exhibit C of that Circular is not applicable.

ROBERT P. MAYO
Director

Attachment

ANALYSIS OF INCREASED PAY COSTS

Agencies are requested to submit an analysis of 1970 pay costs and financing plans for the costs of the increased pay scales effective in fiscal year 1970. The analysis will be in the form illustrated by the attached Exhibit 1 and accompanied by a narrative explanation and appropriation language as described in paragraph 4. Agency submission of this analysis will be made by December 5, 1969, in an original and two copies.

For purposes of this analysis, allocation accounts (transfer appropriation accounts) will be reported with the parent account rather than being reported with the receiving agency. It is therefore necessary that each agency receiving an allocation furnish to the agency responsible for the parent account the data necessary to prepare the analysis, including justifications, at an early date. Unless otherwise arranged between the agencies concerned, the information should be furnished to the parent agency by December 1, 1969. Allocation accounts will be considered a source of transfer only to the parent agency.

In the case of advances and reimbursements paid into revolving and management funds (including consolidated working funds) and into appropriation accounts, the receiving agency will include the related increased pay costs as a part of its absorption, without the necessity of separate identification or of clearance with the paying agency. The agency making the advance or reimbursement will normally consider such amounts as a part of its ordinary expenses and will not need to identify these pay costs, unless congressional action is necessary to provide an additional appropriation or transfer authority to cover part of the pay increase costs. In such cases, the portion of the pay costs attributable to advances and reimbursements must be ascertained and justified.

The analyses will be prepared on 8" x 13" paper, as described below. In cases where allocation accounts are involved or where there is more than one type of pay increase involved, the total cost applicable to each will be separately identified in columns 2 through 8 (see paragraph 3 of this Bulletin which deals with absorption policy and the priority order in which absorption should be considered). Totals will be provided on a similar basis.

Column 1. List under each bureau or organizational unit to which separate appropriations or funds are available, the title of each appropriation or fund account (other than allocations from other agencies) out of which any increased pay costs are paid directly. This will include revolving and management funds (including consolidated working funds) and trust funds. Appropriation account titles should be listed in the order in which they appear in the budget. At least one line should be left between account titles. Allocations to other agencies will be indented under the appropriation account title.

Increases provided by Executive Order 11474 will be entered without further identification. Increases provided by other authority or by administrative action will be identified in the stub column under each of the above stub entries where appropriate (or in the heading of the analysis when Executive Order 11474 is not applicable).

Column 2. Report the direct cost of pay increases for employees paid from the account being reported, whether or not the costs are reimbursable. Agencies should be careful to include any additional payments to employees required by Executive Order 11474 normally associated with object class 11, such as overtime, Sunday premium pay, etc. If the increase is disproportionately high in relation to the base for any account, the components and method of calculation should be fully set forth in the narrative explanation. Do not report in this column advances or reimbursements to other appropriations or funds for work or services (to the extent they cannot be absorbed, they are to be reported in column 4).

Column 3. For each listed account, report the added costs which are not direct, but are related to the pay increase, whether or not the costs are reimbursable. For this purpose, the related costs include such items as Government retirement contributions (at 6-1/2 percent) and employer FICA taxes on the pay increase, Government contributions on employee life insurance premiums, and other payments which are based on employees' salaries.

Do not report advances or reimbursements to other appropriations or funds for work or services (to the extent they cannot be absorbed, they are to be reported in column 4). Do not include the cost of the one-half percent increase in the retirement contribution required by Public Law 91-93.

Column 4. Report the unabsorbed amount of the pay increase costs to be paid as advances and reimbursements to other appropriations or funds. In most cases this column should be blank. Whenever an amount is shown in this column, an equal or greater amount must be shown in column 6 or column 8, since payments to other accounts will be considered for absorption ahead of the increased pay cost of the account itself.

Column 5. Report for each account the portion of the increases shown in columns 2 and 3 which can be absorbed without additional congressional action. The amounts reported in this column will also include absorption through transfers from other accounts which can be made under existing authority and amounts to be covered by reimbursements from other accounts.

Column 6. Report the portion of the increased costs in columns 2, 3 and 4 which can be absorbed if Congress provides appropriate additional authority. Indicate the type of authority required by the following symbols:

- (T) Transfer authority required
- (A) Increase in administrative expenses limitation required
- (W) Waiver of limitation on personal services required

Thus, this column will include absorptions through transfers not yet authorized and through increases and waivers in limitations.

Column 7. Total of columns 5 and 6.

Column 8. Report the additional appropriation considered necessary as a result of the increases reported. This column should equal the sum of columns 2, 3 and 4 minus column 7. In cases where waiver of a limitation on personal services is also required, this should be indicated by the symbol "(W)."

Column 9. Indicate for each appropriation or fund account for which an additional appropriation is required the date on which the supplemental will be required for obligation. These dates must be realistic to be useful.

NOTE. Account titles from which transfers are proposed to be made as reported under columns 5 and 6 will be identified, either in footnotes or in a separate list.

EXHIBIT 1
Bulletin No. 70-7

ANALYSIS OF PAY INCREASE COSTS AND FINANCING PLAN
(Executive Order 11474 unless otherwise identified)
Fiscal Year 1970

November 21, 1969

DEPARTMENT OF GOVERNMENT

Organizational unit and account title (1)	Increase in direct pay and other related cost of this agency		Unabsorbed amounts for payment to other accounts (4)	Net absorption		Total (7)	Additional appropriation required (8)	Date supplemental is needed (9)
	Direct pay (2)	Related cost (3)		Possible by admin- istrative action (5)	Requiring congres- sional action (6)			
Office of the Secretary: Salaries and expenses	\$151,860	\$12,231	...	1/\$30,016	2/\$32,075 (T)	\$62,091	\$102,000	April 1
Bureau of Inspection: Salaries and expenses	730,120	60,000	...	580,620	3/ 50,000 (T)	630,620	159,500	April 1
Allocations to: Department of the Interior .	17,000	1,360	...	18,360	...	18,360	...	
Inspection Services	160,000	13,300	\$65,000	238,300 (W)	Feb. 1
Wage board	20,000	1,720	...	21,720	...	21,720	...	
Government Corporation: ABC revolving fund (Adm. action)	817,000	67,000	...	684,000	200,000 (A)	884,000	...	
Total	6,215,000	512,750	65,000	2,718,750	528,000	3,246,750	3,546,000	
Wage board	20,000	1,720	...	21,720	...	21,720	...	
Adm. action	817,000	67,000	...	684,000	200,000	884,000	...	

Symbols used above: T -- Transfer authority required; A -- Increase in administrative expenses limitation required;
W -- Waiver of limitation on personal services required.

- 1/ Includes \$5,000 to be transferred from "Salaries and Expenses, Bureau of Safety."
- 2/ To be transferred from "Research, Bureau of Safety."
- 3/ To be transferred from "Grants, Bureau of Planning."

NOTES: 1. Amounts in this schedule are in dollars, not rounded to thousands.
2. Actual size of this form is 8 x 13 inches.

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-6

November 18, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Increased travel costs pursuant to Public
Law 91-114

1. Purpose. This Bulletin provides policy guidelines and instructions for financing increased travel costs attributable to revised allowances authorized by Public Law 91-114.

2. Policy. Agencies will absorb the additional cost of the increased per diem allowance within available appropriations and funds. Increases in appropriation limitations on travel may be requested in the normal manner, if necessary, as long as the total cost is absorbed. Higher travel costs should be recognized in 1971 budget estimates, but will be included within allowances received from the Bureau of the Budget.

It should be recognized that rates authorized in Public Law 91-114 are maximum rates to be allowed by the departments and agencies only when circumstances clearly warrant, as set forth in sections 6.2 and 6.12 of the Standardized Government Travel Regulations (Bureau of the Budget Circular No. A-7). These increased rates were enacted in recognition of the higher costs being borne by the traveler. Under current fiscal conditions, however, the need for prudent agency management of travel plans and judicious application of the revised allowances must be emphasized.

3. Apportionment and reapportionment requests. The increase in per diem allowances authorized by Public Law 91-114 will not be considered, in itself, a justification for requesting apportionments which indicate the need for supplemental appropriations. Expenditures for travel are considered as being within administrative control.

ROBERT P. MAYO
Director

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-5, SUPPLEMENT NO. 4

June 11, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Construction reduction plan

1. Purpose. This Supplement further amends the provisions of Bureau of the Budget Bulletin No. 70-5 dated September 12, 1969.

2. General guidelines. Effective July 1, 1970, the direct Federal construction deferral established in Bulletin No. 70-5 (as amended by Supplements Nos. 1 through 3) is replaced by the requirement that executive departments and agencies proceed with construction projects in their 1971 budget plans on a selective basis if and as necessary to avoid aggravating congested inflationary conditions in local construction market areas. For example, in a location where there are serious backlogs of private and State and local government construction projects, or where local construction costs have been escalating sharply, agencies will refrain from any actions, including the letting of Federal contracts, that would build up further inflationary pressures or would further increase construction costs. Bureau staff will be in close contact with agencies regarding observance of these guidelines.

3. Reports. The reports required under Bulletin No. 70-5 will be discontinued after the report for June 30, 1970, which is due July 20, 1970. Bureau staff will request, from time to time, submission of information concerning plans, bids, contract awards, and the progress of direct Federal construction projects.

ROBERT P. MAYO
Director

[Handwritten signature and notes]
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OID BULLETIN 70 3

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-5, SUPPLEMENT NO. 3

March 17, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Construction reduction plan - State and local
construction deferral

1. Purpose. This Supplement to Bureau of the Budget Bulletin No. 70-5, dated September 12, 1969, provides official notification of the modification of paragraph 6 of that Bulletin. In accordance with the President's statement of March 17, 1970, the voluntary deferral of State and local construction contracts, including federally aided construction, urged by the President last September, has been withdrawn.

2. General guidelines. Those agencies which provide Federal assistance to State and local government construction should advise those governments that such public works should resume at the optimal rate consistent with program objectives and the availability of funds.

3. Reports. The reports required by paragraph 6 of Bureau of the Budget Bulletin No. 70-5 are to be continued through June 30, 1970 (due July 20, 1970), and will end as of that date.

ROBERT P. MAYO
Director

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-5, SUPPLEMENT NO. 2

February 26, 1970

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Construction reduction plan - pollution abatement

1. Purpose. Bureau of the Budget Bulletin No. 70-5, dated September 12, 1969, set forth procedures and guidelines for achieving the reduction in construction announced by the President's statement of September 4, 1969.

This Supplement provides instructions to proceed with deferred direct Federal construction for pollution abatement. This action is being taken as a result of Executive Order No. 11507, February 4, 1970, which requires that all pollution abatement projects needed so that Federal installations can comply with applicable air and water quality standards, are to be completed or underway by December 31, 1972.

2. General guidelines. Pollution abatement projects at Federal facilities, which have been deferred in accordance with Bulletin No. 70-5, should now go forward without regard to previously approved construction reduction plans. As a result, actual deferrals may fall below those planned under earlier instructions.

Construction reduction plans previously submitted by your agency need not be revised. However, monthly reports required by paragraph 5 of Bulletin No. 70-5 will be foot-noted to identify the obligations attributable to construction for pollution abatement released under the provisions of this Supplement.

Robert P. Mayo
Director

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-5, SUPPLEMENT NO. 1

November 26, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Construction reduction plan

1. Purpose. Bureau of the Budget Bulletin No. 70-5, dated September 12, 1969, set forth procedures and guidelines for achieving the reduction in construction announced by the President's statement of September 4, 1969.

This Supplement to the Bulletin provides further guidance to agencies allocating Federal Funds for State and local construction projects which are voluntarily deferred as requested by the President.

2. General guidelines. Every effort should be made to ensure that State and local government units are not penalized for their actions in voluntarily deferring construction in accordance with the President's request. Where such deferments reduce the State and local government's use of funds made available by your agency for federally assisted construction programs, you should take whatever steps are available to you, consistent with existing laws, to assure that these funds are not re-allocated, reapportioned, or redistributed to other States and local governments but are reserved for, or reallocated to, the States for which they were originally intended.

ROBERT P. MAYO
Director

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4/20/71*

~~S-E-C-R-E-T~~

(When filled in)

hm

Date : 18 September 1969

Contacted by: John Hurley

Purpose:

Sov Navy briefing - terms of reference are in mail. Next Thursday.
TS non-code word. Code word, afterword.

Told Hurley I thought we were excluded from requirements of 70-5 by its terms. He said he would check it out.

Action:

ESJ

Ed Sherman

Employee

~~S-E-C-R-E-T~~

(When filled in)

*E.O. 12812
no impact to
2/24/69*

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-5

September 12, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Construction reduction plan

1. Purpose. This Bulletin sets forth procedures and guidelines for achieving the reduction in construction announced in the President's statement of September 4, 1969 (see attached copy). The President has directed a 75% reduction in new contracts for government construction and has strongly urged State and local governments to follow the example of the Federal Government by cutting back temporarily on their own construction plans (including, very importantly, federally assisted projects). This Bulletin requires submission to the Bureau of the Budget by each agency of (a) a plan for reduction of Federal construction and monthly reports on results of operations under the plan, and (b) a listing, by month, of the Federal share of State and local public works, under present plans, and monthly reports on actual amounts of obligations or contracts awarded.

2. Coverage. This Bulletin applies to direct Federal construction and to lease contracts providing for construction of buildings specifically for Government use. For this purpose, "direct Federal construction" is defined as all direct public works activities--both civil and national defense--included in table P-8 of the special analysis on public works of the 1970 budget (pages 232-238 of the "Special Analyses" volume). Separable land acquisition, equipment, and design and planning contracts related to construction are excluded; however, obligations for these purposes should maintain a reasonable relationship to construction plans. Lease-construction projects will be included in the plan for the agency responsible for the contract, even though the building may be for sole occupancy by another agency.

Reductions are to be accomplished by deferring the initiation of new contracts for construction (including additions or major alterations to existing facilities) and for lease-construction of new buildings for Government use and new projects to be constructed by Federal employees ("force account" work).

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Excepted and excluded from the deferral policy, and from the base from which the 75% reduction is to be calculated, are only the following:

a. Obligations for overseas construction covering (1) the purchase of local labor and materials (including the use of excess foreign currencies) and (2) the purchase of U. S. labor and materials for urgently required in-country operations in Viet-Nam.

b. Restoration of facilities damaged or destroyed by fire, flood or other natural disasters.

c. Forest Service and Bureau of Land Management construction related to efforts to hold down lumber prices.

d. Urgently needed Indian schools.

e. Facilities producing electric power that will deliver power on-line by January 1, 1973.

f. New construction determined by the Secretary of Defense to be urgently required for the national security, upon concurrence by the Director of the Bureau of the Budget and approval by the President.

Agency heads are expected to comply with this deferral policy without requesting specific exceptions for additional meritorious projects. The allowance of 25% of initially planned funds for new construction is intended, in part, to make an exception or appeal procedure unnecessary. Within the 25% allowance, preference should be given to projects of the highest social priority; i.e., programs designed to alleviate critical, identified social needs which are of the greatest immediate importance to the safety and well-being of our people. For those agencies with only one or two construction projects, when compliance with the President's directive would require 100% deferral, the agency head may propose an alternative deferral plan to the Bureau of the Budget if such an alternative is required to protect the Government's interest or investment.

3. General guidance. It is intended that 75% of the dollar amounts for all new direct Federal construction and for lease-construction projects planned to be started after September 4, 1969, be deferred for an indefinite period of time. Each agency will:

-- submit a month-by-month plan for the fiscal year 1970, identifying construction actions consistent with the April 15, 1969, budget totals, and

-- reduce by 75% or more the dollar volume of the actions scheduled from September 5 through June 30.

This reduction is to be applied on an agency-wide basis (not necessarily on a bureau-by-bureau or appropriation-by-appropriation basis). The reduction should be applied to direct Federal construction planned under the April 15, 1969, budget totals, adjusted for changes, if any, in estimated unobligated balances at the start and end of the year. For lease-construction projects, the reduction should be applied to the total cost of buildings to be constructed under contracts estimated to be entered into after September 4, 1969. The reduction may include construction which has already been planned for deferral (since April 15) as part of the action taken by the agency to control 1970 outlays pursuant to Bureau of the Budget Bulletin No. 70-3 dated July 31, 1969. Deferrals will be made on a month-by-month basis in such a way that at least a 75% reduction on a cumulative basis will have occurred at the end of each month.

In planning for periods beyond June 1970--and in case the President terminates the deferral period earlier, for the months after the end of the deferral period--agencies should not plan to schedule construction work later to make up (or catch up) for the time lost during the deferral period.

4. Federal construction reduction plan. Six copies of plans in the form illustrated by the attached Exhibit 1 covering direct Federal public works and lease-construction, will be submitted to the Bureau of the Budget not later than September 26, 1969. The plan for the agency as a whole should be supported by a plan for each bureau or comparable organizational unit which has construction activities. The Bureau of the Budget will request such additional data from time to time as may be required.

The plan will be prepared as follows (see Exhibit 1):

Section A. Summary

Amount columns

Column (a) will contain amounts consistent with the budget plan announced on April 15, 1969, with adjustments for differences, if any, between estimated and actual unobligated balances at the start of the year and between prior and

current estimates at the end of 1970. Such adjustments should be explained in a footnote. Column (b) will contain the revised amounts planned to meet the 75% reduction directed by the President. Column (c) will represent the difference between columns (a) and (b).

Line entries

1. Enter the total amount of 1970 obligations for contracts for construction of direct Federal public works. Exclude separable land acquisition, equipment, and design and planning contracts related to construction.
2. Enter the amount of 1970 obligations for force account construction, excluding project supervisory personnel, separable land acquisition, equipment, and design and planning.
3. Enter the total cost of buildings to be constructed under lease-construction contracts after September 4, 1969 (excluding interest and other nonconstruction factors in the rental).
4. Enter, as a minus item, the portion of obligations on lines 1 and 2 which are for (a) force account projects which were underway at the start of the year, and (b) funding continuing construction contracts in effect at the start of the year. Item (b) is applicable only in cases where the legal obligation and the face amount of the contract are not identical.
5. Enter the sum of lines 1, 2, 3, and 4. This will represent the portion of 1970 obligations which is for new contracts (in most cases equal to the face amount of the contracts) and for new projects to be constructed by Federal employees.
6. Enter, as a minus item, the portion of the amount on line 5 which had been obligated through September 4, 1969.
7. Enter, as a minus item, the portion of the amounts on line 5 for obligations to be incurred after September 4, 1969, to complete force account projects started between July 1 and September 4, 1969.

8. Enter, as a minus item, the portion of the amounts on line 5 for obligations to be incurred after September 4, 1969, for projects specifically excepted under paragraph 2, above.
9. Enter the sum of lines 5 through 8. This represents the amount subject to reduction.
10. Enter, in column (a), 75% of the amount on line 9 in that column. This entry is not applicable to the other two columns. For the agency as a whole, the amount on line 9 in column (c) must be at least equal to line 10 in column (a).

NOTE: Lines 5, 9, and 10 will be footnoted to identify the amounts of obligations and the face amounts of contracts, in cases where they are not identical.

Section B. Time phasing of obligations for new projects

Columns (a), (b), and (c) should set forth a distribution, by the time periods indicated, of the totals shown on line 9 of Section A. Column (d) should contain cumulative amounts of the monthly figures contained in column (c). Column (e) will be left blank on the initial plan, but will be completed later in the preparation of monthly reports (see paragraph 5).

The monthly plan for obligations should provide for at least a 75% reduction on a cumulative basis through the end of each month reported.

Section C. Outlays

This section will contain estimates of outlays for construction on a quarterly basis through 1970, for fiscal year 1971, and the total after 1971. Amounts in columns (a) and (b) will include outlays under obligations incurred in prior years as well as in 1970. Amounts in columns (c), (d), and (e) must be consistent with amounts in Section B. For lease-construction contracts, include, and identify in a footnote, the contractor's estimated expenditures.

5. Reports on Federal construction reduction. Agencies should retain a master copy of Sections B and C of the construction reduction plan for the agency as a whole. Column (e) should be brought up to date each month by entering the cumulative amounts of actual reductions for comparison with planned reductions shown in column (d) through the end of the preceding

month. Two photographic copies of the up-to-date schedule should be provided to the Bureau of the Budget not later than the 20th of each month. Reports will be required for September 1969 (due October 20), and for each subsequent month. If actual obligations exceed the planned amounts, an explanation must be provided, together with a revised plan for the remainder of the year.

6. State and local public works. The President's directive does not require, at this time, a reduction in Federal assistance for State and local construction, but such a reduction should occur, particularly where Federal assistance is involved, if those governments respond to the President's urging that they cut back temporarily their own construction plans.

In order to keep informed of the effect of State and local government actions where Federal assistance is involved, a report in the form of the attached Exhibit 2 should be submitted by October 1, 1969. Section A should provide data on Federal obligations or on the Federal share of contract awards by months for fiscal year 1970. Contract awards should be reported for programs for which Federal obligations are not an appropriate measure of the effect of the reduction. Section B should provide data on outlays.

Column (a) should set forth amounts for the Federal share of State and local public works (i.e., the grant and loan programs) included in Table P-8 of "Special Analysis P" of the 1970 budget, which would have been expected to take place under the April 15, 1969, budget totals (adjusted for changes in balances, if applicable). Column (b) will contain cumulative amounts of the monthly figures in column (a). Column (c) will be left blank on the initial submission, but will be completed with cumulative figures on a month-by-month basis. Each month, beginning October 20, two copies of the up-to-date schedule will be submitted to the Bureau with the reports on direct Federal construction (see paragraph 5).

ROBERT P. MAYO
Director

Attachments

EXHIBIT 1
Bulletin No. 70-5

September 26, 1969

DEPARTMENT OF GOVERNMENT

Bureau of Public Works

Reduction Plan for Direct Federal and Lease Construction
(in thousands of dollars)Section 1. Summary

	<u>April 15, 1969</u> <u>Plan</u> (a)	<u>Revised</u> <u>Plan</u> (b)	<u>Planned</u> <u>Deferral</u> (c)
1. Total contract construction obligations, 1970	117,700	41,600	76,100
2. Total force account construction obligations, 1970	1,750	1,400	350
3. Total cost of buildings to be constructed under lease-construction contracts	600	600	-
4. Obligations for continuing contracts and force account projects underway at start of year (-)	<u>-900</u>	<u>-900</u>	<u>-</u>
5. 1970 obligations for new contracts and new force account projects ..	119,150	42,700	76,450
6. Obligations incurred, July 1 through September 4, 1969 (-) ...	-19,700	-19,700	-
7. Additional 1970 obligations for force account projects started July 1 through September 4, 1969 (-)	-400	-400	-
8. 1970 obligations for excepted projects after September 4, 1969 (-)	<u>-</u>	<u>-</u>	<u>-</u>
9. Obligations subject to reduction .	99,050	22,600	76,450
10. Reduction required under 75% deferral	74,287	XXX	XXX

NOTE: If the face amount of new contracts differs from obligations, identify in a footnote the amounts included on lines 5, 9, and 10.

DEPARTMENT OF GOVERNMENT

Bureau of Public Works

Reduction Plan for Direct Federal and Lease Construction -- p. 2
(in thousands of dollars)Section B. Time phasing of obligations for new contracts or new projects

	<u>April 15, 1969</u> <u>Plan</u> (a)	<u>Revised</u> <u>Plan</u> (b)	<u>Planned Deferral</u> <u>For period</u> (c)	<u>Cumulative</u> (d)	<u>Actual</u> <u>Cumulative</u> (e)
September 5-30, 1969	6,750	1,300	5,450	5,450	
October 1969	8,200	1,830	6,370	11,820	
November 1969	6,800	920	5,880	17,700	
December 1969	6,400	1,100	5,300	23,000	
January 1970	10,200	3,300	6,900	29,900	
February 1970	10,000	1,900	8,100	38,000	
March 1970	13,600	1,650	11,950	49,950	
April 1970	13,500	3,100	10,400	60,350	
May 1970	12,000	3,750	8,250	68,600	
June 1970	<u>11,600</u>	<u>3,750</u>	<u>7,850</u>	76,450	
	99,050	22,600	76,450		

Section C. Outlays

July 1-September 30, 1969	30,700	30,700	-		
Oct. 1-Dec. 31, 1969	17,000	15,000	2,000	2,000	
Jan. 1-Mar. 31, 1970	15,030	6,500	8,530	10,530	
Apr. 1-Jun. 30, 1970	19,320	11,250	8,070	18,600	
Fiscal Year 1971	44,700	2,800	41,900	60,500	
After 1971	<u>15,950</u>	-	<u>15,950</u>	76,450	
	142,700 ^{a/}	66,250 ^{a/}	76,450 ^{a/}		

^{a/} Includes contractors' expenditures for lease-construction contracts as follows:

Column (a)	600
Column (b)	600
Column (c)	-

EXHIBIT 2
Bulletin No. 70-5

October 1, 1969

DEPARTMENT OF GOVERNMENT

Bureau of Public Works

State and local public works - Federal share
(in thousands of dollars)Section A. Time phasing of obligations or contract awards

	April 15, 1969		Actual Cumulative (c)
	<u>For period</u> (a)	<u>Cumulative</u> (b)	
July 1-September 4, 1969	11,200	11,200	
September 5-30, 1969	8,900	20,100	
October 1969	13,450	33,550	
November 1969	5,600	39,150	
December 1969	4,800	43,950	
January 1970	6,750	50,700	
February 1970	8,600	59,300	
March 1970	12,700	72,000	
April 1970	13,000	85,000	
May 1970	16,900	101,900	
June 1970	14,500	116,400	

Section B. Outlays

July 1-September 30, 1969	16,500	16,500
Oct. 1-Dec. 31, 1969	18,900	35,400
Jan. 1-Mar. 31, 1970	11,600	47,000
Apr. 1-June 30, 1970	14,750	61,750
Fiscal Year 1971	36,800	98,550
After 1971	5,000	103,550

Attachment
Bulletin No. 70-5

September 4, 1969

THE WHITE HOUSE

STATEMENT BY THE PRESIDENT

The cost of building a home or an apartment house has become exorbitant.

The Housing Act of 1968 sets as a goal 26 million houses in the next decade. Unless fundamental action is taken now to reduce the rise in housing prices, the nation will fall far short of that goal. Low income groups, and a large share of Americans who are better off as well, face the danger of being priced out of the housing market.

Moreover, the rapidly rising costs of housing are a particular cause for major concern when we are striving to bring the forces of inflation under control.

Artificial means of holding down housing prices -- whether through persuasion or coercion -- cannot be effective in the long run. We must take action that will directly affect construction supply and demand, which is what really determines prices.

The demand for construction is clearly here and must be met; this means that government must move to affect supply -- specifically, to enlarge the industry's capacity and thereby reduce the upward pressure on the cost of construction of new housing.

The great construction industry today accounts for almost 10% of our entire national output. Besides providing us with housing, this industry constructs the industrial and commercial complexes that enlarge job opportunities, and it meets governments needs -- from post offices to our far-flung highway system.

The entire construction industry has been laboring under demands that have strained its capacity. And these heavy demands will continue.

It is clear, therefore, that two types of action are now needed: For the near term, we must take steps to relieve

immediate strains in the industry. And for the long term, we must take actions now to accelerate the growth in this industry's basic capacity to build.

Accordingly, I am taking action today that will help us get started toward more orderly building for the 1970s.

First, I am directing all agencies of the Federal Government to put into effect immediately a 75% reduction in new contracts for government construction. This limitation, which will continue until conditions ease, will still permit projects of the highest social priority to be carried forward.

Although this action will cause some hardships, it will also release resources for home building where the need is great and where severe strains are already being felt.

Second, I strongly urge the state and local governments to follow the example of the Federal Government by cutting back temporarily on their own construction plans. The degree and promptness with which they respond to this plea for partnership in action will be watched carefully. If the response proves insufficient, I shall need to restrict the commitments for construction that can be financed through Federal grants. Should this step become unavoidable, the states and localities will, of course, be given due notice, so that they can adjust their affairs properly.

Third, I also urge businessmen to reappraise their current construction plans, and to postpone projects that are not immediately essential.

Fourth, I am directing the Secretaries of Labor and Health, Education and Welfare to move promptly to provide for manpower training and vocational education in order to achieve a major increase in needed skilled labor for the construction industry. A shortage of skilled manpower is at the root of many problems faced by this industry.

Fifth, I am today establishing a Cabinet Committee on Construction. This Committee will be responsible for reviewing the vast range of Federal activities affecting the industry in order to assure that government is not in its own programs and policies a major source of problems for the industry. It will also appraise the nation's needs for construction, trends in resources available for building and financing, developments in wages and other costs and prices, problems of seasonality and technology, labor-management problems, and other matters pertinent to assuring that the nation's on-going construction needs are served in an orderly and efficient manner.

The members of the Committee will consist of the Secretaries of Commerce, Labor, Housing and Urban Development, and Transportation, the Postmaster General, and the Chairman of the Council of Economic Advisers, who will also act as Chairman of this Cabinet Committee.

The Committee will consult regularly with representatives of industry, unions, and the public. In this connection, I am directing the Secretary of Labor to explore the establishment of a mechanism to facilitate cooperation with union and employer groups in the solution of collective bargaining and related problems.

I shall direct the Cabinet Committee to report regularly to me on development in the industry and on their recommendations for actions to improve its performance.

With such actions we shall lay the foundation for orderly market conditions and ample productive resources in the construction industry. For this next decade, which may very well call for over \$1 trillion of new construction, we are preparing for another great chapter in the building of our nation.

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EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 70-4

August 29, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Availability of Legal Information Retrieval System

1. Purpose. This Bulletin announces that an automated system for searching legal sources and retrieving information, operated by the Air Force for the Department of Defense, is available for use by all Government agencies on a reimbursable basis. The Bulletin provides general information about the system and instructions on obtaining the service.
2. Description of the system. The system is commonly referred to as LITE (Legal Information Thru Electronics). It uses the speed and accuracy of the electronic computer to search the entire text of a body of information (data base) such as the United States Code or the Published Decisions and Unpublished Decisions of the Comptroller General. The search is made according to predefined requirements of the user. In his search request, the user identifies certain words or phrases which the computer is to search for. The computer responds by printing out the total text of the sections in which the words or phrases are found, or, if desired, it will simply print citations to the relevant sections, or print three-line excerpts, or perhaps furnish some other predefined product. The system has been used beneficially by a large number of users, primarily within the Department of Defense. Its use is particularly advantageous when (a) a manual search has been unsuccessful, (b) positive proof is needed that the subject matter of an inquiry has not been treated, (c) the subject matter is not indexed manually, (d) an exhaustive search is required, or (e) the source material is not available to the user for manual searching.
3. Location and points of contact. LITE is a Department of Defense system operated by the Office of the Judge Advocate General, U.S. Air Force. It is physically located at 4700 Holly Street, Denver, Colorado 80207 and is a field extension of the Special Activities Group located in Room 7D-027 Forrestal Building, Washington, D.C. Searches of the data bases may be requested by contacting LITE in Denver by calling FTS 303-825-4344; Autovon 553-1510 or 553-1380, ext. 344; or Area Code 303-825-1161, ext. 344. All other queries should be directed to the Special Activities Group in Washington, D.C., by calling Government Code 11, ext. 35830.

4. Services available. The LITE system is operational and, at the present time, is able to provide searching services for Federal agencies on any of the data bases listed on Attachment A. Attachment A is provided for the purpose of this announcement only and will not be updated as changes occur. Current listings of the data bases are published periodically in a LITE Newsletter to which users may subscribe at no cost, or current information may be obtained by contacting the Denver or Washington, D.C., offices. Other products and services routinely available include keyword indexes and special analyses of data bases. The preparation of additional data bases to meet user requirements will also be considered. Users having needs not available routinely from the system are encouraged to make them known to the Denver office. Results of searches can ordinarily be furnished telephonically within 24 to 48 hours with hard copy printouts following in normal mail service.

5. Cost of service. Services will be provided to Federal agencies on a reimbursable basis. Charges to the user will vary according to the nature of the search or other services requested. At the present time a charge of \$55.00 is made to non-DOD users for one search on one data base. Complete information on charges and billing procedures may be obtained by contacting the Denver office.

6. Training to use the LITE system. LITE orientation courses are scheduled frequently in Denver, Colorado, Washington, D.C., and other locations. Information concerning briefings may be obtained from Hq USAF (AFJAGI), Government Code 11, extension 35830.

ROBERT P. MAYO
Director

Attachment

LITE CAPABILITIES AS OF AUGUST 1969

The LITE system has the following data bases stored on magnetic tape and available for computer searching:

STATUTORY MATERIALS:

- United States Code (1964 Edition)
- Fiscal Year 1966 Appropriation Acts
- Fiscal Year 1967 Appropriation Acts

DECISIONAL MATERIAL:

- All Published Decisions of the Comptroller General of the United States
- Unpublished Decisions of the Comptroller General of the United States from June 1955
- Court of Military Appeals Decisions (CMR)
- Board of Review Decisions (CMR)

REGULATORY MATERIAL:

- Armed Services Procurement Regulations (ASPR)
- Military Joint Travel Regulations
- Civilian Joint Travel Regulations
- DOD Directives and Instructions
- DOD Pay and Entitlements Manual
- Defense Contract Audit Manual
- Manual for Courts-Martial, 1969
- AFM 75-34 Reporting of Transportation Discrepancies in Shipments
- AFM 110-3 Civil Law
- AFM 110-4 Fiscal Law
- AFM 110-5 Court-Martial Instructions Guide
- AFM 177-101 Basic Systems at Base Level
- AFM 177-102 Commercial Transactions at Base Level
- AFM 177-103 Travel Transactions at Base Level
- AFM 177-106 Materiel Transactions at Base Level
- AFM 177-108 Paying and Collection Transactions at Base Level

OTHER:

- International Law Agreements - published
- International Law Agreements - unpublished
- Supplemental Negotiating History to the German SOFA

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-3

July 31, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Control of outlays during fiscal year 1970

1. Purpose. This Bulletin provides instructions for each agency to carry out the fiscal year 1970 budget outlay limitation imposed by Title IV of Public Law 91-47 (July 22, 1969) and the related policies announced by the President (see Attachment A for the text of Title IV and Attachment B for the President's signing statement).

2. Outlay control. The provisions of Public Law 91-47 impose a limitation on expenditures and net lending (budget outlays) for fiscal year 1970. However, that limitation is somewhat flexible and its amount cannot be known with any precision until much later in (or perhaps the end of) the fiscal year.

The President has directed the heads of all Departments and agencies to reduce spending in fiscal year 1970 by an additional \$3.5 billion. This is the amount necessary to bring current estimates of outlays back into line with the total of \$192.9 billion set forth in the April revision of the 1970 budget. Upon signing Public Law 91-47, the President stated, "If we hold the line on that spending figure, as I intend to, and if the requisite revenues are provided, this fiscal year will produce the kind of budget surplus needed to cool off an economy that was dangerously overheated before we assumed office."

3. Outlay ceiling. To enable the Government as a whole to operate within the total determined by the President, the Bureau of the Budget will furnish every agency with ceilings on budget outlays. These will cover all appropriations and funds administered by the agency, but for consistency with the earlier 1970 budget estimates for each agency, amounts for statutory pay raises made effective in July 1969 (including adjustments made by Executive Orders Nos. 11474 and 11475) will not be included. Each agency will estimate the total cost of the pay raises and add to the outlay ceilings described above only those amounts which cannot be absorbed. Upon approval by the Bureau of the Budget, this total will become the agency's ceiling on fiscal year 1970 budget outlays.

4. Personnel ceilings. Consistent with the President's statement of July 22, 1969, the Bureau of the Budget will also provide every agency with June 1970 ceilings on full-time permanent and total civilian personnel. Generally, these ceilings will be lower than those established

in the "allowance letter" sent to each agency last April.

5. Action by the Agency. Each agency will:

a. Prepare a summary of the April 15 outlay estimates and revised ceilings in accordance with the instructions in Attachment C and the format in Exhibit 1. In addition, this summary will show the amounts of the unabsorbed portion of the pay raises described in paragraph 3, above.

b. Identify showing dollar amounts, in a separate list, the individual programs or activities in which major changes from the April 15 budget estimates occur. These changes will include the actions planned by the agency to accomplish the required outlay reductions.

c. Prepare a narrative statement, to accompany the above listing, explaining the program changes required by the outlay ceiling and the strategy employed in arriving at the necessary reductions. Also explain the method to be used in insuring that outlays will be held within the ceiling.

The information developed under a, b, and c will be submitted in 6 copies within 10 days following the date of the Bureau of the Budget letter setting forth the agency outlay ceilings.

d. Provide the information required by the Bureau of the Budget to exercise its responsibility to report to the Congress on the operation of Title IV of Public Law 91-47. A report will be prepared in accordance with the instructions in Attachment D and in the format of Exhibit 2. This will include information on the effects of completed congressional action and of reestimates of the items listed in section 401(b) of the Law. Until further notice, the report will be prepared in 4 copies, timed to arrive in the Bureau of the Budget by the 26th of August and of each succeeding month, covering all congressional action completed through the 25th of the month. If no change has taken place, a telephone report to the responsible Bureau of the Budget examiner will suffice.

e. Submit apportionment and reapportionment requests in accordance with the instructions in Circular No. A-34 and in conformance with the agency plan for meeting its 1970 outlay ceilings. Amounts to be withheld from obligation in order to meet outlay ceilings will be shown as reserves. When requested by the Bureau of the Budget, apportionment and reapportionment forms will also be required for selected trust funds and other funds which are now exempt from apportionment under Circular No. A-34.

f. Supplement internal administrative controls, as necessary, to assure that established outlay ceilings are not exceeded.

g. Supply and update, upon request by the Bureau of the Budget, a monthly or quarterly projection of outlays with appropriate detail, showing how the agency expects its total outlays for the fiscal year 1970 to come within the established ceilings.

6. Policies. Agencies will observe the following policies:

a. Requests to the Bureau of the Budget for supplemental appropriations not specifically included within the established ceilings must be accompanied by a plan showing the corresponding offsets the agency will make to remain within its ceilings.

b. For any proposed legislation not specifically included within the established ceilings and for which additional outlays could occur during 1970, the agency should submit to the Bureau of the Budget with the legislative proposal, (1) a plan for obtaining offsetting outlay reductions in programs under control of the agency or (2) a statement that requests for funding will be deferred until after fiscal year 1970. Similarly, reports on legislative proposals originating in the Congress should include recommendations consistent with this policy.

c. Special foreign currency program appropriations do not affect total Government outlays; therefore the agency plan to meet its outlay ceilings will not include reductions in these appropriations.

d. Interagency and interfund payments will not be delayed as a means of living within established ceilings. All such payments should be made on a normal schedule consistent with usual practices.

e. Payments of salary withholdings and contract holdbacks into deposit funds will not be deferred to keep within outlay ceilings.

7. Action by the Bureau of the Budget. The Bureau of the Budget will review the agency's plan for consistency with the President's policies and objectives and with the statutory limitation. Agencies will be notified promptly by the Bureau of the Budget of the acceptability of their plans.

ROBERT P. MAYO
Director

H. R. 11400—34

TITLE IV

LIMITATION ON FISCAL YEAR 1970 BUDGET OUTLAYS

Sec. 401. (a) Expenditures and net lending (budget outlays) of the Federal Government during the fiscal year ending June 30, 1970, shall not exceed \$191,900,000,000: *Provided*, That whenever action, or inaction, by the Congress on requests for appropriations and other budgetary proposals varies from the President's recommendations reflected in the "Review of the 1970 Budget" appearing on pages E2993-2996 of the Congressional Record of April 16, 1969, the Director of the Bureau of the Budget shall report to the President and to the Congress his estimate of the effect of such action or inaction on expenditures and net lending (budget outlays), and the limitation set forth herein shall be correspondingly adjusted: *Provided further*, That the Director of the Bureau of the Budget shall report to the President and to the Congress his estimate of the effect on expenditures and net lending (budget outlays) of other actions by the Congress (whether initiated by the President or the Congress) and the limitation set forth herein shall be correspondingly adjusted: *Provided further*, That net congressional actions or inactions affecting expenditures and net lending reflected in the "Review of the 1970 Budget" shall not serve to reduce the foregoing limitation of \$191,900,000,000 unless and until such actions or inactions result in a net reduction of \$1,000,000,000 below total expenditures and net lending estimated for 1970 in the "Review of the 1970 Budget".

(b) (1) In the event the President shall estimate and determine that expenditures and net lending (budget outlays) during the fiscal year 1970 for the following items (the expenditures for which arise under appropriations or other authority not requiring annual action by the Congress) appearing on page 16 of the budget for such fiscal year (H. Doc. 91-15, part 1, Ninety-first Congress), namely:

- (i) items designated "Social security, Medicare, and other social insurance trust funds";
- (ii) the appropriation "National service life insurance (trust fund)" included in the items designated "Veterans pensions, compensation, and insurance";
- (iii) the item "Interest": and
- (iv) the item "Farm price supports (Commodity Credit Corporation)"

will exceed the estimates included for such items in the "Review of the 1970 Budget" referred to in subsection (a) hereof, the President may, after notification in writing to the Congress stating his reasons therefor, adjust accordingly the amount of the overall limitation provided in subsection (a).

(2) In the event the President shall estimate and determine that receipts (credited against expenditures and net lending) during the fiscal year 1970 derived from:

- (i) sales of financial assets of programs administered by the Farmers Home Administration, Export-Import Bank, agencies of the Department of Housing and Urban Development, the Veterans' Administration, and the Small Business Administration; and
- (ii) leases of lands on the Outer Continental Shelf will be less than the estimates included for such items in the "Review of the 1970 Budget" referred to in subsection (a) hereof, the President may, after notification in writing to the Congress stating his reasons therefor, adjust accordingly the amount of the overall limitation provided in subsection (a).

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(3) The aggregate amount of the adjustments made pursuant to paragraphs (1) and (2) of this subsection shall not exceed \$2,000,000,000.

(c) The Director of the Bureau of the Budget shall report periodically to the President and to the Congress on the operation of this section. The first such report shall be made at the end of the first month which begins after the date of approval of this Act; subsequent reports shall be made at the end of each calendar month during the first session of the Ninety-first Congress, and at the end of each calendar quarter thereafter.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

ATTACHMENT B
Bulletin No. 70-3

STATEMENT BY THE PRESIDENT UPON SIGNING
PUBLIC LAW 91-47 ON JULY 22, 1969

"I have today signed into law the final supplemental appropriations bill for the fiscal year ended June 30. In addition to providing budget authority for the operation of the Federal Government, the measure removes a restriction that had been placed on federal hiring by the Revenue and Expenditure Control Act of 1968.

Written into the law is another ceiling -- on federal spending during the fiscal year 1970, the one we have just entered. This new ceiling is set at \$191.9 billion -- one billion dollars below my own fiscal 1970 expenditure recommendations of last April.

However, the Congress has made this new ceiling somewhat flexible. There are a number of categories in the federal budget -- such as medicare, interest on the public debt, social insurance benefits and farm price supports -- where costs can rise without new appropriation action. Congress has determined that increases in these items -- up to \$2 billion -- will be exempt from the \$191.9 billion ceiling.

There are other outlays such as military expenditures in Southeast Asia, public assistance, medicaid benefits and veterans benefits, where it is also very difficult to budget a precise figure. Any additional appropriations the Congress votes in these categories -- above our 1970 revised budget estimates -- will result in an upward adjustment of that \$191.9 billion ceiling.

There is another aspect to the proposal. If, after voting this new lower ceiling, Congress fails to cut the budget to fit under it, the President must take over and finish the job. On the other hand, if Congress should cut the budget below \$191.9 billion -- that new lower figure automatically becomes a new ceiling. The latter hypothesis does not appear at this point to be a strong probability.

In making the new ceiling somewhat flexible, the Congress has acted wisely. However, the new ceiling will be of little help in keeping federal spending under control if the Congress that imposed it does not cooperate fully with the Administration in meeting it.

Last April I presented a revised 1970 budget to the Congress. That budget contained specific reductions totaling \$4,000,000,000 from the budget left by the previous Administration. It brought the proposed federal spending figure for this fiscal year down to \$192.9 billion, a figure I still believe reflects a responsible fiscal policy in our highly inflationary environment. If we hold the line on that spending figure,

as I intend to, and if the requisite revenues are provided, this fiscal year will produce the kind of budget surplus needed to cool off an economy that was dangerously overheated before we assumed office.

Three months have passed since the Administration's revised budget was sent to the Congress. We are already three weeks into the 1970 fiscal year -- and the Congress has not completed its action on a single regular 1970 appropriations bill. It seems apparent that it will not be known until the late fall just how much of a contribution the Congress intends to make toward meeting the spending ceiling Congress itself has imposed.

In the meantime, since April, the budget picture has worsened. We now anticipate further increases of approximately \$2.5 billion in expenditure for such uncontrollable items as interest on the public debt, medicare, social security, civil service retirement benefits, reduced receipts from off-shore oil leases, public assistance, and veterans' benefits.

In addition, Congressional action to date has been inconsistent with a number of my proposals in April. For example, Congress has not acted on my recommendation for a postal rate increase to be effective July 1. Nor has it terminated the special milk and agricultural conservation programs as I recommended. Instead of reducing aid to schools in impacted areas, it is moving to increase such aid. These, and similar actions, could add at least another billion dollars net to Federal spending in 1970.

Thus our current estimate of fiscal 1970 spending has risen to \$196.4 billion even though we in the Administration have done nothing in the way of discretionary action to add to our earlier \$192.9 billion estimate.

Given our commitment to hold Federal spending to the April figure of \$192.9 billion there is only one course of action open to the Administration, and we are taking it. I am directing the heads of all Departments and agencies to reduce spending in the fiscal year just begun by an additional \$3.5 billion, the amount necessary to bring current estimates back in line with the \$192.9 billion target figure we set in April.

No federal program is above scrutiny. Some highly desirable programs will have to be stretched out -- others reduced. The dollar reductions will be accompanied by a further lowering of the personnel ceilings established last April.

I know the Congress shares my determination to make the budget an effective instrument against the inflation that has wrought so much

damage to the income and savings of millions of Americans. If the Congress did not share that commitment, it would not have imposed this spending ceiling. However, this general expression of support for fiscal restraint must now be matched by specific acts of the Congress.

The Congress should also recognize that if it approves further increases above the April budget estimates, we cannot live within the \$192.9 billion figure unless more off-setting cuts are made.

I would prefer that the Congress make these off-setting cuts in programs it considers of lesser priority, if it votes increases over my April budget for activities it considers essential. If it does not do so, the duty of making such cuts clearly becomes mine."

ATTACHMENT C
Bulletin No. 70-3

INSTRUCTIONS FOR PREPARING THE "PLAN FOR
CONTROL OF 1970 OUTLAYS" (Exhibit 1)

Summary:

Column 1. Enter the gross outlays, deductions, and net outlays for the agency as reflected in the April 15 revision of the 1970 budget.

Column 2. Enter the amounts of the revised outlay ceilings and deductions provided by the Bureau of the Budget.

NOTE: The amounts for columns 1 and 2 will be set forth in a letter to the agency head from the Bureau of the Budget.

Column 3. Enter the difference between column 1 and column 2. The amounts shown on lines 1a and 2a in this column are the changes which will be distributed by program or activity.

Column 4. Enter the estimated outlays resulting from statutory pay increases effective in July 1969 (including adjustments made by Executive Orders 11474 and 11475) which cannot be absorbed within the amounts in column 2.

Column 5. Enter the total of columns 2 and 4. The amounts in this column represent the agency plan for total outlays in 1970.

Listing:

Include a list, showing dollar amounts, which identifies the individual programs or activities in which major changes since the April 15 budget estimates are planned. These changes will include the actions planned to accomplish the required outlay reductions.

Narrative description:

Include a narrative description of the impact of the agency plan on the agency's programs.

In describing the agency's strategy for living within the ceiling, specific mention should be made of the priorities established and the alternatives rejected. Discuss considerations such as across-the-board vs. selective cuts, elimination of marginal or unproductive activities, application of the savings from reduced personnel ceilings, use of less costly methods of accomplishing objectives, specific actions

to increase productivity, postponement of new activities or projects, organizational consolidation, and stretchout of existing programs. Downward reestimates of outlays for difficult-to-estimate programs should not be used as a substitute for deferral or reduction actions that will have to be taken in any event at a later date.

Describe the controls which will insure that the agency will not exceed the established outlay ceiling.

PLAN FOR CONTROL OF 1970 OUTLAYS

[NAME OF AGENCY]

Summary

(in thousands of dollars)

	<u>April</u> <u>Estimates</u> (1)	<u>Revised</u> <u>Ceilings</u> (2)	<u>Change</u> (3)	<u>Pay</u> <u>Costs</u> (4)	<u>Total Plan</u> <u>(Col. 2 + 4)</u> (5)
1. Federal funds:					
a. Gross amounts					
b. Deductions (proprietary receipts and interfund transactions)					
c. Total, Federal funds					
2. Trust funds:					
a. Gross amounts					
b. Deductions (proprietary receipts and interfund transactions)					
c. Total, trust funds					
3. Deduction for intragovernmental transactions					
4. Total, net outlays					

NOTE: A listing of individual programs or activities and a narrative statement will follow the summary and be prepared as indicated in sections 5b and c.

ATTACHMENT D
Bulletin No. 70-3INSTRUCTIONS FOR PREPARING THE "REPORT ON ACTIONS
AFFECTING THE OUTLAY LIMITATION IN PUBLIC LAW 91-47"
(Exhibit 2)

- Line 1. Enter the amounts for Federal fund outlays, trust fund outlays, offsetting receipts and intragovernmental transactions, and net outlays for the agency as a whole as reflected in the April 15 revision of the 1970 budget. These amounts will be provided in the letter transmitting the ceilings to the agency head.
- Line 2. Enter the changes from the April 15 budget estimate resulting from completed congressional action on appropriation items and on other legislation which causes a mandatory change. Specifically, the following will be reported after final action by the Congress:
- (1) Changes in appropriation bills;
 - (2) Changes in substantive acts which provide budget authority without subsequent appropriation action and;
 - (3) Changes in acts which make subsequent appropriations mandatory.

The amount shown on line 2a will be the net total of the effect on outlays and offsetting receipts of all actions or inactions reported in previous monthly reports; there will, therefore, be no entries on this line for the first report. Changes occurring since the last report will be listed individually under line 2b or on an attachment if the individual listing would cause the report to exceed one page. (For example, in the report for the month in which appropriations for the agency are enacted, each appropriation in which congressional changes would affect outlays significantly will be identified.) In the case of congressional inaction on legislative proposals other than appropriations, the report following adjournment of this session of Congress will include estimates of the effect of such congressional inaction on the April 15 budget estimates.

- Line 3. Enter the increases or decreases (-) since the April 15 budget in the estimates of outlays for the items specified in section 401(b)(1) of Public Law 91-47. Also enter any increases (-) or decreases since the April 15 budget in the estimates for the items specified in section 401(b)(2) of Public Law 91-47.

The amount shown on line 3a will be the net total of the increases and decreases previously reported; there will, therefore, be no entries on this line for the first report. Changes in the estimates since the last report will be listed individually under line 3b.

Line 4. Enter the sum of lines 1, 2, and 3.

Notes:

- (1) Whenever the rationale for the estimates or reestimates for items on lines 2b and 3b would not be entirely clear from the report itself, attach a brief explanation.
- (2) Outlay estimates and reestimates on this report will be made without regard to the fact that actual outlays will be constrained by Presidential ceilings.

Period ending _____

REPORT ON ACTIONS AFFECTING THE OUTLAY LIMITATION IN
PUBLIC LAW 91-47

[NAME OF AGENCY]

	Outlays (in thousands)			Net total
	Federal funds	Trust funds	Offsetting receipts and intragovernmental transactions	
1. Totals recommended in the 1970 budget as revised April 15, 1969				
2. Changes resulting from completed congressional action or inaction (+ or -):				
a. Total changes previously reported				
b. Changes since the last report:*				
[List]				
3. Reestimates for items listed in section 401(b) of Public Law 91-47 (+ or -):				
a. Total changes previously reported				
b. Changes since the last report:*				
[List]				
4. Total				

* Attach brief explanation if necessary.

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-2

July 22, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Apportionments under the Second Supplemental Appropriation Act, 1969

1. Purpose. This Bulletin sets forth procedures for the apportionment of appropriations and funds provided in the Second Supplemental Appropriation Act, 1969. Appropriations provided in the Act will be warranted and established in Treasury accounts as of June 30, 1969.

2. 1969 apportionments. Section 31-E(2) of Bureau of the Budget Circular No. A-34, provides for the upward adjustment of amounts apportioned by time periods by the amount of any supplementals enacted in the last period. This provision is hereby extended to 1969 appropriations provided by the Second Supplemental Appropriation Act, 1969, including those which are apportioned on bases other than time periods, and authorizations in that Act for transfers and the release of reserves established pursuant to Public Law 90-364. This extension applies to funds apportioned on Standard Form 142 as well as those apportioned on Standard Form 132, and permits adjustment of apportionments without submission of an apportionment form.

3. Violation reports. The Second Supplemental Appropriation Act, 1969, contains the following language:

"Funds appropriated, or otherwise made available, by this Act for the fiscal year 1969, shall remain available for obligation until July 1, 1969, or for five days after the date of approval of this Act, whichever is later, unless a longer period is specifically provided: Provided, That all obligations incurred in anticipation of such appropriations and authority for the fiscal year 1969 as well as those for longer periods as set forth herein are hereby ratified and confirmed if in accordance with the terms hereof."

In addition to extending the period of availability for 1969 obligations against the authority contained in the Act, these provisions will ratify and confirm 1969 obligations made in advance of enactment, so long as

such obligations are in accordance with terms of the Act. Thus, obligations incurred in anticipation of appropriations, transfers, or release of reserves subsequently provided in the Act will not require violation reports under section 15 of Circular No. A-34.

ROBERT P. MAYO
Director

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 70-1

July 19, 1969

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Excess foreign currencies

1. Excess currencies. The Treasury Department has determined that our supply of currencies of the following countries is excess to our normal requirements for fiscal years 1970 and 1971:

Burma	Israel	Tunisia
Ceylon	Morocco	U.A.R. (Egypt)
Guinea	Pakistan	Yugoslavia
India	Poland	

During fiscal year 1970, special foreign currency appropriations will be available for incurring obligations payable in these currencies.

Special Foreign Currency Programs in Israel

The limited availability of excess Israeli currency for special foreign currency programs requires continued restraint over new obligations. Therefore obligations under these programs may only be made within ceilings to be established by the Bureau of the Budget.

In the interim, controls over obligations incurred under special foreign currency programs payable in Israeli currency, which are included in 1969 apportionments, will continue in effect.

2. Near excess currencies. The supply of local currencies available for U.S. programs in the following countries is above our immediate needs, but in no case sufficient to be declared excess:

Bolivia
Ghana
Indonesia
Sudan

3. Utilization of excess and near excess foreign currencies. Full utilization of these currencies in lieu of U.S. dollars must still be the objective of every agency with programs in the respective countries. Consistent with our international agreements, travelers must insure that transportation and foreign subsistence expenses when going to, through, or from an excess or near excess currency country are paid in those currencies. Obligation documents for grants or for regular program expenses in those countries should specify that payment is to be made in the local currencies. Agencies should encourage non-government organizations to obtain their local currency requirements from the U.S. Government -- either through local accommodation exchanges or through the Treasury Department in Washington, D.C.

Bureau of the Budget Circular No. A-20 describes the policies and procedures for the use of excess and near excess foreign currencies. Department of State Foreign Currency Bulletins give further details as to the locations of accommodation exchanges, many helpful suggestions on arranging for such travel, and the latest information concerning those countries which limit the use of the currencies for payment of travel expenses.

ROBERT P. MAYO
Director