

66-4063/107

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Inspector General's Survey of Printing Services  
Division

1. This memorandum is for your information. It refers to your note of 3 December 1966 (attached) and Mr. Earman's accompanying memorandum of 21 November 1966 regarding those portions of the IG's Survey on the Printing Services Division with which I took issue in my original response to the report last November. You will recall that I did not concur in recommendations 4, 6b, and 8.

2. I think the points that Mr. Earman makes in his memorandum to you are well taken and, on reflection, I would modify my original responses as follows:

Recommendation 4

"It is recommended that: the Chief, Printing Services Division, request the assistance of the Director of Training in devising training techniques applicable to the printing trade with a view toward substantially reducing the time an employee spends as an apprentice."

Comment

The Director of Logistics has requested assistance from the Director of Training along the lines suggested, with a view to exploring any means that appear practical and feasible in reducing the time required for apprenticeship programs in PSD. I'm not too optimistic about the help that OTR will be able to provide in the area, but I share the IG's concern that we must accelerate the development of new members in PSD and we intend to push toward that objective.

As I pointed out in my original response, the technological upheaval now taking place in the graphic arts industry is rapidly changing printing from a craft industry to a technology. This development in itself is bound to overtake past training and apprenticeship practices which, I agree, need updating.

Recommendation 6b

"It is recommended that: the Director of Logistics request the Director of Security to review his procedures for establishing priorities in the security reinvestigation program and consider the feasibility of scheduling PSD employees for reinvestigation in advance of the present cycle."

Comment

Concur. The Director of Security is taking action accordingly.

Recommendation 8

"It is recommended that: the Deputy Director for Support require that the Agency Safety Officer furnish to him by 1 January 1967:

"a. A status report on safety discipline, working conditions, and housekeeping [redacted]

"b. A report on safety planning for the new building.

"c. A program for the continued monitoring of fire and safety discipline and conditions at PSD installations."

Comment

Unfortunately, except for item "b" which was completed by 1 January, the heavy commitment of our Safety Officer in working out the Mission "SAFETY-70" program made it impossible for him to meet the deadline suggested by the IG. However, safety inspections have been completed at [redacted] and are scheduled for [redacted] during the week of 16 January. Status reports on [redacted] locations should be completed 1 February 1967. At the same time, a program for the continued monitoring of fire and safety discipline at PSD installations can be expected.

3. The above responses should, I believe, resolve my earlier disagreement with the Inspector General.

R. L. Bannerman  
Deputy Director  
for Support

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46-4063/6

29 NOV 1966

**MEMORANDUM FOR: Executive Director-Comptroller**

**SUBJECT: Comments of AD/DI on the IG Survey of  
Printing Services Division**

1. The action being taken on Recommendation No. 1 of the survey report seems very reasonable.

2. On Recommendation No. 2 we have no way short of a reinspection - which we do not advocate - of checking the statements made. We reported the situation as we found it last summer, which included the acceptance of inferior photographs and a lot of lost motion and duplication in logging, wrapping and handling photography sent to contractors. We have no further comments.



Acting Inspector General

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Attachment:

Memo from AD/DI 19 Nov. 66

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J. C. [Signature]

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**MEMORANDUM FOR: Executive Director-Comptroller**

**SUBJECT : Inspector General's Survey of  
Printing Services Division**

1. The Inspector General's report on Printing Services Division contained certain recommendations for action by this Directorate.

2. We have taken action as follows on the recommendations:

Recommendation No. 1

That the Deputy Director for Intelligence instruct the Director of Basic Intelligence to examine with the Chief, Printing Services Division, alternatives to the present method of arriving at a finished publication, with a view toward eliminating double printing operations and if no acceptable alternative can be agreed upon, submit to the Executive Director-Comptroller written justification for continuing present practices.

Action

Agreement has been reached between the Director of Basic Intelligence and the Chief, Printing Services Division that by this coming January, all General Surveys will be processed in the new EPIC system of printing. This will completely eliminate the problem of extensive changes after material is set in type.

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Recommendation No. 2

That the Deputy Director for Intelligence charge the Chief, Graphics Register, with responsibility for arriving at mutually satisfactory arrangements with the Chief, Printing Services Division, regarding the following:

a. PSD's capacity to meet increasing requirements for color and motion picture photography.

b. Improvement in delivery times to Graphics Register, especially of prints made under contract by

c. Quality control of photographs delivered to the Graphics Register.

d. Improving the skills of Graphics Register personnel in judging the quality of photographic products.

e. Elimination of duplicate handling of photography by Printing Services Division and by Graphics Register.

f. Elimination of Graphics Register's photographic processing facilities when Printing Services Division moves to its new building.

Action/Comment

a. As a result of the recent cut in Graphics Register, requirements on Printing Services Division for processing of motion picture photography will be substantially reduced. GR will be providing PSD with new estimates of requirements for their analysis.

b. Contractor processing time is now on a satisfactory 5 working day schedule.

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c. The number of unsatisfactory prints is extremely small -- less than 1% of the total -- and does not present a significant problem.

d. Graphics Register personnel are already well qualified to judge the quality of photographic products. However in the future GR plans to use Printing Services Division's basic orientation capabilities for training of new personnel.

e. Chief, Printing Services Division states that there is no duplicate handling of photography by Printing Services Division and Graphics Register.

f. We have no objection to the transfer to PSD of such GR film processing activities as they are capable of handling within our tight time limitations. These activities now take only about one man-year's effort. Chief, GR and Chief PSD will be working out details prior to PSD's move to the new building.



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**EDWARD W. PROCTOR**  
Assistant Deputy Director for Intelligence

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Red,

I believe DDS's comments on our Recommendations 3, 5, 6a and 7 are responsive enough to require no rebuttal on my part.

On Recommendation No. 4 I believe that the record will show that it has taken about seven years on the average from the time an employee enters on duty until he completes the apprentice program. We believe that with modern training techniques which ought to be available to us in 1966 this period of time could be substantially reduced. With the difficulties being encountered in recruiting and with many PSD people nearing retirement age, we believe PSD will be stretched very thin indeed in a few years unless something like we suggest is done.

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On Recommendation No. 8 we recognize that there are only two safety officers and that the demands on them are considerable. However, we brought the safety and housekeeping problems to their attention in the course of our survey early last June. Since receipt of Howard Osborn's memorandum of 23 August 1966 (copy attached) I have asked our inspectors to give special emphasis to safety in the course of our surveys. Is it unreasonable to expect a plan for dealing with PSD's safety problems six months after our initial discussions of them with the Agency Safety Office in view of the President's program and the steps being taken by the Agency to implement it?

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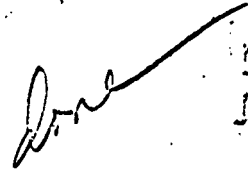
J. S. Eberman

Attachments

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29 AUG 1966

MEMORANDUM FOR: Inspector General.

SUBJECT : Mission "SAFETY-70"

1. This memorandum suggests action on your part; such action is recommended in paragraph 6.
2. On 16 February 1965, President Johnson issued a press release which announced the launching of Mission "SAFETY-70." Under this Mission he directed the Federal Departments and Agencies to reduce Federal work injuries and costs year by year until a total 30 per cent reduction is achieved by 1970. Such a reduction would result in the saving of approximately 200 lives, prevent nearly 45,000 disabling work injuries, and save the Federal Government nearly \$250,000,000.00 in costs. In the press release he also told of issuing a Safety Policy for the Federal Service to guide Government Administrators in the discharge of their responsibilities and in the attainment of the desired safety objectives.
3. In conjunction with the press release, the President also sent a memorandum to the Heads of Executive Departments and Agencies. In this memorandum he told of initiating Mission "SAFETY-70" and of its purpose and objectives. He also forwarded with this memorandum a copy of the Safety Policy for the Federal Service. In accordance with this Policy, the President asked the Heads of each Department and Agency to review realistically and revise where necessary their safety programs. He also requested a report within 90 days showing the results of this review. On 12 May 1965 a report of the Safety Program of the Agency was sent to the President.

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4. On 16 February 1965, the President sent another letter to the Heads of Executive Departments and Agencies requesting a summary report from each Agency of developments in 1965 pertinent to Mission "SAFETY-70." He requested specific information on actions taken; specific accomplishments; areas of weakness which still need strengthening, and Agency plans for 1966. On 28 April 1966, The Director of Central Intelligence forwarded this summary report to the President.

5. In order to have a starting point for Mission "SAFETY-70," the year 1963 was selected as a base year. During this year the injury frequency rate for all Federal establishments was 7.9. This figure is derived by utilizing the following formula:

$$\text{Injury Frequency Rate} = \frac{\text{Number of lost time accidents} \times 1,000,000}{\text{Number of man-hours worked}}$$

To achieve the objective of Mission "SAFETY-70" this injury frequency rate must be reduced to 5.5 by 1970 (to include 1969 as the final year). During the past year (March 1965 - February 1966) the injury frequency rate for Federal establishments was reduced by 4.3 per cent to 7.4.

6. A large part of the success of the Mission "SAFETY-70" Program is dependent on employee awareness and participation and supervisory support. In order to actively participate in the President's Mission "SAFETY-70" Program, it is requested that representatives of your staff, in their travel to various Agency installations, brief our people on the Program and its purpose (30 per cent reduction of frequency rate by 1970) and urge their compliance. In doing so accurate accident reports would be compiled and forwarded to Headquarters providing the Agency with the material to compute the accident statistics required for reduction by 1970. STAT

  
Howard J. Osborn  
Director of Security

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**ROUTING AND RECORD SHEET**

SUBJECT: (Optional) 25X1  
 Survey of Printing Services Division

FROM: Inspector General EXTENSION NO.  
DATE 21 NOV 1963

TO: (Officer designation, room number, and building) DATE OFFICER'S INITIALS COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

	DATE		OFFICER'S INITIALS	COMMENTS
	RECEIVED	FORWARDED		
1. Executive Director-Comptroller	11/27	3 Dec.	W	Please refer to I. G. Comments on your 14 Nov 63 memo Re PSD. I would like to meet with you and Cannon sometime soon to make final decision on those points about which there is still some disagreement. <span style="float: right;">.25X1</span>
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66-4063/2

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Inspector General's Survey of Printing Services  
Division - September 1966

REFERENCE : Memo dtd 23 Sept 66 to DD/S fr Ex. Dir. -Compt.,  
same subject 66-4063/1

1. This memorandum is for your information only.
2. As requested by referent memorandum, we are submitting herewith our comments on the IG's Survey of Printing Services Division:
  - a. Recommendation No. 3

"It is recommended that:

"The Chief, Printing Services Division, initiate with those originating Agency publications and reports an active and continuing program to improve format, layout, and graphics through exploitation of the capabilities of PSD's Graphics and Visual Aids Staff as well as outside specialists where indicated."

Comment

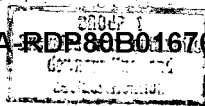
The Chief, Printing Services Division, is aware of the need to improve the format of Agency publications and has for some time conducted a program seeking to improve this format. Where economical and feasible, typeset format has been substituted for typed material; an improved offset format has been substituted for the mimeograph format [redacted] [redacted] National Intelligence Survey format has been reviewed and improved; and many other

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revisions in the Agency printed publications have been made. When the Graphics and Visual Aids Staff was transferred to Printing Services Division, the Chief, Printing Services Division, immediately began using this staff, where possible, to assist in format work, and these efforts will be continued. We believe that sufficient in-house capabilities exist so that the need for retaining outside specialists should be at a minimum.

b. Recommendation No. 4

"It is recommended that:

"The Chief, Printing Services Division, request the assistance of the Director of Training in devising training techniques applicable to the printing trade with a view toward substantially reducing the time an employee spends as an apprentice."

Comment

We do not concur in this recommendation. There seems to have been a misunderstanding on the part of the Inspector General survey team of the training required and conducted by Printing Services Division. The report refers to a seven-year apprenticeship and doubts "that it is really necessary for a new employee of reasonable intelligence and decent motivation to spend seven years learning to become a journeyman printer." All apprenticeships have been for a period of five years and this time can be reduced by exceptional performance on the part of the apprentice. PSD, in cooperation with the Office of Personnel, has worked out a program whereby exceptional performance can reduce the period of apprenticeship by as much as one year. These apprenticeship programs are formalized, some involve correspondence school study, and performance is periodically evaluated and reported. The PSD program is consistent with that in effect at the Government Printing Office. To change it would introduce numerous problems.

The technological upheaval now taking place in the graphic arts industry is rapidly changing printing from a craft industry to a technology. In line with this, PSD has reduced the number of apprentices in its formal apprentice program and is concentrating

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on on-the-job and formal training in the new techniques required. Eighteen PSD employees are enlisted in formal external training programs, and the Division is continuing a vigorous on-the-job training program involving the new techniques. We feel that the training program now conducted by PSD is adequate and in step with conditions existing in the graphic arts industry.

c. Recommendation No. 5

"It is recommended that:

"The Director of Logistics take such measures as are necessary to ensure that requests for exceptions to the Agency's optional retirement policy are processed to the Agency Retirement Board in time to permit decisions on extensions to be reached at least six months before the employees would otherwise be due to retire."

Comment

We concur in this recommendation. Steps will be taken immediately to comply with the provisions thereof.

d. Recommendation No. 6

"It is recommended that:

"The Director of Logistics:

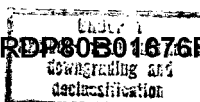
"a. Review with the Director of Security "watch list" data maintained internally by Printing Services Division on employees whose job performance or off-the-job deportment is of continuing concern and devise a means for keeping the Director of Security informed of new information that is developed.

"b. Request the Director of Security to review his procedures for establishing priorities in the security reinvestigation program and consider the feasibility of scheduling PSD employees for reinvestigation in advance of the present cycle."

Comment

We concur with part "a" of the recommendation. The Office

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of Security has run special checks on many of the individuals on the PSD "watch list," and arrangements with PSD will be continued so that the Director of Security is kept advised of new information which might be of reasonable concern.

With respect to part "b" of the recommendation, it is not considered feasible or advantageous to alter the Agency-wide reinvestigation program which processes the cases of all Directorates in a similar manner. However, under the responsible supervisor theory, if the supervisor has noted a circumstance which warrants security concern, he has a responsibility to immediately relay such information to the Office of Security. Upon receipt of such information, the Director of Security thoroughly explores specific charges and allegations as the individual case warrants. This may include a reinvestigation.

e. Recommendation No. 7

"It is recommended that:

"The Director of Logistics:

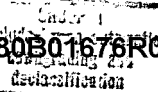
"a. Direct the Chief, Printing Services Division, to plan for the absorption internally, coincident with the move to the new building, of the bulk of the photographic processing now done under external contract.

"b. Direct that the Office of Logistics Security Staff schedule thorough semi-annual security inspections of contractors with whom PSD must continue contractual arrangements."

Comment

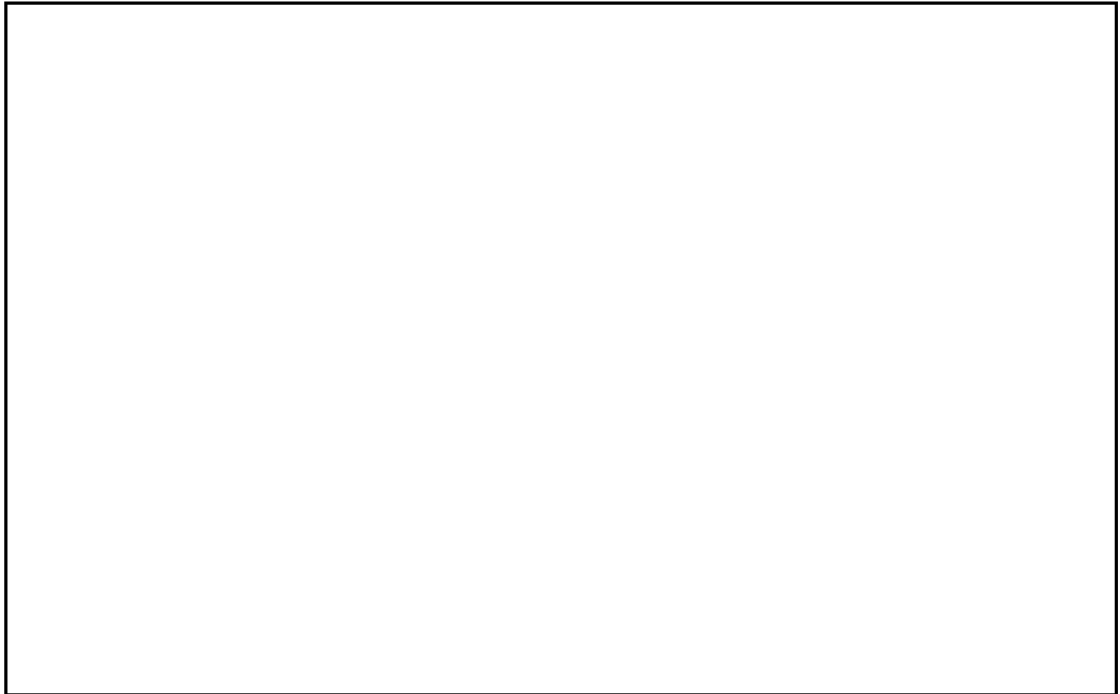
With respect to part "a" of the recommendation, PSD will be able to do more of the photographic processing now done under external contract after occupying the new building. It is considered essential, however, to continue all of the external photographic contracts now in existence. It would cost in excess of \$100,000 to equip the Photography Branch to do the Kodachrome work now sent to Kodak. There is, on the average, less than \$5,000 worth of work produced annually

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f. Recommendation No. 8

"It is recommended that:

"The Deputy Director for Support require that the Agency Safety Officer furnish to him by 1 January 1967:

"a. A status report on safety discipline, working conditions, and housekeeping at all six PSD plants.

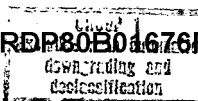
"b. A report on safety planning for the new building.

"c. A program for the continued monitoring of fire and safety discipline and conditions at PSD installations."

Comment

Regarding parts "a" and "c" of the recommendation, the Agency Safety Staff is limited to two men and consequently cannot guarantee a complete status report or a complete program for monitoring of fire and safety discipline of all PSD plants by 1 January 1967. The status report and the program for the continued monitoring of fire and safety discipline will be completed as soon as possible.

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A report on safety planning for the new building (part "b" of the recommendation) will be submitted by 1 January 1967.



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*R. L. Bannerman*  
R. L. Bannerman  
Deputy Director  
for Support

O-DD/S:RBW:lar (10 Nov 66)

Distribution:

Orig / Ex. Dir. -Compt.

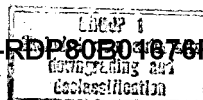
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Executive Registry

16-4063/2

23 SEP 1966

MEMORANDUM FOR: Deputy Director for Intelligence

SUBJECT : Inspector General's Survey of Printing Services Division

1. You have received copies of a portion of the Inspector General's report of survey of Printing Services Division, which is of interest to and for action by the Intelligence Directorate, specifically: pages 5 - 11, paragraphs 2 - 9, Recommendation Nos. 1 and 2.

2. Please furnish me within 60 days a summary of action taken or comments on the recommendations that are for your action.

/s/ L. K. White

L. K. White  
Executive Director-Comptroller

O/IG (21 Sep 66)

Orig & 1 - Addressee

✓ 1 - ER

1 - ExDir

2 - O/IG (1 w/h)

Suspense: 23 Nov 66

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Executive Registry
66-4063/1

23 SEP 1966

MEMORANDUM FOR: Deputy Director for Support

SUBJECT : Inspector General's Survey of Printing Services  
Division

1. You have received copies of the Inspector General's report of survey of Printing Services Division. Part of its text is of concern to the Deputy Director for Intelligence, and two of its recommendations are for his action. Copies of the pertinent portion have been forwarded to him, specifically: pages 5 - 11, paragraphs 2 - 9, Recommendation Nos. 1 and 2.

2. Please furnish me within 60 days a summary of actions taken or comments on the recommendations that are addressed to the Support Directorate.

/s/ L. K. White

L. K. White

Executive Director-Comptroller

O/IG (21 Sep 66)

Orig &amp; 1 - Addressee

✓ 1 - ER

1 - O/ExDir

2 - O/IG (1 w/h)

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Executive Registry
66-4063

21 SEP 1966

MEMORANDUM FOR: Executive Director-Comptroller

SUBJECT : Inspector General's Survey of Printing Services Division

1. Forwarded herewith is the report of the Inspector General's survey of Printing Services Division. Also attached, for signature by the Executive Director-Comptroller, are memorandums to the Deputy Directors for Support and for Intelligence requesting their responses within sixty days to the recommendations contained in the report. The Deputy Director for Support has received copies of the report under separate cover, and that portion that pertains to the Deputy Director for Intelligence has been forwarded to him.

2. During the course of the survey we discussed with the Chief, Printing Services Division, and with other officials concerned several matters on which immediate action could be taken. Since our oral suggestions were accepted and action has been initiated, we see no need to belabor the points in the text of our report. Included among those topics are:

a. Deficiencies in safety practices, fire prevention, and housekeeping at the [redacted] and South Building plants.

b. Improvements in photographic operations through better quality control and maintenance of equipment, closer attention to the acceptability of the photographic product, and better selection of photographs for use in publications.

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f. Defective access controls at Plant No. 4 in the Headquarters Building where codeword publications are printed.

g. The need for closer attention to format, layout, makeup, and illustrations in Agency publications.

3. In general, we find Printing Services Division to be doing its job very commendably. The more significant of our findings are summarized in the paragraphs that follow.

a. Cost Controls. The economies that PSD can effect are limited to those that derive from improving its own internal efficiency. The system by which costs are allocated against customer requirements, but are not actually charged to the customers, provides no incentive for PSD's customers to reduce costs by controlling requirements. We conclude that the cost accounting cure might be more painful than the disease.

b. Photographic Operations. We see distinct evidence of significant indirect or hidden costs arising from poorly maintained equipment, inadequate quality controls, and insufficient regard for waste. Most of the faults can be attributed to a shortage of qualified personnel. PSD's photographic support of Graphics Register could be improved by closer collaboration between the two components. We recommend that steps be taken toward that end.

c. Management-Employee Relations. PSD management tends toward the view that management-employee relations is not a problem of any great consequence. Our findings from this inspection convince us, however, that there is a problem and that it is one that needs attention. We found morale to be unusually poor at the South Building plant.

d. Security. Physical security arrangements are generally satisfactory at the PSD plants and offices. The quality of personnel security probably differs little from that in most other Agency components. It is our feeling, however, that more attention needs to be paid to personnel security in PSD because of the difficulty in maintaining strict accountability over the large volume of sensitive material that is handled, the generally low level of salaries, and the degree of job dissatisfaction, at least at the South Building plant. We have recommendations for closer attention to the matter. Security discipline at some of

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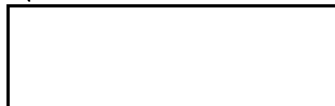
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the commercial plants with which PSD has contracts evidently is not of a high order. We recommend that Chief, PSD, plan to absorb much of this work internally when the division moves into its new building.

e. Safety and Housekeeping. PSD has a quite good safety record, despite the little attention it gives to safety education and the rather poor housekeeping practices that have grown up over the years. We recommend that steps be taken to establish and pursue a more active safety program.

f. Other Agency Facilities Duplicating PSD Services. PSD is the principal publications shop in the Agency, but it is by no means the only one. We considered the feasibility of consolidating facilities or of placing them under a single management. We find no persuasive arguments for doing so. In fact, the thrust of the evidence suggests that the present arrangement is quite satisfactory and probably will remain so for some time to come.



J. S. Earman  
Inspector General

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cc: Deputy Director for Support

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