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COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

1980 JUL 30 AM 10:01

B- 167710

June 12, 1980

WH-59

HEADS OF DEPARTMENTS AND AGENCIES:

SUBJECT: AUDIT OF UNVOUCHERED EXPENDITURES

This is to advise you of the impact of recent legislation on your agency. The General Accounting Office Act of 1980, signed into law by The President on April 3, 1980, makes various amendments to the law regarding the General Accounting Office's operations. One of the provisions of this act specifically assigns to the General Accounting Office responsibility and authority for examining unvouchered accounts used by Federal agencies. Unvouchered accounts are those from which expenditures are normally accounted for solely on the approval, authorization, or certificate of an official of an executive agency. The purpose of the examinations will be to determine whether expenditures from such accounts are for authorized purposes.

The law allows The President to exempt certain expenditures from the examinations. Those activities which believe that some of their expenditures qualify for the exemption should now take steps necessary to obtain them in order to minimize questions raised during the course of our examinations.

Accordingly, you should take appropriate actions to insure that your organization maintains adequate records and accounts for its unvouchered expenditures. In general, we would expect agencies to keep records over these accounts similar to those maintained over regular financial transactions and accounts.

We recognize that there may be unusual requirements for confidentiality over certain transactions and that special accounting procedures may have to be developed to maintain confidentiality. We would be pleased to work with agencies in developing such procedures. If this type of assistance is required, it should be requested now to prevent delays later. Such requests should be directed to D. L. Scantlebury, Director, Division of Financial and General Management Studies.

You may be sure that the General Accounting Office is aware of the sensitive nature of such funds. In this regard, your attention is invited to the fact that the General Accounting Office Act of 1980 specifically prohibits the General Accounting Office from disclosing information obtained during the course of such examination except under circumstances specified in the law. Our personnel conducting the examinations will, of course, have the appropriate level of security clearance.

In the event accounts from your agency are selected for audit, the General Accounting Office will formally notify you in advance so that appropriate and convenient arrangements can be made with a minimum of disruption to your staff's work schedule.

James B. Atack

Comptroller General
of the United States



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

1980 JUN 20 10:03

JUN 25 1980

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Controlling Year-End Buying

WH-58

As we enter the last quarter of fiscal year 1980, I ask you to make sure that we continue to use public funds wisely by avoiding unnecessary year-end buying. I cannot overemphasize that prevention of unneeded or unwise Federal Government spending is an essential part of our efforts to control inflation. Public funds will be used only for necessary program purposes, and will not be obligated solely to commit funds before they lapse. Good procurement practice used to insure that fair and reasonable prices are paid by the Government will not be disregarded in an effort to obligate funds quickly.

Please issue instructions to your contract and program offices assuring that:

- Obligations for the fourth quarter of the fiscal year are no higher than for the third quarter, except where seasonal requirements, essential program objectives, or procurement lead-times justify a higher level, or where more money is needed to restore program slippages to approved levels;
 - Purchases are not made to avoid what otherwise would be an outlay shortfall;
 - Grants are subjected to rigorous review and are not made just to keep funds from lapsing; and
 - Orders for services, supplies, materials, and equipment are not more than are needed to meet approved program objectives.
- (1) The instructions will require that the following be closely controlled and the need reevaluated and clearly justified:
- o Procurement of additional hours of service or items of supply or equipment that were not in the original procurement request with funds that would otherwise lapse.
 - o Purchase of additional items or services not contained in the original procurement request or contractor proposal, with funds negotiated out of contractor's proposals or those available because estimated funding needs were in excess of the funds actually required.

- o Exercising of options, orders against basic ordering agreements or requirements-type contracts, or the funding of the later years of a multi-year contract.
 - o Adding funds to Government Owned Contractor Operated, Federal Contract Research Center, Federal Funded Research and Development Center and other such ongoing contract types.
- (2) Funds obligated to cover unpriced items, such as spare parts or data will not be in excess of the current best estimate of need for those items. In addition, those in excess of the original procurement request must be clearly justified.
 - (3) Funds will not be obligated for requirements-type or task contracts in excess of anticipated needs based on projections of prior use.
 - (4) Letter contracts should be closely monitored. Funds will not be obligated for letter contracts in excess of that allowed by regulations, nor will letter contracts be used as a vehicle to obligate funds that would otherwise lapse.
 - (5) When contracts are modified or change orders issued to increase level of effort or procure additional tasks, items or services, the additional requirements must be validated. The subcontracting of substantial parts of such modifications, change orders or tasks may indicate contracts are being used as vehicles to avoid competition.
 - (6) The procurement of consultant services and modifications of current consultant contracts will be reviewed for compliance with OMB Circular No. A-120, April 14, 1980.
 - (7) Purchases or orders for administrative supplies or services, such as office furniture, supplies, or renovation will not be approved unless planned in advance or needed to meet an emergency.
 - (8) Purchases by or orders from central procurement offices, such as the General Services Administration and the Defense Logistics Agency, or off the Federal Supply Schedule will not be in excess of current utilization factors and optimal inventory levels.
 - (9) Procurements will not be divided just to come within small purchase procedures. However, this will not be construed to prohibit breakout of items for small or minority procurements.

Good procurement practice and accountability requires that:

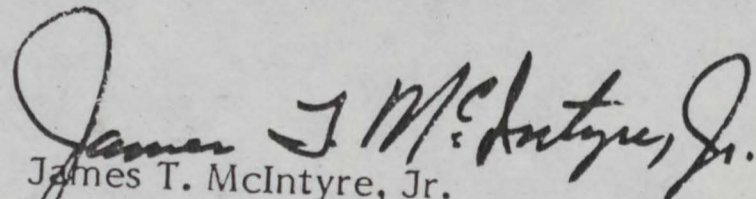
1. A cost or price analysis be made for all contracts.
2. All non-competitive proposals be audited or audit information be obtained, unless reasonableness of price can be established clearly by other means.
3. Negotiation, where applicable, will be conducted prior to contract award -- certification of current cost or pricing data will not be used as a substitute for pre-award price negotiation.
4. "Unsolicited" proposals must be unsolicited and will not be accepted unless truly unique or innovative and award will not be made sole source if other sources are available.

Each agency will issue instructions that require a close review of end-of-year purchases by responsible reviewing authorities. Inspector General, audit, management, and the general counsel's staff should ensure that end-of-year purchases are not made merely to obligate funds before they lapse. The review should also ensure that awards are necessary and conducted in accordance with good procurement practice, and that contract prices are reasonable.

Within 30 days the head of each department and establishment will report to the Office of Federal Procurement Policy action taken to implement the provisions of this memorandum. The procedures for the review of end-of-year purchases should also be included.

Those responsible for review of procurement and grant actions (e.g., contracting officers, program officers, legal counsel, auditors and Inspector General personnel) should consider instances of noncompliance with this memorandum to be an indication of waste.

I count on your full cooperation and personal attention in implementing this memorandum to save the taxpayers as much money as possible and to support the President's fiscal objectives.


James T. McIntyre, Jr.
Director

Joan —

Does this need
any reply?

Sandy

No, Sandy, we don't think it
needs reply. We have passed the
attached book to Anne Marie Bray,
who is our liaison to Esther
Peterson's group.

Joan

BOARD OF GOVERNORS
FEDERAL RESERVE SYSTEM

1980 JUN 25 PM 1:59

RECEIVED
OFFICE OF THE CHAIRMAN

THE WHITE HOUSE

WASHINGTON

June 24, 1980

WH-57

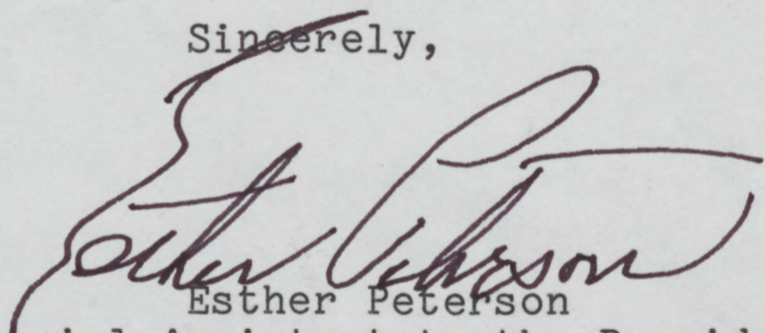
Dear Mr. Volcker:

On June 9, President Carter and I released the final Federal consumer programs developed under Executive Order 12160 before a standing room only audience at the White House. A copy of the final programs is enclosed.

I am sorry you could not be with us on the 9th, but I think you will agree that the final consumer programs represent a major commitment to America's consumers by the Federal government. I look forward to working with you as we make the promise of these programs a reality.

Thank you for your support.

Sincerely,



Esther Peterson
Special Assistant to the President
for Consumer Affairs

The Honorable Paul A. Volcker
Chairman
Board of Governors of the
Federal Reserve System
20th Street & Constitution Avenue, N.W.
Washington, D.C. 20551

Enclosure



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

JUN 5 1980

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

1980 JUN 12 PM 2:35

RECEIVED
OFFICE OF THE CHAIRMAN

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM : James T. McIntyre, Jr.
Director

SUBJECT: Executive Order 12160

On September 26 of last year, President Carter issued Executive Order 12160 to strengthen Federal consumer programs. I am writing to emphasize that, notwithstanding the recent round of budget reductions, the President remains firmly committed to the effective implementation of this Order. Agencies should work within current budget ceilings for FY 1980 and 1981, to ensure that sufficient resources are devoted to consumer affairs activities to carry out the President's directive.

Beginning with the FY 1982 budget cycle, each agency will be required, under Section 1-6 of the Executive Order, to include a separate consumer program budget exhibit in its annual budget submission to OMB. Instructions regarding the preparation of this exhibit will be incorporated into Circular No. A-11 to be issued shortly.

FOR YOUR INFORMATION ONLY

THE WHITE HOUSE

WASHINGTON

June 24, 1980

WH-57

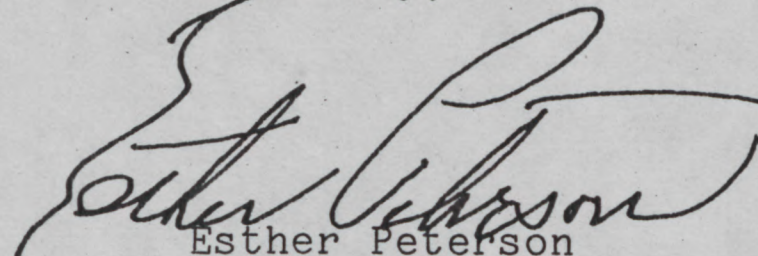
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Thank you for your support.

Sincerely,



Esther Peterson
Special Assistant to the President
for Consumer Affairs

The Honorable Paul A. Volcker
Chairman
Board of Governors of the
Federal Reserve System
20th Street & Constitution Avenue, N.W.
Washington, D.C. 20551

Enclosure



June 17, 1980

#56

Frederick H. Schultz

Mr. Garwood:

Would you please
respond to this for Governor
Schultz's signature.

Ann

THE WHITE HOUSE

WASHINGTON

June 13, 1980

To Chairman Paul Volcker

WH-56

Two years ago, I issued Executive Order 12044, "Improving Government Regulations". This Order directed executive regulatory agencies to find ways to achieve their goals with reduced burden on the private sector. The agencies have developed several new regulatory alternatives that provide flexibility and decentralized decisionmaking. Last year, I asked the Regulatory Council to study these ideas and develop a blueprint for applying them more widely.

The Council's survey of agency experience found eight techniques that show real promise:

- o marketable rights;
- o economic incentives;
- o performance-based standards;
- o market-oriented compliance measures;
- o reduction of barriers to competition;
- o information disclosure;
- o voluntary standard setting; and
- o adjustment of standards to distinguish among categories of regulated entities ("tiering").

These techniques are not always appropriate. In some cases, only the traditional approach of rigid, detailed "command-and-control" regulation adequately protects public health and safety. Often, however, alternatives that allow flexibility or use market forces can make regulation more cost-effective. Such approaches can cut cost and red tape without sacrificing legitimate regulatory goals. They can also promote innovation, putting private ingenuity to work finding better long-term solutions to regulatory problems.

6/20/80 — This letter was answered via phone conversation with Mr. Petillo's office of the Regulatory Council (395-7270) by ~~Mr.~~ ^{Ms.} Lowrey, who identified herself as the ~~person~~ ^{person}. R. Lee Lowrey

Each of these alternatives is being used by several agencies and is producing substantial benefits. They are described in greater detail, with specific examples, in the attached summary report by the Council.

I am asking all agencies with regulatory responsibility to review their programs and find areas where these alternatives can be applied. In addition, I am asking each agency to expedite the development and implementation of flexible alternatives now under consideration.

The Regulatory Council will report to me on government-wide progress in this area on October 1, 1980. Council Chairman Douglas Costle and his staff will work with individual agencies to apply successful alternatives to new regulatory areas. Please designate a contact person for this program and tell the Council who it is. //

I know I can count on your personal involvement and support to expand the use of these alternative approaches to regulation.

Sincerely,

Jimmy Carter

REGULATORY ALTERNATIVES

U. S. Regulatory Council
May 1980



U.S. REGULATORY COUNCIL

Washington, D.C. 20503

CHAIRMAN

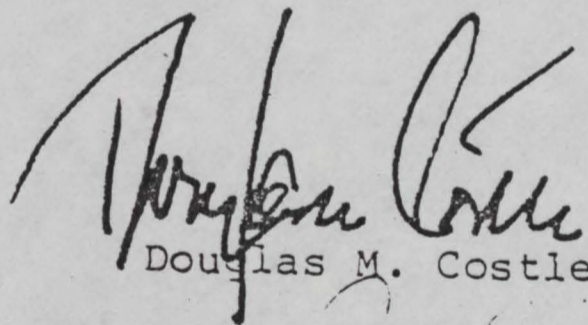
MAY 30 1980

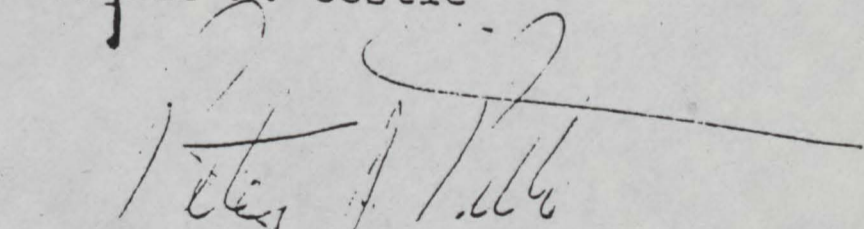
MEMORANDUM FOR THE PRESIDENT

As you requested, the Council has examined agency experiences with innovative regulatory techniques that depart from the rigid "command-and-control" style that dominates most Federal regulatory programs.

We have defined eight types of innovative techniques. Most of them rely in part on market forces to meet regulatory goals. The attached report provides a brief introduction to these types and provides examples of each. The examples are drawn from the Council's Regulatory Reform Highlights: An Inventory of Initiatives, 1978-1980.

The Council's Innovative Techniques Project will be working with agencies to adapt these techniques to their programs when feasible.


Douglas M. Costle


Peter J. Petkas

Attachment

INTRODUCTION

Regulatory alternatives are market-oriented techniques to replace or supplement the "command-and-control" form of regulation. Command-and-control, the traditional approach used by most regulatory programs, entails (1) detailed specification of actions the regulated entity must follow; and (2) formal enforcement proceedings against those who do not comply. The regulated entity's incentive is simple, if unsophisticated -- it must comply with the letter of the regulation or face government sanctions (normally civil penalties).

These techniques decentralize decisionmaking and use incentives similar in many cases to those of the private marketplace to achieve broad regulatory goals.

Although market-type incentives do not provide a solution to every regulatory problem, they have some general advantages:

- o Market-oriented approaches give regulated entities more freedom to devise their own means of achieving regulatory goals. This puts the ingenuity and relevant expertise of the regulated sector to work solving public problems at least cost, and imposes fewer indirect costs arising from obtrusive government intervention in private sector decisionmaking.
- o Many market-oriented approaches provide incentives to develop better and cheaper long-term solutions to regulatory problems. By specifying compliance actions in detail, command-and-control regulation ties policy to technologies and practices available when the regulation is written -- and provides no incentive to invent more efficient or more effective methods.
- o Market-oriented approaches allow greater flexibility to respond to change -- by leaving the economy freer to make its own short-term adjustments and, in many cases, by removing the need for long adversarial administrative procedures when conditions change.

The relative merit of regulatory alternatives to meet specific regulatory objectives depends on case-by-case analysis. Each technique has limitations that may prohibit its application in a particular program; for example, economic incentives and information disclosure may be inadequate where the health or safety consequences of mistakes are drastic, and performance-oriented standards may prove difficult to enforce. However, where the techniques are feasible, they can be more cost-effective and better suited to dynamic conditions than traditional approaches to regulation.

Executive Order 12044, Improving Government Regulations, emphasized the evaluation of alternative solutions to regulatory problems. As a result, many agencies have already had experience with these techniques. The techniques in current use or under consideration fall into eight areas:

- | | |
|--------------------------|---------------------------|
| 1) Marketable Rights | 5) Enhanced Competition |
| 2) Economic Incentives | 6) Information Disclosure |
| 3) Performance Standards | 7) Voluntary Standards |
| 4) Compliance Reform | 8) Tiering |

The Regulatory Council's recent Regulatory Reform Highlights cites 66 specific examples in 26 agencies. This paper describes 17 of these examples, which we have selected to demonstrate the range of approaches already in place or under consideration.

I. MARKETABLE RIGHTS (creating government-conferred rights that can be traded)

Regulation is frequently used to allocate scarce resources. This type of regulation is primarily necessary in two situations: where conflict over the use of scarce resources could be harmful (e.g., destructive interference from incompatible uses of the electromagnetic spectrum as in Example 1 below) or when the use of a resource must be limited for other reasons (e.g., limiting air pollution levels or restricting the rate of aircraft landings for safety reasons as in Example 2). In both cases the traditional regulatory approach is for the government to decide, case-by-case, who is permitted to undertake particular activities -- and who is barred.

An alternative approach is for the government to create property rights where none existed before and then to allow the rights to pass by trade or sale among bidders. This approach can remove the government from difficult, contentious, and lengthy decisions about who can "best" use the limited resource.

Example 1: Spectrum Allocation

The Federal Communications Commission assigns and or reassigns licenses to use frequencies by agency discretion. The Commission believes the electromagnetic spectrum is inefficiently used and is considering a marketable rights approach to allocation that would allow the free sale and transfer of frequency allocations. This approach would provide powerful incentives for more efficient use of the spectrum.

Example 2: Airport Landing Slots

For safety reasons, the rate of aircraft landings at airports is limited. Currently, landing slots are allotted by scheduling committees composed of airline representatives that already have slots. As an alternative, the Department of Transportation is considering auctioning landing slots that can then be resold. This would allow airlines to compete for additional slots based on their market needs.

II. ECONOMIC INCENTIVES (regulating through the price system by making business costs more consistent with social goals)

Many regulatory programs have been set up to compensate for the failure of an economic sector to satisfy public needs. In some cases, this has been due to the fact that some activities are in the economic interest of particular firms but against the interest of the public. Pollution is only one example -- an air polluter incurs no direct cost from its emissions, but downwind communities must pay for the resulting health and materials damage.

The traditional regulatory response is to correct the situation by eliminating or directly restricting the unwanted activity and assessing fines against violators. In contrast, the economic incentives approach attempts to correct the problem at its source by ensuring through fees or subsidies that the cost to the polluter accurately reflects the cost of pollution to the public. This approach includes use of both penalties (e.g., user fees -- the "gas guzzler" tax) and subsidies (Examples 1 and 2).

Example 1: Airline Subsidies

Airline service to small communities has always suffered because such service often is not profitable for airlines. In the past, the CAB based its subsidy program on the financial needs of an airline's entire system, rather than adjusting it to the needs of particular routes. This approach encourages airlines to acquire larger aircraft, ill-suited to serving smaller communities. Under the new airline law, CAB has developed a subsidy program that encourages purchase of aircraft better suited to serving small communities.

Example 2: "Buy Quiet" Program

Rather than require industry to design products that meet specific noise emission standards, the Environmental Protection Agency has initiated a program that uses governments' substantial purchasing power as an incentive for manufacturers to

develop quieter products. The "Buy Quiet" Program encourages Federal, state, and local governments to buy quieter products. In the past, EPA has worked with the General Services Administration to offer premiums to suppliers of quieter products.

III. PERFORMANCE STANDARDS (replacing detailed compliance requirements with general performance standards)

The government can continue to regulate through standards while still making room for market forces to work. Performance standards are being used as alternatives to regulatory requirements that specify the exact means of compliance (prescribing, for example, exactly what technologies must be used). Agencies set general performance levels and permit the regulated entities flexibility to find and use the best ways of complying. Performance standards allow firms to minimize their own costs of compliance and permit them the flexibility to adapt to their particular business conditions. Performance standards can apply to firm-wide, plant-wide or area-wide levels of performance (Example 1), or they can apply to particular products or practices (Example 2).

Example 1: EPA's "Bubble" Policy For Air Pollution

Environmental regulations traditionally set air pollution emission limits for each pollution source within regulated plants. Under its new "bubble" policy EPA now encourages plant managers to propose different mixes of control for these sources as long as they achieve the same overall emissions performance.

Plant managers will have new flexibility to relax controls at the more costly discharge points in exchange for imposing tighter controls elsewhere (including neighboring plants) in order to reduce their overall cost of control. Preliminary estimates show potential cost savings as high as 60%, and some firms anticipate savings in the tens of millions of dollars. The new policy reduces the governmental presence within the plant and provides new incentives for firms to find better, more efficient pollution control technologies.

Example 2: OSHA's Shift to Performance Standards

The Occupational Safety and Health Administration has examined hundreds of pages of current standards, all based on detailed specification language, and is rewriting them as performance-oriented standards. For example, an existing regulation specifies the exact height and placement of fire extinguishers. The new formulation calls for fire extinguishers to be accessible, but permits firms several ways of providing accessibility.

IV. COMPLIANCE REFORM (using market-oriented techniques for ensuring compliance with regulatory requirements)

In general, reforms in this area replace or supplement government compliance monitoring and enforcement with other mechanisms, such as, supervised self-certification (Example 1), economically-based penalties (Example 2) and third party monitoring (Example 3).

There is considerable past experience with this area of reform. For example, the Department of Justice relies heavily on private enforcement of antitrust policies, and DOT has relied on self-certification and third-party monitoring in several areas.

Market-oriented compliance programs can encourage wider compliance with less cost to the taxpayer for Federal enforcement. Many agencies also give regulated firms greater flexibility to design their compliance effort to minimize their cost.

Example 1: Voluntary Meat and Poultry Quality Control System

The U.S. Department of Agriculture has instituted a voluntary program using quality control systems of plants to determine compliance with government standards. This program enables USDA to monitor increased production of processed meat and poultry products with equal effectiveness and less disruption to producers while reducing the government's inspection program costs.

Example 2: Nonconformance Penalties for Air Pollution

The Environmental Protection Agency has decided that banning the sale of trucks with engines that fail to meet 1984 emissions standards may be too economically disruptive. Instead, the Agency is examining the use of nonconformance penalties. Manufacturers would be permitted to continue selling the trucks, but would pay a graduated penalty based on the amount they exceed the standard (provided they do not exceed a designated maximum limit). This penalty system would provide an economic incentive for manufacturers to comply with the standard.

Example 3: Certification of Lifesaving Equipment

Previously, the Coast Guard enforced its safety standards for lifesaving equipment by means of factory inspection. Under new rules, the Coast Guard requires manufacturers of certain classes of lifesaving equipment to obtain independent laboratory certification that the equipment meets specifications

before the Coast Guard will give approval. This system shifts inspection costs from the general public to the users of marine devices.

V. ENHANCED COMPETITION (reducing regulatory and other barriers to competition)

Regulatory objectives can be fostered by removing barriers to competition. Frequently, regulation itself is an obstacle to competition, in which case the removal of barriers to market entry or limits on the services that may be provided by those already in the market can be accomplished by agency action (Examples 1 and 2). Sometimes the barriers have arisen in the private sector and can be dissolved by agency action (e.g., advertising by doctors). Enhanced competition can be an important source of cost savings and can improve the quality and diversity of products and services.

Example 1: Transporting Fresh Produce

The Interstate Commerce Commission exempted railroads from complicated regulations involving rates, routes, and service frequency for the transportation of fresh fruits and vegetables. As a result, the railroads are now able to offer shippers daily price quotes for these perishables depending upon such factors as the availability of equipment. This has increased competition in the business, improved service, and held down overall transportation costs.

Example 2: Electronic Mail Service

The Postal Rate Commission rejected a Postal Service recommendation to contract with a single carrier to handle all electronic mail services. Instead, the Commission accepted a plan for private competing firms involved in electronic transmission to send messages from customers directly to specially equipped post offices. This decentralized and competitive approach would foster competition and provide technically superior service at a lower cost.

VI. INFORMATION DISCLOSURE (regulating by ensuring informed consumer choice)

In some cases regulatory goals can be enhanced by making sure that the user or consumer of a product or service receives key information on the consequences of using it. Disclosure gives users and consumers informed freedom of choice among competing goods and services. To the extent that disclosure is effective, it will reduce pressures to invoke direct government restrictions on the goods and services themselves.

Disclosure includes two approaches: labeling programs, in which suppliers are required or encouraged to put relevant information on labels or accompanying materials (Example 1), and rating programs, in which the government itself publicizes critical information (Example 2).

Example 1: Noise Labels

EPA encourages noise level labeling by industry for two types of products: those emitting noise capable of adversely affecting public health; and those sold wholly, or in part, on the basis of their effectiveness in reducing noise. By adopting voluntary noise labeling, the industries expect to avoid mandatory standards.

Example 2: Car Safety Information

To supplement its safety standards program, the National Highway Traffic Safety Administration is relying on market incentives to produce safer, sturdier cars. The Agency tests new cars under various crash conditions and publishes comparative ratings by make and model for crashworthiness, damageability, and ease of diagnosis and repair. Consumers can then make purchasing decisions based on this information.

VII. VOLUNTARY STANDARDS (relying on standards developed outside government)

In some cases, it is preferable for government programs to rely on standards devised by regulated firms themselves. The advantages of voluntary standards are that private technical knowledge can be applied directly to the problem, and that cooperating firms may reach agreement faster than government procedures will allow. Some regulators are concerned, however, that there should be some sort of public representation at meetings where voluntary standards are developed, and that voluntary standards should not represent a de facto barrier to market entry.

Example 1: Voluntary Standards for Medical Devices

Under the Food and Drug Administration's new Voluntary Standards Policy, FDA will support the development and use of voluntary standards for some types of medical devices, while reserving the right to issue mandatory standards as necessary. FDA will evaluate the standards and endorse those that are found adequate. This policy will expedite standards development while decreasing the drain on FDA's analytic resources.

Example 2: Voluntary Standards for Furniture Flammability

The Consumer Product Safety Commission is working with the furniture industry to develop cost-effective voluntary standards that will reduce by 60%-70% the 500 deaths and 1700 injuries caused annually by cigarettes dropped on upholstered furniture. CPSC will monitor the voluntary program carefully over the next year to ensure that the furniture meets safety standards.

VIII. TIERING (differentiating standards according to the type of firm or product regulated)

It is not always reasonable to apply the same regulatory requirements to all regulated firms. In some instances, regulations can be "tiered" to fit the size and nature of the regulated businesses. Tiering can affect the actual level of compliance and may include outright exemptions from regulation (Example 1), or it can apply to reporting requirements (Example 2).

Example 1: Tiering in EPA Programs

The Environmental Protection Agency's uniform nationwide pollution control requirements often affect small businesses disproportionately because they lack regulatory expertise and are unable to absorb compliance costs. EPA has relieved the burden on small businesses by requiring less stringent pollution control levels or granting outright exemptions for more than 50 regulations.

Example 2: Reporting Burdens for Small Banks

Upon review of its information needs, the Comptroller of the Currency determined that the amount of financial information required of small commercial banks was not essential to fulfilling its regulatory mission. The Comptroller thus reduced the reporting burden on small commercial banks, replacing the standard form with an abbreviated version. National banks with less than \$100 million in total assets now report 40 percent less financial information than before.

June 25, 1980

The Honorable Bob Bergland
Secretary of Agriculture
Washington, D. C. 20250

Dear Bob:

The Federal Reserve Board is pleased to participate in the 1981 Combined Federal Campaign and I will be happy to serve as Chairman for the Board's program. Mr. John M. Denkler, Staff Director for Management, will serve as Vice Chairman for our CFC Drive. Mr. Denkler is located in Room B-2047 and his telephone number is 452-3764.

Sincerely,

PAUL

JMD:dbm

bcc: Mrs. Mallardi (2) - WH #55
Mr. Denkler
Mrs. Wells

THE WHITE HOUSE

WASHINGTON

June 12, 1980

WH-55

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

The Honorable Bob Bergland, Secretary of Agriculture, has agreed to serve again this year as Chairman of the Combined Federal Campaign for the National Capital Area. Secretary Bergland did an outstanding job as campaign chairman last year and I am pleased that he is willing to serve again.

Citizens working together through voluntary agencies can become partners in the effort to build better communities, a healthier nation, and a more peaceful world. This year, our help is needed more than ever. Voluntary organizations need the support of all Federal personnel in the National Capital Area to accomplish their important objectives.

I request that you serve personally as Chairman of the combined campaign in your organization and that you appoint a top assistant as your Vice Chairman. Please advise Secretary Bergland of the person you designate as your Vice Chairman.

Jimmy Carter

WH-54 - NRN - orig to
Anderson



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

JUN 5 1980

MEMORANDUM FOR DESIGNATED EXECUTIVE AGENCIES
AND ESTABLISHMENTS

WH54

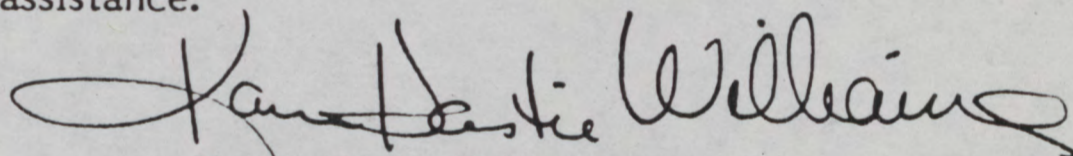
SUBJECT: Uniform Procurement System

Enclosed for your information is a memorandum dated June 4, 1980 which I sent to the heads of those departments and agencies represented on the Council on the Uniform Procurement System. That Council, which I established pursuant to P.L. 96-83, was created in April of this year to advise and assist me in the development of a uniform procurement system (UPS) proposal for submission to the Congress by October 1980.

As you will note, that memorandum, along with enclosures, provides a project report on progress to date and solicits information for consideration by the various task groups in developing their recommendations for a UPS proposal. I want to take this opportunity to request your input into this project as well.

Your views, principally as customers of the Government's acquisition and supply processes, are especially valuable. Consequently, your identification of problems as well as advice on improving the Government's processes for acquisition, supply, and procurements under grants would be most appreciated. They should be forwarded to Mr. David F. Baker of this office not later than June 27, 1980, using the recommended format which is enclosed. Questions regarding the project to develop the UPS proposal may be directed to Mr. LeRoy Haugh at 202/395-6166.

Thank you in advance for your assistance.


Karen Hastie Williams
Administrator

Enclosures

Designated Executive Departments and Agencies

Advisory Commission on Intergovernmental Relations

ACTION

Administrative Conference of the U.S.

American Battle Monuments Commission

Appalachian Regional Commission

Board for International Broadcasting

Board of Governors of the Federal

Reserve System

Civil Aeronautics Board

Commission of Fine Arts

Commission on Civil Rights

Commodity Futures Trading Commission

Community Services Administration

Consumer Product Safety Commission

Federal Election Commission

Delaware River Basin Commission

Equal Employment Opportunity Commission

Export-Import Bank of the United States

Farm Credit Administration

Federal Deposit Insurance Corporation

Federal Election Commission

Federal Emergency Management Agency

Federal Home Loan Bank Board

Office of the Federal Inspector for the

Alaska Natural Gas Transportation System

Federal Labor Relations Authority

Federal Maritime Commission

Federal Mediation and Conciliation Service

Federal Mine Safety and Health Review Commission

Federal Trade Commission

Foreign Claims Settlement Commission

Interstate Commerce Commission

Merit Systems Protections Board

National Capital Planning Commission

National Endowment for the Arts

National Labor Relations Board

National Mediation Board

National Science Foundation

National Credit Union Administration

National Transportation Safety Board

Occupational Safety and Health Review Commission

Overseas Private Investment Corporation

Pennsylvania Avenue Development Corporation
Pension Benefit Guaranty Corporation
Postal Rate Commission
Railroad Retirement Board
Securities and Exchange Commission
Selective Service System
Smithsonian Institution
U.S. Arms Control and Disarmament Agency
U.S. International Trade Commission
Water Resources Council
Central Intelligence Agency
Special Representative for Trade Negotiations
Council on Environmental Quality
Federal Communications Commission
Four Corners Regional Commission
New England Regional Commission
Ozarks Regional Commission
Upper Great Lakes Regional Commission



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

JUN 4 1980

MEMORANDUM TO THE HEADS OF
SELECTED DEPARTMENTS AND AGENCIES

Subject: Uniform Procurement System

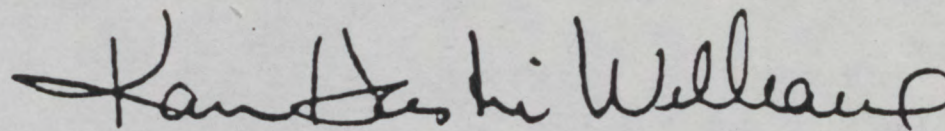
This is to advise you of our progress in developing a proposal for a uniform procurement system which was required by the Congress in Public Law 96-83.

You may recall that, by letter of April 15, 1980, I established a Council on the Uniform Procurement System (CUPS), consisting of senior agency officials representing the various disciplines involved in the procurement process to advise and assist me in the development of the proposal. In that context, I also requested that you appoint appropriate representatives (a principal and alternate) to serve on the Council. Your cooperation in this process has been very helpful.

Since that time, I have convened two meetings of the Council -- on April 23 and May 14, 1980. Those meetings have resulted in the development of a project structure consisting of a Coordinating Committee and three subject-oriented task groups -- on acquisition, on supply, and on procurement under grants. Enclosed are minutes of the last CUPS meeting which include charters for these groups as well as an overall project charter for the entire effort. Also enclosed is a project schedule which clearly depicts the severe time constraints associated with the preparation and submission of the proposal to the Congress by October 1980. I am pleased to note that two of the task groups are fully formed and operating while the third soon will be.

Because of the comprehensive nature of the proposal requested by the Congress, the short time frame, and the need by the task groups for all available information for consideration in the development of their recommendations, I want to encourage your submission to us, coordinated through your CUPS representatives, of any specific advice you may have on this subject based on the collective experience of your agency -- including budget, planning, financial management, program and delivery system considerations. I would especially appreciate the identification of problems, as encountered by your agency in each of the task group areas -- acquisition, supply, and procurement under grants -- as well as any recommendations for legislation, policy, regulation or other improvements which you believe are needed. Your advice and recommendations should be provided to Mr. David F. Baker of this office not later than June 27, 1980 to be considered by the task groups. A recommended format for this purpose is enclosed.

We have a unique opportunity, unconstrained by existing legislation, to propose a Uniform Procurement System which could greatly enhance our capabilities to effect the needed economies, efficiencies and effectiveness, with equity, of Federal procurement. Thank you, again, for your cooperation.



Karen Hastie Williams
Administrator

Enclosures

Addressees

Secretary of Agriculture
Secretary of Commerce
Secretary of Defense
Secretary of Energy
Administrator, Environmental Protection Agency
Director, Federal Emergency Management Agency
Administrator of General Services
Secretary of Health, Education, and Welfare
Secretary of Housing and Urban Development
Secretary of the Interior
Director, International Communication Agency
Attorney General
Secretary of Labor
Administrator, National Aeronautics
and Space Administration
Director, National Science Foundation
Director, Office of Personnel Management
Secretary of State
Administrator, Small Business Administration
Chairman, Tennessee Valley Authority
Secretary of Transportation
Secretary of the Treasury
Administrator of Veterans Affairs



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

MAY 19 1980

OFFICE OF FEDERAL
PROCUREMENT POLICY

COUNCIL ON THE UNIFORM PROCUREMENT SYSTEM

Minutes of Meeting: May 14, 1980

1. The second meeting of the Council on the Uniform Procurement System (CUPS) was held on May 14, 1980, in Room 9104 of the New Executive Office Building. It was convened at 2:00 p.m. and chaired by Ms. Karen Hastie Williams, Administrator for Federal Procurement Policy. The meeting was attended by representatives of 23 departments and agencies, as indicated on the list of attendees provided as Enclosure 1.

2. The meeting was conducted in accordance with the agenda and other materials, provided as Enclosure 2. In her opening remarks, the Administrator emphasized the need to finalize plans for the project structure so that the Task Groups could be formed and begin their deliberations by the end of the ensuing week.

3. With regard to the specific items on the agenda, Ms. Williams provided the following information:

A. Developments to Date

(1) A copy of the overall UPS project plan (as discussed at the first CUPS session) was provided to congressional staffs (Brooks/Chiles) and they indicated that it is "on target" in terms of the legislative requirements;

(2) The first public hearing on the UPS was held on May 6th: 28 organizations provided written testimony and 13 of these provided oral testimony as well. Copies of the hearing record will be provided to the Task Group Chairmen and a copy is available in OFPP for review.

(3) OFPP is developing plans now for a series of public hearings in July to allow public reaction to the first draft of the complete proposal. Consideration is being given to holding those hearings in the Northeast, Mid-west, and West Coast, in addition to Washington, D.C.

(4) The Coordinating Committee held its first session on May 2 to discuss Task Group structures. That meeting resulted in suggestions which have led to the refinement of the proposed Task Force structure, timing and product description — the discussion of which was the principal purpose of the immediate Council session.

B. Revisions in Project Plan. While emphasizing that the structure and scope of the UPS as discussed at the April 23rd meeting of the Council and as described at Tab A of Enclosure 2 remained unchanged, Ms. Williams proposed several changes to the project structure — in response to agency expressions of concern with respect to workload requirements on available agency personnel. Specifically, the following changes were proposed (as reflected in Tab B of Enclosure 2):

(1) A reduction in the number of Task Groups from 7 to 3. Initially two were proposed: one to look at the procurement process from the acquisition perspective and the other to look at the procurement process from the supply perspective. In the course of discussing the task group structures, however, Ms. Williams suggested that it may be useful to provide for a third task group to deal with the procurement under grants area. Mr. Pippen of EPA supported the suggestion indicating that, as chairperson of the earlier proposed Task Group No. 7, he had already initiated the "grants" effort, identified issue areas, and made assignments. On that basis, there being no objection, Ms. Williams indicated that there would be three task groups (Acquisition/Supply/Procurement Under Grants) and that revised charters would be provided to the Council. (These charters are included at Enclosure 3);

(2) A slight revision in the timetable for developing the UPS proposal — to reflect the week's delay in establishing the task group structures (a revised milestone chart is contained at Tab C of Enclosure 2);

(3) The identification of five basic elements which should be addressed in the final UPS proposal, namely, (a) uniform procurement legislation; (b) uniform regulation systems; (c) uniform procurement management and management support systems; (d) a Federal data system; and (e) a uniform personnel program. (Each of the elements is discussed in Tab B of Enclosure 2); and

(4) A description of the structure of the final written proposal, to include three elements: (a) a general statement of policy regarding uniformity (including a UPS definition and listing of objectives and management principles); (b) a description of each element and process in the UPS, along with a cost benefit analysis; and (c) plans for implementation.

Ms. Williams indicated that these various changes were reflected in Tabs C through E of the package provided to Council members (Enclosure 2). She reviewed briefly the salient aspects of the charters for the Coordinating Committee and Task Groups 1 and 2.

C. Task Group Formation. Ms. Williams indicated that, in order to meet existing milestones, the task groups should be formed as soon as possible — certainly by the end of the coming week (May 23). She suggested that the chairmen and vice chairmen meet before May 16 and draw up lists of personnel required (by name, if possible, or by agency/discipline). The lists should be provided to Mr. David Baker at OFPP who will request assignments from the agencies involved.

D. Other Discussion. In the ensuing period of discussion, questions were asked or concerns expressed by Council members as follows:

(1) Is it intended that a detailed legislative proposal be developed for submission in October? The Congress has provided an additional year for development of a detailed legislative proposal. We need to provide, by October of this year, only an indication of what essential changes in law appear desirable or necessary. (It was also pointed out with regard to development of a

uniform statute, that the Commission on Government Procurement had identified 4,000 procurement-related statutes or statutory provisions of which 50 are critical. OFPP is undertaking to update that list).

(2) How does the FAR Council relate to the UPS project? Ms. Williams noted that she expected to issue an OFPP Policy Letter within 30 days establishing a FAR Council, and describing its role and responsibilities. She mentioned that a similar mechanism appeared necessary for the property management and supply regulation system and that both would be elements of the UPS but that she would move forward with the FAR Council since that project was at a more advanced stage.

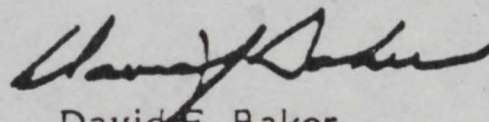
(3) In relation to the "brief but comprehensive" characterization of UPS elements and processes to be described, should not the length of these descriptions be made uniform so that the final proposal treats each subject area evenly? Ms. Williams indicated that the role of the Coordinating Committee was to provide for similarity in Task Group work products — so that drafting of the final proposal by the Committee could be facilitated. She explained that while descriptions should be brief, they should also be sufficiently comprehensive so that UPS processes and elements were intelligible to persons generally familiar with Federal procurement.

(4) It was noted that the agenda packages had not been provided to the Council except shortly before the Council session began. It was requested that future materials be provided to permit time for advance review. Ms. Williams concurred. Whenever possible, more extensive review time will be provided.

(5) It was noted that DOD was concerned about the supply aspects of the project and might not participate unless the supply interests were restricted to the item management assignment, cataloging and requisitioning areas. Ms. Williams noted that the scope of the UPS, itself, was inclusive of all of the elements of supply, but that the elements which would receive primary emphasis were to be considered and proposed by Task Group No. 2.

(6) The project charter identifies four data systems as elements of the UPS. Is it intended that the UPS proposal provide the details for these systems? Ms. Williams noted the project charter identifies three systems, in addition to the FPDS, which appear necessary for a comprehensive UPS proposal. The need for such systems should be addressed by the Task Groups, including the inventorying of current data systems.

4. There being no additional discussion, Ms. Williams adjourned the meeting at 2:45 p.m.



David F. Baker
Executive Secretary
Council on the Uniform Procurement
System

Enclosures

MEETING
OF THE
COUNCIL ON THE UNIFORM PROCUREMENT SYSTEM

ATTENDEES

MAY 14, 1980

Office of Federal Procurement Policy

Ms. Karen Hastie Williams	395-5802
Mr. Fred Dietrich	395-6810
Mr. David Baker	395-7207
Mr. Bill Hunter	235-2434
Mr. Dan Wilson	395-3254
Mr. William Maraist	395-3300
Ms. Patricia Szervo	395-3300
Mr. LeRoy J. Haugh	395-6166
Mr. William Maraist	395-3300
Mr. William Coleman	395-3455
Mr. Joe Spagnola	235-2543

Department of Agriculture

P Mr. Lacy Arnold	447-7527
A Mr. Don F. Manns	447-7527
O Mr. Tom Ward	447-0983

Department of Commerce

P Mr. David Nathan	377-3490
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Department of Defense

A Mr. Robert Trimble	697-8177
A Mr. Paul Riley	697-1367
O Mr. Ken Payne	274-6211
O Mr. Paul Judge	697-3151

P = Principal
A = Alternate
O = Observer

Department of Energy

P Mr. Michael J. Tashjian 252-8613
 A Mr. Berton J. Roth 252-8182

Environmental Protection Agency

Co-P Mr. Harvey Pippen, Jr. 755-0850
 Actg. P Mr. Robert L. Molino 472-9384

Federal Emergency Management Agency

P Mr. Duane Murray 634-6046
 A Mr. Steve Goodman 653-7270

General Services Administration

A Mr. Tom Morris 557-8667
 O Mr. Charles Hulick 557-8626
 A Mr. James E. Steele 566-1100

Department of Health and Human Services

P Mr. Murray Weinstein 245-8870

Department of Housing and Urban Development

P Mr. Tom Whittleton 724-0040
 A Mr. Craig E. Durkin 724-0038

Department of the Interior

P Mr. Colonel C. Armstrong 343-5914

US International Communications Agency

P Mr. Philip Rogers 653-5570

Department of Justice

P Mr. Anthony C. Moscato 633-4405

Department of Labor

A Mr. Richard Strom 523-9174

National Aeronautics and Space Administration

P Mr. Stu Evans 755-2255
 A Mr. L. E. Hopkins 755-2252

National Science Foundation

P Mr. William B. Cole, Jr. 357-7880

Office of Management and Budget

O Mr. Richard Adams 395-3460

Office of Personnel Management

A Mr. Gerald D. Curry 254-8492

Small Business Administration

A Mr. Edward Odell 653-6332

Department of State

A Mr. LeRoy A. Wallin 235-1773

Tennessee Valley Authority

A Ms. Betsey J. Horsmon 245-0101

Department of Transportation

A Mr. Roger Martino 426-4237

Department of the Treasury

P Mr. Thomas P. O'Malley 376-0650

Veterans Administration

P Mr. Bob Vaughn 370-0244

PRESS ATTENDEES:Bureau of National Affairs

Mr. Chas Wendel 452-4230

Government Purchasing Outlook

Ms. Barbara Oganessoff 785-2593

COUNCIL
ON THE
UNIFORM PROCUREMENT SYSTEM

Second Session

May 14, 1980

COUNCIL ON THE UNIFORM PROCUREMENT SYSTEM

May 14, 1980

AGENDA

I. INTRODUCTORY REMARKS

II. DISCUSSION TOPICS

- o Developments to Date
- o Revisions in Project Plan
 - o Project Schedule
 - o Coordinating Committee Membership
 - o Task Group Structure
- o Task Group Formation
 - o Staffing
- o Other

III. CONCLUDING REMARKS

CONTENTS

TAB A	System Charter, Principles and Objectives
TAB B	Project Charter -- Revised
TAB C	Project Schedule -- Revised
TAB D	Project Structure -- Revised
TAB E	Charters: Coordinating Committee/Task Groups -- Revised
TAB F	Related Correspondence

TAB A

UNIFORM PROCUREMENT SYSTEM

Legislative Charter

The requirement for development of a uniform procurement system is provided in Public Law 96-83, Section 4, as follows:

"The Administrator shall develop ... a uniform procurement system which shall, to the extent he considers appropriate and with due regard to the program activities of the executive agencies, include uniform policies, regulations, procedures, and forms to be followed by executive agencies —

"(1) in the procurement of —

"(A) property other than real property in being;

"(B) services, including research and development; and

"(C) construction, alteration, repair, or maintenance of real property; and

"(2) in providing for procurement by recipients of Federal grants or assistance of items specified in clauses (1)(A), (1)(B) and (1)(C) of this subsection, to the extent required for performance of Federal grant or assistance programs."

UNIFORM PROCUREMENT SYSTEM

Goals and Objectives

A. Procurement Goals. The enunciation of procurement goals is found in Public Law 96-83, Section 2, as follows:

1. Promote the use of full and open competition in the procurement of products and services;
2. Establish policies, procedures, and practices which will require the Government to acquire property and services of the requisite quality and within the time needed at the lowest reasonable cost;
3. Improve the quality, efficiency, economy, and performance of Government procurement organizations and personnel, and eliminate fraud and waste in the procurement process;
4. Avoid or eliminate unnecessary overlapping or duplication of procurement and related activities;
5. Avoid or eliminate unnecessary or redundant requirements placed on contractor and Federal procurement officials;
6. Identify gaps, omissions, or inconsistencies in procurement laws, regulations, and directives and in other laws, regulations and directives, relating to or affecting procurement;
7. Achieve greater uniformity and simplicity, whenever appropriate, in procurement procedures;
8. Otherwise promote economy, efficiency, and effectiveness in Government procurement organizations and operation;
9. Coordinate procurement policies and programs of the several departments and agencies;
10. Minimize possible disruptive effects of Government procurement on particular industries, areas, or occupations;
11. Improve understanding of Government procurement laws and policies within the Government and by organizations and individuals doing business with the Government;
12. Promote fair dealing and equitable relationships among the parties in Government contracting.

- B. Proposed System Objectives. The system will be one designed to accommodate both normal and peacetime as well as emergency and wartime requirements. It will be designed to:
1. Establish and maintain a coherent, comprehensive and responsive system of integrated processes and subsystems for use by executive branch agencies in acquiring products, systems and services;
 2. Provide, as fundamental characteristics of the system, maximum uniformity in policy and regulation and maximum flexibility in the application of these policies and regulations to accommodate the diverse needs and capabilities of system participants;
 3. Provide for a greater degree of reliance on the private sector so that:
 - a. Government duplication of private sector capabilities is minimized; and
 - b. The Government's potential for benefitting from competition within the private sector can be enhanced;
 4. Consolidate the existing system of differing acquisition regulations into a single unified regulation for use by all executive agencies, thereby establishing one system of acquisition procedures for all suppliers;
 5. Provide standard, Government-wide supply support and property management systems and procedures to assure uniformity in cataloging, requisitioning, issuing, item management, storage, inventory management, transportation, utilization, disposal and other fundamental procurement processes;
 6. Establish a Government-wide, comprehensive approach to the resolution of acquisition and supply problems in the executive branch;
 7. Facilitate the Government-wide implementation of new procurement policies as well as system improvements;
 8. Assure that policies associated with procurement reflect and respond to the national security and other national interests, as directed by the President and the Congress;
 9. Assure that policies associated with procurement reflect and respond to socio-economic considerations, including small and disadvantaged business concerns, as directed by the President and the Congress;
 10. Minimize the regulatory and paperwork burden imposed upon the public and private sectors by the procurement process;
 11. Conduct procurement research and, wherever feasible, incorporate the resolution of Commission on Government Procurement recommendations into procurement policies and regulations.

UNIFORM PROCUREMENT SYSTEM

Proposed Governing Principles

A. Management Principles.

The uniform procurement system will:

1. Include mechanisms with authority to establish, monitor and enforce, policies, procedures and programs governing or directly affecting all phases of the procurement process.
2. Institutionalize in the procurement process the management principles of (a) total process accountability; and (b) assignments of authority commensurate with responsibility.
3. Develop and provide managers directly and personally accountable and responsible for all phases of the procurement process for a given commodity, procurement program or project.
4. Provide a capability for developing and maintaining a competent, ethical and properly motivated procurement workforce through recruitment, education, career development, training and performance evaluation programs.
5. Increase reliance on the private sector for goods and services (and their distribution) by maximizing Government knowledge of the marketplace and by facilitating the Government/contractor interface.
6. Provide mechanisms to assure the development of an aggressive position with regard to other functional and management areas of Government so that the capabilities of the UPS to respond to the procurement needs of Government can be satisfied.
7. Provide, as a firm commitment to the user, that needs will be met from Government assets or the private sector and that maintenance of a redundant acquisition capability will not be required.
8. Assure that procurement management decisions are based on the best information available by providing comprehensive, accurate and timely data collection and reporting programs.
9. Simplify and streamline existing procurement processes and programs so that organizational layering and regulatory burdens are minimized and unnecessary paperwork is eliminated.

10. Provide, through a program of procurement research, a means for continuously improving the procurement processes of Government in terms of efficiency, economy, and effectiveness, and equity.

B. Procurement Principles.

The uniform procurement system will:

1. Look to the private sector as the primary source of products and services required for Federal missions, except when it is necessary or more economical to use Government sources.
2. Provide commercial or modified commercial products and services in lieu of Government-unique products and services when commercial products and services will adequately satisfy Federal mission needs.
3. Utilize commercial distribution systems in providing product and service support to Federal departments and agencies when such systems will adequately satisfy Federal mission needs.
4. Employ, to the maximum feasible extent, full, open, and effective competition in the acquisition of products and services from the private sector as a principal means of obtaining the most economical and efficient products and services from the private sector; and eliminating fraud and collusion in Federal procurement.
5. Utilize total cost as the basis for procurement decisions, consistent with the policy and program requirements and priorities of Congress and the Executive Branch.
6. Specify needs in the form that permits maximum effective competition and innovation.
7. Maximize the economic utilization of products, properties and facilities in Federal Government hands.

CHARTER FOR THE PROJECT TO DEVELOP A UNIFORM PROCUREMENT SYSTEM PROPOSAL

INTRODUCTION

Section 6, P.L. 96-83 provides that the Administrator for Federal Procurement Policy develop for submission to Congress a proposal for a uniform procurement system (UPS) which will include uniform policies, regulations, procedures, and forms to the extent (she) considers appropriate and with due regard to the program activities of the executive agencies. Section 8 requires that the system proposal contain a full description of the system, projected costs and benefits, and short and long-term plans for implementation of the system. It shall apply to executive agency procurement of property, services, construction, alteration, repair, and maintenance, as well as the procurement of goods and services under Federal grant and assistance programs.

The purpose of this Charter is to set forth a conceptual plan for the development of a uniform procurement system proposal, to identify executive agency roles in the preparation of the UPS proposal, and to provide a schedule for its development.

RESPONSIBILITIES

The Administrator for Federal Procurement Policy shall provide overall leadership and direction in the development of the UPS proposal, in consultation with affected executive agencies and the public. Through the mechanism of an interagency Council on the Uniform Procurement System, as chartered, the executive agencies will provide advice, assistance and personnel resources in developing the UPS proposal.

DEFINITION

The Uniform Procurement System will be a comprehensive Government-wide system concerned with the process for (1) stating needs for goods and services in support of agency missions; (2) controlling the acquisition, supply, management and disposition of goods and services required by the executive branch; and (3) procuring goods and services under Federal grant and assistance programs. The key elements of the system are (1) uniform procurement legislation; (2) a uniform regulation system to include policies and procedures; (3) a uniform procurement management and management support system; (4) a uniform data system; (5) a uniform procurement personnel recruitment, training, and career development program.

ELEMENTS OF THE PROPOSAL

The proposal for the uniform procurement system should encompass the following key elements:

1. Uniform Procurement Legislation. Recommend new legislation to incorporate changes required by the proposed uniform procurement system and to eliminate inconsistencies in the current procurement statutes. Consolidation of the two primary procurement statutes will provide a basis for uniform application of policies and procedures to all executive agencies and departments. The legislation should also provide for the elimination of other statutes or statutory provisions that are outdated and the consolidation of others that should be retained to enhance economy, efficiency, and equity. The relation of socio-economic matters to the procurement process should be examined. In addition, the UPS proposal should identify those relationships with Congress that are essential to an orderly, efficient procurement process. For instance, greater funding stability, multi-year funding authorizations, less direction on individual procurements would add significantly to the quality of the overall process.

2. Uniform Regulation Systems. The following systems should be considered as elements of the uniform procurement system:

a. Federal Acquisition Regulation (FAR) System. This will be a very significant element of the UPS, providing uniform policies, regulations, procedures and forms for Government-wide use in the acquisition phase of procurement. It will be a simple, clear and concise regulation system that will eliminate unnecessary burdens on contractors and Government contracting personnel. It will contain uniform policies and procedures to be used by executive agencies in acquiring property, services and construction, including alterations, repair and maintenance. The FAR will cover the inter-relationships between functional elements directly concerned with the acquisition process, beginning with the statement of needs. It will replace existing agency acquisition regulations with a single uniform Government-wide regulation, except where unique agency mission requirements necessitate supplemental agency regulations.

b. Property Management Regulation System. This will also be a significant element of the UPS, providing uniform policies, regulations, procedures and forms for Government-wide use in the supply support and property management phases of the procurement process. It will be a simple, clear and concise regulation system to eliminate unnecessary duplication and overlap in the supply process and to consider uniform policies and procedures to assure uniformity in cataloging, requisitioning, issuing, item management, storage, inventory management, transportation, utilization, disposal, and other fundamental procurement processes not addressed in the Federal Acquisition Regulation System.

c. Uniform Regulation System for Procurement Under Grants and Assistance. This third principal regulation system, currently envisioned in the OMB Circular system, would provide uniform procurement guidelines to grantees and establish management improvement programs to enhance and update grantee management capabilities.

3. Uniform Procurement Management and Management Support System. In recognition of the fact that the economy and efficiency of the procurement process is affected by placement of the procurement functions within management organizations and the interfaces among procurement and procurement management functions, the UPS proposal will include consideration of these structures and processes, as exemplified by the following:

a. Uniform Organizational Placement Standard. The UPS proposal will address the desirability of developing a uniform standard for placement of procurement functions to ensure proper consideration of matters relating to establishment of requirements and to acquisition, supply, transportation, maintenance, disposition, etc.

b. Government-Wide Contract Administration and Audit. The UPS proposal will address centralized responsibility for all field level contract administration functions and, similarly, for all field level contract audit functions. It will address the desirability of providing appropriate personnel ceilings to accomplish these functions for those agencies assigned such responsibilities. Uniform policies, procedures, and forms for contract administration and contract audit will be provided in the FAR.

c. Standard Government-Wide Item Management Assignment Criteria. The UPS proposal will address the desirability of developing standard criteria as a basis for making Government-wide item/commodity management assignments. Such assignments would incorporate the one item/one manager concept to assure that duplication and overlap in supply management responsibilities are eliminated and to assure effective support to users.

4. Federal Data System. The uniform procurement system should include:

a. The Federal Procurement Data System. The System will collect data on all contracts awarded by all Executive Agencies. The FAR will include uniform data elements, forms and procedures for reporting this data to the Federal Procurement Data System.

b. Federal Property Management Information System. The uniform procurement system proposal should address the need, scope, and content of a uniform Government-wide information system to provide supply management data to Federal procurement managers.

c. Federal Acquisition Management Information System. The uniform procurement system should address the need, scope and content of information systems to provide timely acquisition management data to Federal procurement managers.

d. Federal Assistance Information System. The UPS should address the need and content of an information system with respect to procurement under Federal grant and assistance programs.

5. Uniform Procurement Personnel Recruitment, Training, and Career Development Program. The Nation's annual procurement expenditures affect a significant portion of our economic and industrial resources. It is imperative to maintain the best possible professional workforce with high ethical standards to handle these processes. This consideration should be addressed in the uniform procurement system proposal.

PROCUREMENT STRATEGIES

Provide for development of policy regarding agency procurement processes which place into proper perspective, in the acquisition and supply strategy, relationships between requirements, contracting, distribution, maintenance and operations.

1. Recognize, in policy, the necessity to tailor procurement processes to reflect unique aspects and differing strategies for procuring services and end products such as major systems, construction, and research and development.

2. Recognize, in policy, the procurement process for commercial commodities that encompasses the total acquisition and distribution spectrum; i.e., (a) complete intelligence on needs translated into requirements; (b) acquisition strategies emphasizing market research and analysis and inventory management (including use of excess and rehabilitation); (c) use of commercial item descriptions and other forms of functional product descriptions; (d) contracting and administration of contracts; (e) application of government and commercial distribution and support channels; (f) user satisfaction; (g) disposal; and (h) other logistic considerations such as standard requisitioning procedures, item entry control (cataloging) and transportation.

TASK

Prepare a proposal for the uniform procurement system which incorporates those elements listed above, as well as other elements of a similar nature which are determined appropriate by the Administrator, in consultation with the Council. The proposal should be structured as follows:

1. A general statement of policy regarding uniformity, including a definition of the uniform procurement system, system goals and objectives, and fundamental procurement and management principles;

2. Brief but comprehensive description of each element and process in the UPS, and anticipated costs/benefits; and

3. Short and long-term plans for implementation.

ASSIGNMENTS*

Executive agencies shall designate knowledgeable individuals, reflecting the various disciplines involved, to work on the three task groups to develop the proposal: Task Group No. 1 — Acquisition; Task Group No. 2 — Supply; and Task Group No. 3 — Procurement Under Assistance Programs. The task groups will be

*As modified May 15, 1980

Uniform Procurement System Coordinating Committee. Products will be provided to the Council on the Uniform Procurement System for review and comment.

SCHEDULE

The Task Groups will be formed by May 16, 1980 and will complete first drafts of work products by July 11, 1980. The Coordinating Committee will prepare a consolidated report by July 25. The Council review, as well as public hearings on the first draft of the proposal, will be completed by August 29, 1980. Final drafts of the UPS proposal will be provided, by September 5, to the executive agencies for consideration. Agency comments will be provided to OFPP by September 26, 1980. The proposal will be provided to the Congress by October 10, 1980.

PROJECT: Development of Uniform Procurement System Proposal

PROJECT SCHEDULE

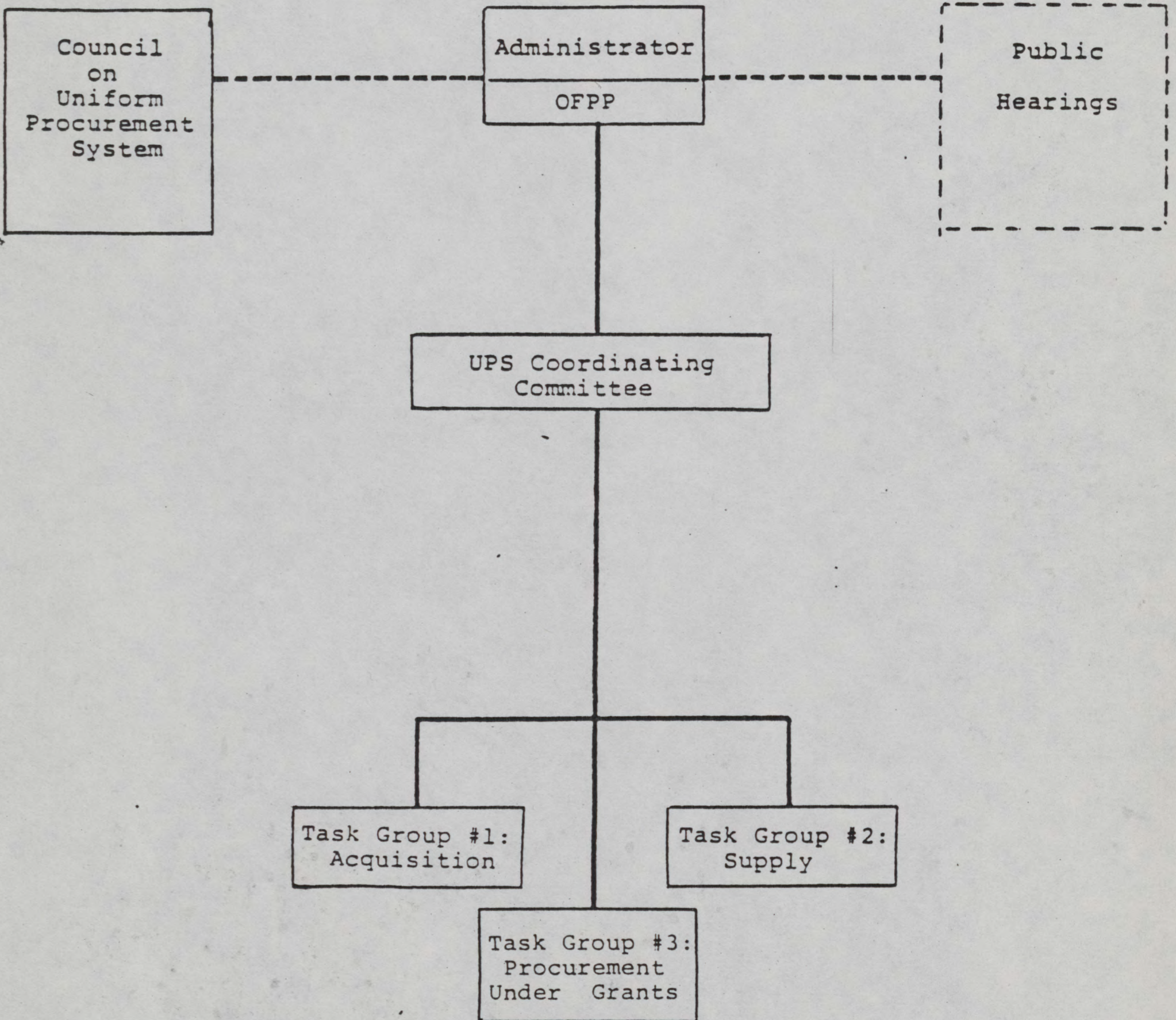
OFFICE: Office of Federal Procurement Policy

DATE PREPARED: MAY 12 1980

MILESTONES	MONTH: APRIL			MAY					JUNE				JULY				AUGUST					SEPTEMBER				OCT		
	DAY:	11	18	25	2	9	16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	5	12	19	26	3	10
1. Establish UPS Council and initiate project plan and schedule.			●																									
2. Conduct preliminary public hearing.					●																							
3. Finalize project plan and schedule.								○																				
4. Establish interagency task groups and provide assignments.								○																				
5. Review project plan, schedule and status with congressional staffs.									○																			
6. Complete task group reports and begin drafting of consolidated proposal.																												
7. Issue first draft of proposal for public review and comment at public hearing; agency comments through UPS council.																												
8. Receive and analyze comments; prepare second draft of the entire proposal.																												
9. Provide proposal to agency heads for formal coordination and comment; provide to congressional staffs for preliminary review.																												
10. Receive and analyze comments; negotiate disagreements and provide final positions on outstanding issues.																												
11. Prepare final documentation; obtain OMB approval and submit proposal to the Congress.																												

TAB C

Project Structure



As revised May 14, 1980

COUNCIL ON THE
UNIFORM PROCUREMENT SYSTEM (CUPS)

Role and Responsibilities

I. Authority.

The Council is established pursuant to Section 4 of Public Law 96-83, "Office of Federal Procurement Policy Act Amendments of 1979."

II. Structure.

Chaired by the Administrator, the Council will consist of senior procurement officials (principles and alternates) from 22 departments and agencies, as designated by the heads of those departments and agencies. The number of participating departments and agencies may be increased, at the discretion of the Administrator.

III. Purpose.

The purpose of the Council is to serve as the principal interagency mechanism for facilitating consultation between the Administrator and executive branch departments and agencies on all aspects of the development and implementation of the uniform procurement system.

IV. Responsibility.

The primary responsibility of the Council is to provide advice and assistance to the Administrator in the development and implementation of the uniform procurement system.

V. Administration.

The Council will be convened periodically, at the discretion of the Administrator, during the life of the project. Administrative arrangements, including conference room scheduling, document preparation (Minutes and Agendas), and records maintenance will be provided by the Office of Federal Procurement Policy. Meetings of the Council will be open to the public and notice of such meetings will be provided to the Federal Register, time permitting.

UNIFORM PROCUREMENT SYSTEM
COORDINATING COMMITTEE*

Role and Responsibilities

I. Authority

The UPS Coordinating Committee is established pursuant to Section 4 of Public Law 96-83, "Office of Federal Procurement Policy Act Amendments of 1979."

II. Structure

The Committee will consist of the following officials:

Chairperson: Mr. David Baker
OFPP

Vice Chairperson: Mr. Bob Trimble
DOD

Members:

Mr. Paul Riley, DOD	Mr. Mike Tashjian, DOE
Mr. Harvey Pippen, EPA	Mr. Fred Dietrich, OFPP
Mr. Albert Marschall, GSA	Mr. LeRoy Haugh, OFPP
Mr. Stu Evans, NASA	Mr. Dan Wilson, OFPP
Mr. Tom Morris, GSA	Mr. Bill Hunter, OFPP

Core Staff: A small number of individuals from OFPP and the executive agencies to prepare a consolidated proposal from task group reports.

III. Purpose

The purpose of the Coordinating Committee is to provide administrative and substantive oversight to facilitate the development of an integrated system proposal and to assure that the project schedule is maintained.

IV. Responsibilities

The responsibilities of the Coordinating Committee include:

- A. Minimizing duplication in the efforts of task groups;
- B. Resolving, insofar as possible, conflicts and contradictions in the proposals and recommendations of the task groups;
- C. Organizing and drafting, from the products provided by the task groups, an integrated uniform procurement system proposal for submission to the Congress.

V. Administration

The core staff will operate on a full-time basis during the proposal development phase while the full Committee will be convened periodically, at the discretion of the Chairperson. All administrative arrangements will be provided by the Office of Federal Procurement Policy, insofar as possible.

UNIFORM PROCUREMENT SYSTEM

Charter for Task Group No. 1: Acquisition

I. Subject Area:

All aspects of the Federal procurement process will be considered from the acquisition perspective: from the process for stating needs for goods and services in support of agency missions to controlling the acquisition, supply, management and disposition of systems, services, products and commodities required by the executive branch.

II. Staffing and Leadership:

Chairperson:

Mr. Stuart Evans
NASA

Vice Chairperson:

Mr. Fred Dietrich
OFPP

Key Agency Participants:

NASA (Lead Agency), DOD, DOE, SBA,
GSA, DOT, EPA, TVA, HHS, DOI, HUD

III. Administration:

Administrative and other arrangements necessary to assure the effective and timely accomplishment of the task group's responsibilities will be arranged by the chairperson and provided by the lead agency with the assistance of participating executive agencies. The product of the task group deliberations, in the form of a written report, will be provided to the Administrator for Federal Procurement Policy not later than July 11, 1980. The report should reflect the task groups' considerations, findings, conclusions, and recommendations.

Formal meetings of the full task group will be open to the public and, time permitting, notice of such meetings will be provided to the Federal Register.

IV. Task:

The task group will consider all aspects of the procurement process and the procurement management and support processes in its assigned subject area. It will consider, in addition, the stated goals, objectives and governing principles for the uniform procurement system as they apply to the five elements of the UPS proposal (i.e., uniform procurement legislation; uniform regulation systems, uniform procurement management and management support system; Federal

data system; uniform procurement personnel system). Consideration of these elements will enable the task group to:

1. Describe the optimum process, including the identification of key characteristics and features, for the uniform acquisition of systems, services, products and commodities;

2. Propose a plan and schedule, including recommendations for necessary changes in legislation, policy, regulation and procedure for establishing and maintaining the optimum acquisition process and related procurement management and support processes (i.e., training and career development; management data/information; program evaluation; management structure); and

3. Identify the potential for developing standard contracts, contract language, and forms; and describe, broadly, the purpose and contents of such standard documents.

V. Task Considerations:

To assure the development of an integrated as well as uniform procurement system, the task group should maintain close liaison with Task Group Nos. 2 and 3 so that supply and procurement under grants and assistance processes and functions, as they relate to acquisition, are integrated into the acquisition process.

UNIFORM PROCUREMENT SYSTEM

Charter for Task Group No. 2: Supply

I. Subject Area:

All aspects of the Federal procurement process will be considered from the supply perspective: from the process for stating needs for goods and services in support of agency missions to controlling acquisition, supply, management and disposition as they relate to the supply/property management and supply support of systems, products and commodities.

II. Staffing and Leadership:

Chairperson:

Mr. Tom Morris
GSA

Vice Chairperson:

Mr. Dan Wilson
OFPP

Key Agency Participants:

GSA (Lead Agency), DOD, DOT, USDA,
VA, SBA, HHS, Commerce

III. Administration:

Administrative and other arrangements necessary to assure the effective and timely accomplishment of the task group's responsibilities will be arranged by the chairperson and provided by the lead agency with the assistance of participating executive agencies. The product of the task group deliberations, in the form of a written report, will be provided to the Administrator for Federal Procurement Policy not later than July 11, 1980. The report should reflect the task groups' considerations, findings, conclusions, and recommendations.

Formal meetings of the full task group will be open to the public and, time permitting, notice of such meetings will be provided to the Federal Register.

IV. Task:

The task group will consider all aspects of the procurement process and the procurement management and support processes in its assigned subject area. It will consider, in addition, the stated goals, objectives and governing principles for the uniform procurement system as they apply to the five elements of the UPS proposal (i.e., uniform procurement legislation; uniform regulation systems, uniform procurement management and management support system; Federal data system; uniform procurement personnel system). Consideration of these elements will enable the task group to:

1. Describe the optimum process, including the identification of key characteristics and features, for the supply of systems, products and commodities (e.g., item entry, cataloging, item management, storage, distribution, requisitioning, issuing, transportation, reutilization and disposal; and

2. Propose a plan and schedule, including recommendations for necessary changes in legislation, policy, regulation and procedure for establishing and maintaining the optimum supply process and related procurement management and support processes (i.e., training and career development; management data/information; program evaluation; management structure).

V. Task Considerations:

To assure the development of an integrated as well as uniform procurement system, the task group should maintain close liaison with Task Group No. 1 so that acquisition processes and functions, as they relate to supply, are integrated into the supply/property management process.

UNIFORM PROCUREMENT SYSTEM

Charter
for

Task Group No. 3: Procurement Under Assistance Programs

I. Subject Area:

Procurement by recipients of Federal grants or assistance of property (other than real property in being), services (including research and development), and construction, alteration, repair or maintenance of real property to the extent required for performance of Federal grants or assistance programs will be considered.

II. Staffing and Leadership:

Chairperson:

Mr. Harvey G. Pippen
EPA

Vice Chairperson:

Mr. Jack Nadol
OFPP

Key Agency Participation:

EPA (lead agency), HHS, SBA, HUD,
Energy, NSF, DOT, Justice, OMB

III. Administration:

Administrative and other arrangements necessary to assure the effective and timely accomplishment of the task group's responsibilities will be arranged by the chairperson and provided by the lead agency with the assistance of participating executive agencies. The product of the task group deliberations, in the form of a written report, will be provided to the Administrator for Federal Procurement Policy not later than July 11, 1980. The report should reflect the task groups' considerations, findings, conclusions, and recommendations.

Formal meetings of the full task group will be open to the public and, time permitting, notice of such meetings will be provided to the Federal Register.

IV. Task:

The task group will consider all aspects of the procurement under assistance process and the procurement management and support processes in its assigned subject area. It will consider, in addition, the stated goals, objectives and governing principles for the uniform procurement system as they apply to the five elements of the UPS proposal (i.e., uniform procurement legislation; uniform regulation systems, uniform procurement management and management support system; Federal data system; uniform procurement personnel system). Consideration of these elements will enable the task group to:

1. Describe the optimum process, including the identification of key characteristics and features, for the uniform procurement of systems, services, products and commodities under assistance programs;

2. Propose a plan and schedule, including recommendations for necessary changes in legislation, policy, regulation and procedure for establishing and maintaining the optimum procurement under grants and assistance process and related procurement management and support processes (i.e., training and career development; management data/information; program evaluation; management structure); and

3. Identify the potential for developing standard contracts, contract language, and forms; and describe, broadly, the purpose and contents of such standard documents.

V. Task Considerations:

To assure the development of an integrated as well as uniform procurement system, the task group should maintain appropriate liaison with Task Group No. 1 so that acquisition processes and functions, as they relate to procurement under assistance programs, are integrated into the procurement under assistance process.



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

MAY 9 1980

MEMORANDUM FOR MEMBERS, COUNCIL ON THE UNIFORM
PROCUREMENT SYSTEM

SUBJECT: Second Meeting of the Council

I propose to convene the second session of the Council on the Uniform Procurement System on Wednesday, May 14 in Room 9104 of the New Executive Office Building at 2:00 p.m. The purpose of the meeting will be to discuss refinements in the project structure established to draft the uniform procurement system proposal.

Your attendance at this is meeting will be most appreciated.

Karen Hastie Williams
Karen Hastie Williams
Administrator

FORMAT

The recommended format for providing comments for consideration in the development of the Uniformed Procurement System proposal is as follows:

1. Identify legislation, policy, regulation, or other document which is being addressed.
2. Provide a statement of the problem.
3. Provide any supporting data that is available which indicates the magnitude of the problem, including annual estimates of procurement dollars and actions that might be involved.
4. Provide qualitative and quantitative analyses of the problem and its ramifications.
5. Describe possible alternative solutions to the problem and identify delta costs and benefits associated with each alternative.
6. Provide a recommendation as to the preferred alternative.



EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
WASHINGTON, D. C. 20506

JUN 4 1980

OFFICE OF THE CHAIR

WH-53

MEMORANDUM

TO : Heads of Agencies

FROM : Eleanor Holmes Norton *EHN*
Chair, EEOC

SUBJECT: Request for Comment on Proposed EEOC Management Directive

Your review and comment are invited on the enclosed proposed EEOC Management Directive entitled, "Quarterly Bulletin by the Equal Employment Opportunity Commission of EEO Issuances Under Development." The Commission proposes to issue this Management Directive using its authority under Executive Order 12067, Providing for the Coordination of Equal Employment Opportunity Programs. As such the reporting requirement imposed by the Management Directive would be mandatory for all Federal agencies proposing to issue materials dealing with equal employment opportunity.

The proposed Management Directive requires that Federal agencies which propose EEO issuances (other than issuances affecting their own employees) report key information to EEOC about proposed issuances under development at least four times a year. EEOC will compile the information and circulate it to affected agencies in a quarterly bulletin.

The Commission plans to submit its request for approval of the Quarterly Report of EEO Issuances Under Development, EEOC Form 406A, to the National Archives and Records Service after we have had an opportunity to review the comments of the agencies which will be required to comply with this reporting requirement.

Please submit your comments by June 27, 1980 to:

Office of Interagency Coordination
Equal Employment Opportunity Commission
Room 2534
2401 "E" Street, N.W.
Washington, D.C. 20506

For further information about this proposed EEOC Management Directive, contact Mr. Arthur Jefferson at 202-254-3036.

Attachment

WH-53 - NR ● - Amig. 5

Daniel

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

EQUAL EMPLOYMENT OPPORTUNITY

MANAGEMENT DIRECTIVE

DRAFT

EEO-MD _____

DATE: _____

TO THE HEADS OF FEDERAL AGENCIES

1. SUBJECT. QUARTERLY BULLETIN BY THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION OF EEO ISSUANCES UNDER DEVELOPMENT

2. PURPOSE. This directive establishes a Quarterly Bulletin to be issued by EEOC and imposes a quarterly reporting requirement on Federal departments and agencies proposing to issue rules, regulations, policies, procedures or orders concerning equal employment opportunity (EEO).

The Quarterly Bulletin summarizes the information submitted to EEOC by Federal departments and agencies. The purpose of providing the information to Federal departments and agencies in the Quarterly Bulletin is to enable them to participate more fully in policy development and to avoid duplication, overlap and inconsistency in EEO issuances.

The Quarterly Bulletin is different from the Semiannual Agenda of Regulations which Federal agencies are required to publish in the Federal Register pursuant to Executive Order 12044 (Improving Government Regulations) because: the Quarterly Bulletin deals only with EEO issuances; includes issuances of lesser authority than regulations as well as regulations; is addressed to Federal agencies with EEO responsibilities only; and is issued quarterly by EEOC instead of appearing in the Federal Register.

3. SUPERSESION. None.

4. AUTHORITY. This directive is prepared pursuant to EEOC's obligations and authority under Sections 1-201, 1-203, 1-303 and 1-304 of Executive Order 12067 (Providing for Coordination of Federal Equal Employment Opportunity Programs).

5. POLICY INTENT. This directive, the Quarterly Bulletin and the quarterly reports are intended to assist EEOC and other Federal agencies with EEO responsibilities to comply with the requirements in Sections 1-303 and 1-304 of Executive Order 12067. These sections require that EEOC and other Federal agencies "advise and offer to consult with affected Federal departments and agencies during the development" of EEO issuances.

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6. APPLICABILITY AND SCOPE.

- a. The procedures of this directive apply to Federal departments and agencies covered by Section 1-201 of Executive Order 12067.
- b. Issuances relating to internal management and administration are exempt from the reporting requirements in paragraph 10.

7. DEFINITIONS.

- a. "Initiating agency" means the Federal department or agency responsible for the development of an EEO issuance.
- b. "Quarterly Report" means EEOC Form 406 A (Quarterly Report of EEO Issuances Under Development). See Exhibit A of this directive.
- c. "Quarterly Bulletin" means EEOC Form 406 B (Quarterly Bulletin of EEO Issuances Under Development). See Exhibit B of this directive.

8. RESPONSIBILITIES.

- a. The Office of Interagency Coordination, EEOC, is responsible for receiving and digesting the Quarterly Reports from other Federal agencies and for issuing the Quarterly Bulletin.
- b. Initiating agencies will complete the Quarterly Report by following the procedures in paragraph 10 of this directive.
- c. Heads of offices within EEOC will complete the Quarterly Report by following the procedures in paragraph 10 of this directive.

9. POLICIES AND PROCEDURES.

Federal departments and agencies proposing to issue rules, regulations, policies, procedures or orders concerning EEO will notify EEOC of proposed issuances at least each quarter using the Quarterly Report.

Initiating agencies will keep EEOC informed of the status of proposed issuances.

10. REPORTING REQUIREMENTS.

- a. Initiating agencies will complete Quarterly Report of EEO Issuances Under Development, EEOC Form 406 A. Mail the completed Quarterly Reports to the address shown in paragraph 12.

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- b. The Quarterly Reports are due March 31, June 30, September 30 and December 31.
- c. Office of Interagency Coordination, EEOC, will send blank EEOC Forms 406 A to Federal agencies with EEO responsibilities at least 30 days before the due date.
- d. Complete EEOC Form 406 A as follows:
 - (1) Name and Address of Agency - Enter the name of the initiating agency, including the name of the program office responsible for development of the issuance, and the address.
 - (2) Date - Enter the date the form is sent from the initiating agency.
 - (3) Name and Telephone of Contact Person - Enter the name and telephone number of the initiating agency official designated to answer questions about the proposed issuance. Normally this should be the person responsible for the development of the issuance.
 - (4) Title and Type of Issuance - Enter a title for the proposed issuance which is sufficiently explicit and non-technical so that a person who is not an expert can determine the subject, scope and significance of the proposed issuance.
 - (5) New or Previously Reported - Check the appropriate box.
 - (6) Policy Objective of Issuance - State the policy objective of the proposed issuance. For example, state whether the proposed issuance replaces a previous policy.
 - (7) Legal Basis of Issuance - State the legal basis which the agency is relying upon for its authority to issue the issuance. For example, state "Title VI of the Civil Rights Act of 1964."
 - (8) Current Status of Issuance - State the most recent event in the development of the issuance. For examples, "Notice of Proposed Rulemaking appeared in Federal Register on April 7, 1980" or "Sent to EEOC for clearance under E. O. 12067 on April 11, 1980."

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- e. Attach a copy of the draft of the proposed issuance, if one exists.
 - f. Office of Interagency Coordination, EEOC, will compile and enter the information on EEOC Form 406 B. EEOC will issue the Quarterly Bulletin on April 31, July 31, October 31 and January 31.
11. APPENDICES. The following exhibits are included in the appendices:
- a. Exhibit A is Quarterly Report of EEO Issuances Under Development, EEOC Form 406 A.
 - b. Exhibit B is Quarterly Bulletin of EEO Issuances Under Development, EEOC Form 406 B.
12. INQUIRIES. Further information about this directive may be obtained by contacting:

Francesta E. Farmer, Director
Office of Interagency Coordination
Equal Employment Opportunity Commission
Room 2534
2401 E Street, N. W.
Washington, D. C. 20506
Telephone: (202) 653-5490 or 254-3036

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

QUARTERLY REPORT OF EEO ISSUANCES UNDER DEVELOPMENT

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NAME AND ADDRESS OF AGENCY

DATE: _____

NAME AND TELEPHONE NUMBER OF CONTACT PERSON

INSTRUCTIONS: This form should be completed in accordance with the instructions provided in paragraph 10, of the EEO Management Directive 1002, Quarterly Bulletin by the Equal Employment Opportunity Commission of EEO Policy Issuances Under Development.

TITLE AND TYPE OF ISSUANCE (Check applicable box, if N - New or P - Previously reported Issuance) N - P -

POLICY OBJECTIVE OF ISSUANCE:

LEGAL BASIS OF ISSUANCE:

CURRENT STATUS OF ISSUANCE:

EEOC FORM 406A
MAY 82

PAGE _____ OF _____ PAGES

EXHIBIT A



EQUAL EMPLOYMENT OPPORTUNITY COMMISSION
 QUARTERLY BULLETIN OF EEO ISSUANCES UNDER DEVELOPMENT

DRAFT

QB # _____
 DATE: _____

OFFICE OF INTERAGENCY COORDINATION

FEDERAL AGENCY (A)	TITLE AND TYPE OF ISSUANCE (Check applicable box, if New-N; if Previously Reported Issuance -P) (B)	POLICY OBJECTIVE OF ISSUANCE (C)	LEGAL BASIS OF ISSUANCE (D)	CURRENT STATUS OF ISSUANCE (E)
NAME OF AGENCY: CONTACT PERSON: TELEPHONE NO: <input type="checkbox"/> - N <input type="checkbox"/> - P				
NAME OF AGENCY: CONTACT PERSON: TELEPHONE NO: <input type="checkbox"/> - N <input type="checkbox"/> - P				
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NAME OF AGENCY: CONTACT PERSON: TELEPHONE NO: <input type="checkbox"/> - N <input type="checkbox"/> - P				

EEOC FORM 406B
 MAY 80

PAGE _____ OF _____ PAGES

6
 EXHIBIT B

WH-52-NRN - coming to
Hampton



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

1980 JUN -9 04:10:02

JUN 3 1980

WH-52

MEMORANDUM TO HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

Subject: Proposed Policy on Improved Management and Dissemination of Federal Information

On July 25, 1978 the Office of Management and Budget published (Federal Register, page 32204) for public comment a proposed policy on the dissemination of scientific and technical information which results from Federal funds. The purpose of the proposed policy was to (1) establish that scientific and technical information which results from Federal funds shall, to the extent possible, be made available to the public, (2) require agencies to select that method for disseminating scientific and technical information which is in the best interests of both the agency and the Government, (3) require, with certain exceptions, that scientific and technical information be made available on a full cost recovery basis and (4) require the National Technical Information Service in the Department of Commerce to maintain a central index of scientific and technical information which is available from the Federal Government.

Over 300 comments were received from Federal agencies, libraries, State and local governments, trade associations, members of the public and others. The majority of the comments received supported the objectives of the proposed policy and provided suggestions on ways to improve the policy directive. Among these suggestions were:

(1) The policy should be clarified to assure a common understanding of its intent and requirements. In particular, it should be clearly stated that the policy does not mandate the use of the National Technical Information Service by Federal agencies for disseminating scientific and technical information.

(2) There should be a greater recognition of the role played by the Federal depository libraries and the private sector in providing public access to federally financed information.

(3) While there is a need to better manage federally financed scientific and technical information, it will be difficult to realize significant improvements without addressing some of the broader information policy issues. In particular, there is a need to establish a policy and organizational framework which will permit these issues to be addressed.

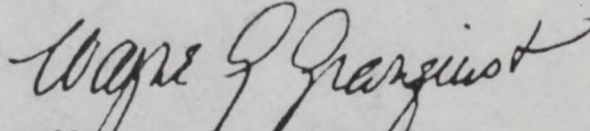
(4) Federal departments and agencies should be permitted maximum flexibility in managing their information resources, consistent with other program responsibilities. However, there is a need for greater central guidance and coordination.

(5) Cost should not become a barrier to public access to federally financed information. However, except where required by law, agencies should generally not be required to finance the dissemination of information beyond that required for mission accomplishment.

These and the many other comments that were received have been carefully considered in revising the policy. While it was not possible to incorporate all of the suggestions, major changes have been made in the proposed policy to address as many of the concerns as possible. As a result, the policy (enclosed) has been significantly expanded and is now entitled "Improved Management and Dissemination of Federal Information." While the policy still establishes an index of scientific and technical information, to be managed by the National Technical Information Service, it also addresses the issues of public access to federally financed information and the establishment or expansion of information centers by Federal departments and agencies. The policy also proposes a set of principles to govern the dissemination of, and public access to, federally financed information.

We intend to publish this draft policy in the Federal Register for comment. In the meantime, I would appreciate it if you could review this policy and provide us with comments by July 25, 1980. For further information, please contact Mr. Kenneth Allen of my staff, (202) 395-3785.

Sincerely,



Wayne G. Granquist
Associate Director for
Management and Regulatory Policy

Enclosure

communicating with, educating or informing one or more segments of the public. The distinguishing characteristic of public information is that the agency actively seeks, in some fashion, to disseminate such information or otherwise make it available to the public.

c. "Scientific and technical information" - Data or knowledge resulting from the conduct of federally funded research and development, or required for organizing, administering or performing research and development. Such information is used primarily by scientists and engineers engaged in research and development work.

d. "Information center" - A formally structured organizational unit financed partially or totally with Federal funds and established for the purpose of acquiring, maintaining, retrieving, and synthesizing a body of information and/or data in a clearly defined specialized field or pertaining to a specific mission with the intent of compiling, digesting, repackaging or otherwise organizing and presenting pertinent information and/or data in a logical, timely and useful form.

4. Background. Many Federal agencies have a statutory responsibility to disseminate information to the public. To carry out this responsibility, agencies currently employ a multitude of mechanisms, including the Superintendent of Document sales and depository library programs, the National Technical Information Service, clearinghouses, agency information centers and sales programs, journals and periodicals, private industry dissemination services and similar activities. Many of these mechanisms are also used to provide public access to other information produced in connection with the performance of agency missions, although such information is not specifically developed for the purpose of public dissemination.

Unfortunately, the growth in the amount of information collected and maintained by the government, coupled with agency desires to provide access to this information, has



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

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CIRCULAR NO. A-

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Improved Management and Dissemination of Federal Information

1. Purpose. This Circular promulgates policies and responsibilities regarding the management and dissemination of information held by the Executive Branch of the Federal Government which is produced or created with Federal funds; establishes a comprehensive index of Federal scientific and technical information; and provides guidance on the establishment or expansion of information centers by Executive Branch departments and establishments.

2. Applicability. This Circular applies to all departments and agencies whose budgets are subject to Presidential review in accordance with OMB Circular No. A-11.

Nothing in this Circular is intended to supersede existing law and regulations, including, but not limited to the Freedom of Information Act and Privacy Act. Where applicable the provisions of current law or regulation shall take precedence over the policies and provisions of this Circular.

3. Definitions. For the purposes of this Circular, the following definitions shall apply:

a. "Information" - The term "information" as used herein is generally intended to mean publications and other documents, such as reports, studies and brochures, which are available in a paper or microform media. However, agencies are encouraged, as appropriate, to apply the policies and principles contained in this Circular to information which is available in other media, such as computer data bases.

b. "Public information" - Information which is collected, produced or created by or for the Federal Government, with Federal funds, primarily for the purpose of

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Finally, there are a multitude of activities in both the public and private sectors devoted to the dissemination of information. While some of these activities have been established by law, Federal agencies often have a great deal of flexibility in determining how information will be disseminated. Unfortunately agencies frequently do not consider all viable options when deciding how to disseminate information and, as a result, sometimes establish new dissemination activities instead of taking advantage of existing activities. This results in increased costs to the government and the public, increases the size of the Federal workforce, contributes to the proliferation of information activities, places the government in unnecessary competition with the private sector and inhibits the ability of the private marketplace to provide information goods and services.

5. Policy Principles. The following principles are established:

a. Public information held by the Federal Government shall be made available to the public in an effective, efficient and economic manner.

b. All other information shall be subject to release to the public unless exempted by the Freedom of Information Act, other law, or potentially subject to claims of privilege in litigation. However, even information which is exemptable may be released unless prohibited by law, executive order or regulation.

c. Information is not a free good; however, no member of the public should be denied access to public information held by the Federal Government solely because of economic status. In particular, the Federal Government shall rely upon the depository library system to provide free citizen access to public information.

d. Information available through a mechanism other than the depository library system shall, unless required by other law or program objectives, be made available at a price which recovers all costs to the government associated with the dissemination of such information. Information released in accordance with the Freedom of Information or Privacy Act shall be made available at such fees as required by the appropriate law. Fees for information shall be waived or reduced when in the public interest and permitted by law.

resulted in a continuing proliferation of dissemination mechanisms. The very number of such mechanisms has resulted in unnecessary duplication and overlap in the information collected or created by the Federal Government; inefficient and overlapping methods of disseminating information; diminished public access to Federal information; and increased costs to the taxpayer. Four particular problems have been identified.

First, the large number of highly specialized mechanisms for disseminating information has inhibited general public access to information held by the Federal Government since many of these mechanisms are designed or intended to serve a particular community of interest and are highly specialized as to subject matter. While such mechanisms may serve their own community of interest well, persons outside that community may not be aware of the existence of the information being disseminated. Furthermore, while an individual agency may appropriately use a variety of mechanisms and activities to disseminate information, there is frequently no single office within the agency which can identify all the information dissemination activities used by the agency. As a result, persons who desire information from a particular agency must frequently identify and contact a large number of sources.

Second, in response to legislative requirements or program needs, many Federal agencies have established information centers for the purpose of collecting information on a particular subject and making it available to interested parties. Currently there are almost 300 such centers which were either totally or partially federally funded. There is evidence which suggests that there has been unnecessary duplication and overlap in the establishment and expansion of such centers.

Third, each year the Federal Government acquires a great deal of scientific and technical information through its involvement in research and development. Although much of this information could be used to support activities in the public and private sector beyond the immediate mission of the sponsoring agencies, it is frequently not readily accessible. Individuals and organizations who are interested in locating scientific and technical information held by the Federal Government must frequently contact a large number of different sources. The lack of a central index inhibits public access to this information and reduces the potential value, through wider usage, of the information.

c. Establish guidance to be used by agency managers in their:

- (1) Review of information held by the agency to determine if it may be released to the public.
- (2) Evaluation and selection of the most appropriate method for disseminating agency information.
- (3) Determination of what price, if any, will be charged for information.

d. Assure that the requirements of Title 44 of the U.S.C. and the regulations issued by the Joint Committee on Printing, U.S. Congress are fulfilled. In particular, each agency shall assure that two (2) copies of those types of government publications cited in Section 1902 Title 44 U.S.C. are provided to the Superintendent of Documents for inclusion in the depository library program and preparation of the Monthly Catalog of U.S. Government publications.

e. Assure that the requirements of Title 31 of the United States Code, Sections 483a, and 686(a), and OMB Circular No. A-25, regarding the imposition of charges for agency services, are appropriately and uniformly applied to agency information services. In particular, each agency will establish mechanisms which permit agency managers to identify the costs of disseminating information. All direct and indirect costs associated with the dissemination of information, including the printing, processing, and retention, shall be identified. The costs of producing or creating the primary information should not be included.

7. Information Centers. It is the responsibility of each agency head to assure that agency resources are being economically and efficiently managed. In order to avoid the establishment of unnecessary or duplicative information centers and to preclude the unnecessary expenditure of taxpayer dollars, each agency head shall implement the following policies:

a. No Federal funds will be requested to establish a new information center, or significantly expand an existing one, until the agency has reviewed and evaluated existing information activities and sources to see if they will meet the agency's requirements. At a minimum, this review will include:

e. The Federal Government shall, in accordance with OMB Circular No. A-76 and where not inconsistent with law, place maximum feasible reliance upon the private sector to disseminate public information.

f. The head of each executive department and establishment, consistent with existing laws, has primary responsibility for determining what information will be made available to the public, the methods to be used in making it available and the price to be charged.

6. Information Dissemination. The head of each executive department and establishment is responsible for assuring that public information held by his or her organization is made available to the public in an efficient, economic and effective manner and in accordance with existing laws. He or she is also responsible for assuring an appropriate degree and method of public access to other information which is held by the agency and which is subject to release. To carry out these responsibilities, each department and establishment shall issue policies and procedures which:

a. Implement the principles established in section 5 of this Circular.

b. Identify a single office within the department or agency to:

- (1) Monitor and coordinate the information dissemination activities of the agency.
- (2) Assist persons and organizations external to the agency in identifying and locating information held by the agency.
- (3) Assure that the list of government publications required by Section 1902 of Title 44 of the United States Code is provided to the Superintendent of Documents each month.
- (4) Maintain an inventory of agency sources, including information centers, bibliographic data bases and similar activities, which have information that may be of interest and is releasable to the public.
- (5) Be cognizant of alternative dissemination activities, both public and private, and assist agency managers in selecting the appropriate activity to use.

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(3) Work with the Superintendent of Documents and other appropriate organizations to eliminate unnecessary duplication and overlap in the indexing and dissemination of information.

b. The head of each executive department and agency shall:

(1) Identify, in conjunction with NTIS, those categories of scientific and technical information that will be maintained in the NTIS index.

(2) Provide one copy and a bibliographic description of each scientific and technical report, study or similar document, identified in accordance with Section 8(b)(1) above, to NTIS. The manner and method of submission will be developed jointly by NTIS and the agency.

Agencies are reminded that compliance with this section does not relieve them of their responsibilities to comply with Title 44 U.S.C. and the printing and binding regulations of the Joint Committee on Printing. Each agency should, where permitted by law, continue to evaluate all viable alternative methods for disseminating or providing access to information, including but not limited to NTIS and activities in the private sector.

9. Reports.

a. Within 60 days of the effective date of this Circular, and annually thereafter, each agency shall publish a notice in the Federal Register which provides information to the public on how they can contact the office identified in Section 6(b) of this Circular. At the same time, this information shall be provided to the Office of Management and Budget.

b. Within 180 days of the effective date of this Circular, each agency shall provide a one-time report to the OMB which identifies what steps the agency has taken or is taking to implement the requirements of this Circular and improve public access to agency information.

10. Supplementary Information. This Circular is being issued in order to develop a framework within which public access to information held by the Federal Government can be improved. It is intended to provide agencies with maximum flexibility in order that they may develop policies, procedures and systems which will meet agency requirements

- (1) Publication of a notice in the Federal Register which indicates the agency's intent to establish or expand an information center, the purpose of the center and the subject matter to be included. This notice will permit at least 60 days for comments and suggestions on alternative ways to meet the agency's requirements. A copy of this notice will be provided to the Director, OMB at the time of publication.
- (2) Completion of any analysis required by OMB Circular No. A-76.
- (3) Certification by the agency head, or his designee, that the agency review and public comments have not identified viable alternatives to meeting the agency's requirements and the proposed center is the most cost-effective approach.

b. Compliance with the above requirement does not relieve agencies of their responsibility to submit and justify such requests for the establishment or expansion of information centers through the normal budget process.

c. Information centers required to be established by law shall adhere to the above procedures to the extent not inconsistent with the law.

8. Scientific and Technical Information. It is hereby established that the National Technical Information Service of the Department of Commerce, which is a clearinghouse for the collection and dissemination of scientific and technical information, will develop and maintain a comprehensive index of scientific and technical information available to the public from the Federal Government. More specifically:

a. The National Technical Information Service shall:

(1) Establish and maintain an index of unclassified scientific and technical information which is produced or created with Federal funds and which is releasable to the public.

(2) Identify, in conjunction with the executive departments and agencies, those categories of scientific and technical information that will be maintained in the NTIS index and the method of submission.

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and the requirements of this Circular without imposing an unnecessary burden. For that reason, specific guidelines on implementation are not being issued at this time. However, such guidelines will be issued if it becomes evident that they are needed. In the meantime, questions about this Circular should be referred to the Office of Management and Budget, Assistant Director for Regulatory and Information Policy (202) 395-3785.

11. Effective Date. This Circular is effective upon issuance and will remain in effect for three years thereafter, unless superseded or rescinded prior to that time.

James T. McIntyre, Jr.
Director

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

May 21, 1980

WH-51

MEMORANDUM TO THE FEDERAL AGENCY BUDGET OFFICERS

SUBJECT: Survey on Federal Funds Distributed to Public
Telecommunications Entities - FY 1979

1. Purpose. This request is for information necessary to prepare a "comprehensive and detailed inventory of funds distributed by Federal agencies to public telecommunications entities during the preceding fiscal years." This inventory, and OMB's assistance, was mandated by the Public Telecommunications Financing Act of 1978. The inventory is to include information from all Federal agencies on awards made to public telecommunication entities for services such as: noncommercial radio and television programs; noncommercial instructional or information materials; funding of facilities necessary for production, interconnection, captioning, broadcast or other distribution methods for public telecommunications programming.
2. Reporting requirements. The inventory is limited to those grants or contracts which provide funding for public telecommunications entities in FY 1979. A public telecommunications entity is defined as: any governmental or nonprofit organization whose purpose is the dissemination or distribution of public telecommunication services to the public by broadcast or other means. The term public telecommunications services means noncommercial educational and cultural radio and television programs, and related noncommercial instructional or informational material that may be transmitted by means of electronic communications. A list of public telecommunications entities is attached.

If a grant or contract has been awarded to such an entity, it should be reported in the inventory if its purpose is for:

- .planning, facilities or equipment
- .program production
- .other support for telecommunications services to the general public

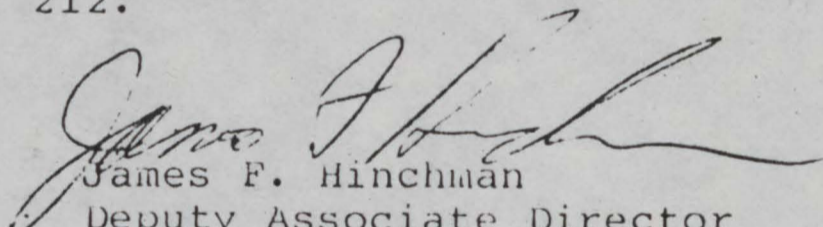
Certain types of grants or contracts should not be reported even though they were awarded to a public telecommunications entity if they are:

- .Grants which have no direct bearing on public telecommunications services.
- .Grants used to support services in which the purpose and application of such service is intended primarily for the benefit of the Federal agency itself.
- .Funds distributed to an "intermediary" institution or organization by a Federal agency which in turn are disbursed to a public telecommunications entity. Examples of such funds are unrestricted CETA or National Endowment grants made to institutions which in turn disburse these monies to a public telecommunications entity.

Please submit your response to this inventory not later than June 1, 1980. Submissions should be addressed to:

Mr. John Dimling
Office of Planning and Analysis
Corporation for Public Broadcasting
1111 16th Street, N.W.
Washington, D. C. 20036

If assistance or clarification is required on completing the survey forms, they may be obtained by contacting Mr. John Dimling at 202/296-6160 ext. 212.


James F. Hinchman
Deputy Associate Director
Labor, Veterans and Education
Division

GUIDELINES FOR COMPLETING THE PUBLIC TELECOMMUNICATIONS
FUNDING INVENTORY

All information and figures to be listed are for FY 1979 grants only. A separate form should be completed for each grant or contract, made to each recipient.

Instructions on filling out the attached form

- Question 1. Federal Funding Source. List department or agency name, or agency name within department if applicable, and organizational unit awarding the fund; be as specific as possible.
- Question 2. Program Information. Name the general authorizing act and indicate the specific title, the Public Law #, the federal program name, and the amount appropriated for the program in FY 1979.
- Question 3. Recipient of Funds. Enter the name of the public telecommunications entity receiving funds during FY 1979. Use the list of some types of public telecommunications facilities and entities supplied in attachments I and II.
- Question 4. Funding Information. Please specify the amount awarded in FY 1979, in whole dollars, the type of award and any matching conditions.
- Question 5. Grant or Contract Information. Please indicate the percentages of the grant that were allocated to programming, facilities, general support and any other itemized item. All percentages should total 100.

CORPORATION FOR PUBLIC BROADCASTING
III. SURVEY ON FEDERAL FUNDS DISTRIBUTED TO PUBLIC
TELECOMMUNICATIONS ENTITIES DURING FISCAL YEAR 1979

1. FEDERAL FUNDING SOURCE:

Department or Agency Name

Agency Name (Within Department)

Organizational Unit Awarding Funds

2. PROGRAM INFORMATION:

Authorizing Legislation and Public Law Number

Program Name used in Budget

Amount Appropriated - FY79

3. RECIPIENT OF FUNDS:

Name of Public Telecommunications Entity

4. FUNDING INFORMATION:

Amount awarded in FY 1979 \$ _____

Type of award Grant _____ Contract _____

Other (specify) _____

Are their matching conditions? Yes _____ No _____

Matching Ratio: Federal _____ Recipient _____

5. GRANT OR CONTRACT INFORMATION:

What percentage of the grant, award or contract went for the following:

	%
a. Facilities and Equipment	_____
b. General Support	_____
c. Programming	_____
On-Air Broadcast	_____
NonBroadcast	_____
d. Other Support	_____
(specify) _____	_____

Total 100%

Person Completing Survey (Title) Telephone Date

ATTACHMENT I

LIST OF PUBLIC TELECOMMUNICATION FACILITIES

Licensee

LABAMA

Alabama Network		Alabama ETV Commission
Birmingham	WBHM-FM	University of Alabama
Huntsville	WLRH-FM	Alabama Public Television Network
Troy	WTSU-FM	Troy State University

LASKA

Anchorage	KAKM	Alaska PTV, Inc.
Bethel	KYUK	Bethel Broadcasting, Inc.
Fairbanks	KUAC	University of Alaska
Juneau	KTOO	Capital Community Broadcasting, Inc.
Anchorage	KSKA-AM	Aurora Community Broadcasting, Inc.
Bethel	KYUK-AM	Bethel Broadcasting, Inc.
Dillingham	KDLG-AM	Dillingham City Schools
Fairbanks	KUAC-FM	University of Alaska
Juneau	KTOO-FM	Capital Community Broadcasting, Inc.
Kodiak	KMXT-FM	Kodiak Public Broadcasting, Corp.
Kotzebue	KOTZ-FM	Kotzebue Broadcasting, Inc.

RIZONA

Phoenix	KAET	Airzona Board of Regents, Az. St. Univ.
Tucson	KUAT	University of Arizona
Phoenix	KMCR-FM	Maricopa County Community College Dist.
Tucson	KUAT-AM	KUAT-AM
Tucson	KUAT-FM	KUAT-FM
Yuma	KAWC-AM	Arizona Western College

RKANSAS

Arkansas Network		Arkansas ETV Commission
Jonesboro	KASU-FM	Arkansas State University

ALIFORNIA

Huntington Beach	KOCE	Brd. of Trustees, Coast Comm. Coll Dist.
Eureka	KEET	Redwood Empire PTV, Inc.
Fresno	KMTF	Fresno County Board of Education
Los Angeles	KCET	Community TV of Southern California
Los Angeles	KLCS	Board of Ed., LA City Schools
Redding	KIXE	Northern California ETV Association
Sacramento	KVIE	Central California ETV
San Bernardino	KVCR	San Bernardino Comm. College District
San Diego	KPBS	Board of Trustees, Ca. St. Univ. & S.D. St. University
San Francisco	KQED	KQED, Inc.

San Jose	KTEH	Santa Clara County Board of Education
San Mateo	KCSM	San Mateo County Comm. College District
Berkeley	KPFA-FM	Pacifica Foundation
Long Beach	KLON-FM	Board of Education High School Dist.
	KSBR-FM	State Community College
Los Angeles	KUSC-FM	University of Southern California
Los Angeles	KPFK-FM	Pacifica Foundation
Northridge	KCSN-FM	Calif. State Univ. of Northridge
Pasadena	KPCS-FM	Pasadena Community College Dist.
	KXPR-FM	Univ. Board of Trustees of CSUC
San Bernardino	KVCR-FM	San Bernardino Community College Dist.
San Diego	KPBS-FM	San Diego State University
San Francisco	KALW-FM	San Francisco United School Dist.
San Francisco	KQED-FM	KOED
San Mateo	KCSM-FM	San Mateo County Community
Santa Monica	KCRW-FM	Santa Monica Community College
Santa Rosa	KBBF-FM	Bilingual Broadcasting
Stockton	KUOP-FM	University of the Pacific
COLORADO		
Denver	KRMA	School District #1, City & County of Denver & State of Colorado
Pueblo	KTSC	University of Southern Colorado
Boulder	KGNU-FM	Boulder Community Broadcast
Denver	KCFR-FM	University of Denver
Ft. Collins	KCSU-FM	State Board of Agriculture
Greeley	KUNC-FM	University of Northern Colorado
CONNECTICUT		
Connecticut Network		Connecticut Educational Telecomm. Corp.
Bridgeport	WEDW	Connecticut Educational Telecomm. Corp.
WASHINGTON, D.C.		
Washington, D.C.	WETA	Greater Wash. Ed. Telecomm. Assn., Inc.
	WAMU-FM	American University
	WETA-FM	Greater Wash. Ed. Telecomm. Assn., Inc.
	WPFW-FM	Pacifica Foundation
FLORIDA		
Gainesville,	WUFT	Board of Regents, State of Florida
Jacksonville	WJCT	Community Television, Inc.
Miami	WPBT	Comm. TV Foundation of So. Florida, Inc.
Miami	WLRN	School Board of Dade County
Orlando	WMFE	Florida Central East Coast ETV, Inc.
Pensacola	WSRE	Board of Trustees, Pensacola Jr. College

Tallahassee	WFSU	Brd. of Regents of Fla. Acting for & on behalf of Florida State University
Tampa	WEDU	Fla. West Coast Public Broadcasting, Inc.
Tampa	WUSF	University of South Florida
Jacksonville	WHRS-FM	School Board of Palm Beach Co., Fla.
Miami	WJCT-FM	Community Television, Inc.
Panama City	WLRN-FM	School Board of Dade County
Tallahassee	WKGC-FM	Gulf Coast Community College
Tampa	WFSU-FM	Board of Regents, State of Florida
	WUSF-FM	University of South Florida
GEORGIA		
Athens	WGTV	University of Georgia
Atlanta	WETV	The Atlanta Board of Education
Georgia Network		Georgia State Board of Education
Atlanta	WABE-FM	Atlanta Board of Education
HAWAII		
Hawaii PTV		Hawaii Public Broadcasting Authority
IDAHO		
Moscow	KUID	University of Idaho
Boise	KAID	Id. St. Brd. of Ed. As Trustee for Boise State University
Pocatelo	KBGL	St. Brd. of Ed. as Trustee for Idaho State University
ILLINOIS		
Carbondale	WSIU	Southern Illinois University
Chicago	WTTW	Chicago ETV Association
Peoria	WTVP	Illinois Valley Public Telecomm. Corp.
Urbana	WILL	University of Illinois
Carbondale	WSIU-FM	Board of Trustees, Southern Ill. Univ.
Chicago	WBEZ-FM	Board of Education, City of Chicago
Dekalb	WNIU-FM	Board of Regents, Northern Ill. Univ.
Edwardsville	WSIE-FM	Southern Illinois University
Peoria	WCBU-FM	Bradley University
Springfield	WSSR-FM	Sangamon State University
Urbana	WILL-AM	University of Illinois
	WILL-FM	
INDIANA		
Bloomington	WTIU	Trustees of Indiana University
Evansville	WNIN	Southwest Indiana PTV, Inc.
Indianapolis	WFYI	Metropolitan Indianapolis TV Asso., Inc.
Munice	WIPB	Ball State University
St. John	WCAE	Lake Central School Corporation
South Bend	WNIT	Michiana Public Broadcasting Corp.
Vincennes	WVUT	Vincennes University

Bloomington
Indianapolis
West Lafayette
Vincennes

WFIU-FM
WIAN-FM
WBAA-FM
WVUB-FM

Trustees of Indiana University
Center for Instructional Radio/TV
Purdue University
Trustess of Vincennes University

IOWA

Iowa Network

State Ed. Radio/TV Facility Board

Ames

WOI-AM
WOI-FM

Iowa State University

Sioux City

KWIT-FM

Western Iowa Technical Community College

Cedar Falls

KHKE-FM

University of Northern Iowa

Cedar Falls

KUNI-FM

University of Northern Iowa

Cedar Rapids

KCCK-FM

Kirkwood Community College

Iowa City

KSUI-FM

University of Iowa

Iowa City

WSUI-AM

University of Iowa

KANSAS

Topeka

KTWU

Washburn University of Topeka

Wichita

KPTS

Kansas Public Telecomm. Service, Inc.

Lawrence

KANU-FM

University of Kansas

Manhattan

KSAC-AM

Kansas State University

Wichita

KMUW-FM

Wichita State University

KENTUCKY

Kentucky Network

Kentucky Authority for Educational TV

Louisville

WKPC

Board of Ed. of Jefferson County

Lexington

WBKY-FM

University of Kentucky

Louisville

WFPL-FM

Louisville Free Public Library

Louisville

WFPK-FM

Louisville Free Public Radio

Louisville

WUOL-FM

University of Louisville

Morehead

WMKY-FM

Morehead State University

Murray

WKMS-FM

Murray State University

Richmond

WEKU-FM

Eastern Kentucky University

LOUISIANA

Louisiana Network

Louisiana ETV Authority

New Orleans

WYES

Greater New Orleans ETV Foundation

New Orleans

WWNO-FM

University of New Orleans

MAINE

Augusta

WCBB

Colby-Bates-Bowdoin Ed. Telecasting Corp.

Maine Network

University of Maine

Bangor

WMEH-FM

University of Maine

Portland

WMEA-FM

University of Maine

MARYLAND

Maryland Network

Baltimore WBJC-FM
 Baltimore WEAA-FM

Maryland Public Broadcasting Commission

Community College Baltimore
 Morgan State University

MASSACHUSETTS

Boston WGBH
 Springfield WGBY

 Amherst WFCR-FM
 Boston WBUR-FM
 Boston WGBH-FM

WGBH Educational Foundation
 WGBH Educational Foundation

University of Massachusetts
 Trustees of Boston University
 WGBH Educational Foundation

MICHIGAN

Detroit WTVS
 East Lansing WKAR
 Grand Rapids WGVC
 Marquette WNMU
 Mt. Pleasant WCMU
 Univ. Center WUCM

Detroit Educational TV Foundation
 Board of Trustees of Michigan St. Univ.
 Brd. of Control, Grand Valley St. Colleges
 Northern Michigan University
 Central Michigan University
 Delta College

Ann Arbor WUOM-FM
 Berrien Springs WAUS-FM
 Detroit WDET-FM
 East Lansing WKAR-AM
 WKAR-FM
 Flint WFBE-FM
 Houghton WGGL-FM
 Interlochen WIAA-FM
 Kalamazoo WMUK-FM
 Marquette WNMU-FM
 Mt. Pleasant WCMU-FM
 Ypsilanti WEMU-FM

Board of Regents, Univ. of Michigan
 Andrews Broadcasting Corporation
 Wayne State University
 Michigan State University

Flint Board of Education
 Michigan Tech. University
 Interlochen Center for the Arts
 Western Michigan University
 Northern Michigan University
 Central Michigan University
 Eastern Michigan University

MINNESOTA

Appleton KWCM

 Austin KAVT
 Duluth WDSE
 St. Paul KTCA

Twin City Area ETV Corp. & W.C. Minn.
 ETV Co.

Independent School District No. 492
 Duluth-Superior Area ETV Corporation
 Twin Cities PTV, Inc.

Collegeville KSJR-FM
 Duluth WSCD-FM
 Grand Rapids KAXE-FM
 Minneapolis KSJN-FM
 Moorhead KCCM-FM
 Northfield WCAL-FM
 Worthington KRSW-FM
 Minneapolis KUOM-AM

Minnesota Public Radio
 Minnesota Public Radio
 Northern Community Radio
 University of Minnesota
 Minnesota Public Radio
 St. Olaf College
 Minnesota Public Radio
 Minnesota Public Radio

MISSISSIPPI		
Mississippi Network		The Mississippi Authority for ETV
Senatobia	WNJC-FM	Northwest Mississippi Junior College
MISSOURI		
Kansas City	KCPT	PTV 19, Inc.
St. Louis	KETC	St. Louis Regional Ed'l & Public TV Comm.
Springfield	KOZK	Springfield Community TV, Inc.
Buffalo	KBFL-FM	School Dist. #1 Dallas Co., Mo.
Columbia	KBIA-FM	University of Missouri
Kansas City	KCUR-FM	University of Missouri - Kansas City
Maryville	KXCV-FM	N.W. Missouri State University
Pt. Lookout	KSOZ-FM	School of the Ozarks
Rolla	KUMR-FM	University of Missouri - Rolla
St. Louis	KWMU-FM	University of Missouri
Springfield	KSMU-FM	Southwest Missouri State University
Warrensburg	KCMW-FM	Central Missouri State University
MONTANA		
Missoula	KUFM-FM	University of Montana
NEBRASKA		
Nebraska Network		Nebraska ETV Commission
Lincoln	KUON	University of Nebraska
Omaha	KIOS-FM	School Dist. of Omaha, Co. of Douglas
NEVADA		
Las Vegas	KL VX	Clark County School District
NEW HAMPSHIRE		
New Hampshire Network		University of New Hampshire
NEW JERSEY		
New Jersey Network		N.J. Public Broadcasting Authority
	WBGV	Newark Public Radio, Inc.
NEW MEXICO		
Albuquerque	KNME	Univ. of NM & Brd. of Ed. Albuguerque
		Public Schools
Las Cruces	KRWG	Board of Regents, NM State University
Portales	KENW	Eastern New Mexico University
Albuquerque	KUNM-FM	University of New Mexico
Las Cruces	KRWG-FM	New Mexico State University
Ramah	KTDB-FM	Ramah Navajo Radio

NEW YORK

Binghamton	WSKG	Southern Tier ETV Association, Inc.
New York	WNYE	Board of Ed. of the City of New York
Buffalo	WNED	Western New York ETV Association, Inc.
Garden City	WLIW	Long Island ETV Council, Inc.
New York	WNET	Educational Broadcasting Corporation
New York	WNYC	City of New York-Municipal Broadcasting System
Plattsburgh	WCFE	Northeast New York ETV Association
Rochester	WXXI	Rochester Area ETV Association, Inc.
Schenectady	WMHT	Mohawk-Hudson Council on ETV, Inc.
Syracuse	WCNY	Public Broadcasting Council of Central NY, Inc.
Watertown	WNPE	St. Lawrence Valley ETV Council, Inc.
Albany	WAMC-FM	Albany Medical College
Binghamton	WSKG-FM	Southern Tier Educational TV Association
Buffalo	WNED-FM/WEBR-AM	Western NY Educational Television Assn.
Buffalo	WBFO-FM	The Research Foundation of SUNY for and in behalf of WBFO-FM
Canton	WSLU-FM	St. Lawrence University
New York	WNYC-AM	Municipal Broadcasting System
New York	WNYC-FM	
New York	WBAI-FM	Pacifica Foundation
Oswego	WRVO-FM	University College
Rochester	WXXI-fm	Rochester Area ETV Assn., Inc.
Syracuse	WCNY-FM	The Public Broadcasting Council of Central New York, Inc.
Schenectady	WMHT-FM	Mohawk Hudson Council on Educational TV

ORTH CAROLINA

North Carolina Network		University of North Carolina
Charlotte	WTVI	Charlotte-Mecklenburg Board of Education
Chapel Hill	WUNC-FM	University of North Carolina
Winston-Salem	WFDD-FM	Wake Forest University
Warrenton	WVSP-FM	Sound & Print United

ORTH DAKOTA

Fargo	KFME	Prairie PTV, Inc.
Grand Forks	KEYA-FM	Turtle Mt. Chippewa Indian Reservation
Frago	KFJM-FM	University of North Dakota
	KDSU-FM	North Dakota State University

OHIO

Alliance	WNEO	Northeastern ETV of Ohio, Inc.
Athens	WOUB	Ohio University
Bowling Green	WBGU	Bowling Green State University
Cincinnati	WCET	Greater Cincinnati TV Educational Foundation
Cleveland	WVIZ	The ETV Association of Metropolitan Cleveland
Columbus	WOSU	The Ohio State University
Dayton	WPTD	University Regional Broadcasting, Inc.
Toledo	WGTE	Greater Toledo ETV Foundation, Inc.
Athens	WOUB-AM	Ohio University
	WOUB-FM	
Cleveland	WBOE-FM	Cleveland City Board of Education
Columbus	WCBE-FM	Board of Education of the City School Dist. of Columbus, Ohio
Columbus	WOSU-AM	Ohio State University
	WOSU-FM	
Cincinnati	WGUC-FM	University of Cincinnati
Kent	WKSU-FM	Kent State University
Oxford	WMUB-FM	Miami University
Yellow Springs	WYSO-FM	Antioch College
Youngstown	WYSU-FM	Youngstown State University
	WCSU-FM	Central State University
Toledo	WGTE-FM	Greater Toledo Educational TV Foundation

OKLAHOMA

Oklahoma Network		The Oklahoma ETV Authority
Stillwater	KOSU-FM	Oklahoma State University
Tulsa	KWGS-FM	University of Tulsa

OREGON

Medford	KSYS	Southern Oregon Education Company
Oregon Network		State Board of Higher Education
Cornvallis	KOAC-AM	Oregon State University
	KSOR-FM	Southern Oregon State College
Eugene	KLCC-FM	Lane Community College
Eugene	KWAX-FM	University of Oregon
Portland	KBPS-AM	Benson Polytechnic High School/Portland Public Schools
Portland	KOAP-FM	State Board of Higher Education
Portland	KBOO-FM	The KBOO Foundation

PENNSYLVANIA

Allentown	WLVT	Lehigh Valley Educational TV Corporation
Erie	WQLN	Public Broadcasting of N.W. Penn., Inc.
Hershey	WITF	So. Central Educational Broadcasting Council
Philadelphia	WHYY	WHYY, Inc.
Pittsburgh	WQED	Metropolitan Pittsburgh Public Broadcasting
Scranton	WVIA	Northeastern Pennsylvania ETV Assn.
Clearfield	WPSX	Pennsylvania State University

Erie	WQLN-FM	Public Broadcasting of Northwest Pa., Inc.
Hershey	WITF-FM	South Central Educational Broadcasting Council

Philadelphia	WUHY-FM	WUHY-FM
Pittsburgh	WQED-FM	Metropolitan Pittsburgh Public Broadcasting
Pittsburgh	WDUQ-FM	Duquesne University
Scranton	WVIA-FM	Northeastern Pa. Educational TV Assn.

PUERTO RICO

Hato Rey	WIPR-AM	WIPR Radio & TV Service, Dept. of Ed. of PR
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RHODE ISLAND

Providence	WSBE	Brd. of Regents for Ed., State of Rhode Island and Providence Plantations
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SOUTH CAROLINA

South Carolina Network		South Carolina ETV Commission
Beaumont	WJWJ	South Carolina ETV Commission
Sumter	WRJA	South Carolina ETV Commission
Rock Hill	WNSC	South Carolina ETV Commission
Charleston	WSCI-FM	South Carolina ETV Commission
Clemson	WEPR-FM	South Carolina ETV Commission
Columbia	WLTR-FM	South Carolina ETV Commission

SOUTH DAKOTA

Brookings	KESD	South Dakota State University
South Dakota Network		South Dakota ETV Board of Directors
Vermillion	KUSD	University of South Dakota

Brookings	KESD-FM	South Dakota State University
Vermillion	KUSD-AM	University of South Dakota

TENNESSEE

Tennessee Network		Tennessee State Board of Education
Chattanooga	WTCI	Tennessee State Board of Education
Knoxville	WSJK	Tennessee State Board of Education
Memphis	WKNO	Memphis Community Television Foundation
Nashville	WDCN	Metropolitan Board of Education

Collegedale	WSMC-FM	Southern Missionary College
Johnson City	WETS-FM	Eastern Tennessee State University

Knoxville	WUOT-FM	University of Tennessee
Memphis	WKNO-FM	Memphis State University
Murfreesboro	WMOT-FM	Tennessee State University
Nashville	WPLN-FM	Public Library of Nashville & Davidson Co.

TEXAS

Austin	KLRN	S.W. Texas Public Broadcasting Council
College Station	KAMU	Texas A&M University
Corpus Christi	KEDT	So. Texas Educational B'casting Council
Dallas	KERA	Public Communication Foundation for North Texas
Houston	KUHT	University of Houston
Killeen	KNCT	Central Texas College
El Paso	KCOS	El Paso PTV Foundation
Lubbock	KTXT	Texas Technical University
Austin	KUT-FM	University of Texas - Austin
Beaumont	KVLU-FM	Lamar University
College St.	KAMU-FM	Texas A&M University
Commerce	KETR-FM	East Texas University
Dallas	KERA-FM	Public Communication Foundation for North Texas
El Paso	KTEP-FM	University of Texas at El Paso
Houston	KPFT-FM	Pacifica Foundation
Killen	KNCT-FM	Central Texas College

UTAH

Provo	KBYU	KBYU-TV, Brigham Young University
Salt Lake City	KUED	University of Utah
Logan	KUSU-FM	Utah State University
Provo	KBYU-FM	Brigham Young University
Salt Lake City	KUER-FM	KUER

VERMONT

Vermont Network		University of Vermont
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VIRGINIA

Annandale	WNVT	Central VA ETV Corporation
Harrisburg	WVPT	Shenandoah Valley ETV Corporation
Norfolk	WHRO	The Hampton Rds. Ed'l Telecomm. Asso., Inc
Richmond	WCVE	Central Virginia ETV Corporation
Roanoke	WBRA	Blue Ridge ETV Association, Inc.
Harrisonburg	WMRA-FM	James Madison University
Hampton	WHRO-FM	Hampton Roads Educational Telecommunication Assn., Inc.
Richmond	WRFK-FM	Union Theological Seminary in VA
Roanoke	WVWR-FM	Virginia Western Community College

WASHINGTON

Lakewood Center	KCPT	Clover Park School Dist. 400, Pierce Count
Pullman	KWSU	Washington State University
Seattle	KCTS	University of Washington
Spokane	KSPS	School District #81
Tacoma	KTPS	Tacoma School District #10
Yakima	KYVE	Yakima School District #7
Pullman	KWSU-FM	Washington State University
Seattle	KUOW-FM	University of Washington
Tacoma	KTOY-FM	Tacoma School District #10

WEST VIRGINIA

Beckley	WSWP	WV Educational Broadcasting Authority
Huntington	WMUL	WV Educational Broadcasting Authority
Morgantown	WWVU	West Virginia Board of Regents, W.V. Univ.
Beckley	WVPB-FM	West Virginia Educational Broadcasting Authority
	WVFN	West Virginia Educational Broadcasting Authority

WISCONSIN

Wisconsin Network		Educational Communications Board
Madison	WHA	University of Wisconsin
Milwaukee	WMVS	Dist. 9 Area Brd. of Voc., Tech & Adult Education
Kenosha	WGTD-FM	Gateway Technical Inst.
LaCrosse	WLSU-FM	Univ. of Wisconsin - LaCrosse
Madison	WHA-AM	Univ. of Wisconsin Extension
Madison	WERN-FM	Education Community Board
Milwaukee	WUWM-FM	Univ. of Wisconsin - Milwaukee

WYOMING

Laramie	KUWR-FM	University of Wyoming
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AMERICAN SAMOA

Pago Pago	KVZK	Office of TV Operations, Govt. of A.S.
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GUAM

Agana	KGTF	Guam Educational Telecommunications Corp.
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PUERTO RICO

San Juan	WIPR	Department of Education
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VIRGIN ISLANDS

St. Thomas	WTJX	Virgin Islands PTV System
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KIDZ Wichita Falls, TX*

Wichita Fall Educational Translator, Inc.

*Basic grant recipient only.

ATTACHMENT II
PARTIAL LIST OF PUBLIC TELECOMMUNICATIONS ENTITIES

Agency for Instructional Television Box A Bloomington, IN 47401	National Association of Educational Broadcasters 1346 Connecticut Avenue Washington, DC 20036
Alaska Public Broadcasting Commission 400 Gambel Street Anchorage, AK 99501	National Public Radio 2025 M Street, N.W. Washington, D.C. 20036
California Public Broadcasting Commission 921-11th Street Suite 1200 Sacramento, CA 95814	Ohio Educational Television Network Commission 2470 North Star Road Columbus, OH 43221
Central Educational Network 5400 North St. Louis Avenue Chicago, IL 60625	Pennsylvania Public Television Network Commission 169 West Chocolate Avenue Hershey, PA 17033
Children's Television Workshop One Lincoln Plaza New York, NY 10023	Public Broadcasting Service 475 L'Enfant Plaza West, S.W. Washington, D.C. 20024
Corporation for Public Broadcasting 1111-16th Street, N.W. Washington, D.C. 20036	Rocky Mountain Corporation for Public Broadcasting 1603 Sigma Chi N.E. Albuquerque, NM 87106
Eastern Educational Television Network, Inc. 131 Clarendon Street Boston, MA 02116	Southern Educational Communications P. O. Box 5966 Columbia, SC 29250
Eastern Public Radio Network WGBH 125 Western Avenue Boston, MA 02134	State University of New York 60 East 42nd Street, Room 2332 New York, NY 10017
Family Communications, Inc. 4802 Fifth Avenue Pittsburgh, PA 15213	Western Educational Network c/o KAKM-TV 3211 Providence Drive Anchorage, AK 99504
Joint Council of Educational Telecommunications, Inc. 1126-16th Street, N.W. Suite 413 Washington, D.C. 20036	Western Educational Society for Telecommunications Solano Community College P. O. Box 246 Suisun City, CA 94585
Midwestern Educational Television, Inc. 1640 Como Avenue St. Paul, MN 55108	



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

1980 MAY 22 PM 2:17

OFFICE OF FEDERAL
PROCUREMENT POLICY

May 15, 1980

WH-50

MEMORANDUM TO CERTAIN EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

Subject: Goal Setting for Women-Owned Businesses

The President, in conjunction with Executive Order 12138, directed that overall goals be set for awarding Federal prime contracts to women-owned firms. At that time, goals of \$150 million for FY 80 and \$300 million for FY 81 were set based on estimates of the potential for awards to women-owned firms.

With your excellent cooperation and commitment to this program the interim FY 1980 goals were exceeded in FY 1979 and all trends are sharply upwards. Indeed, recent information from the Federal Procurement Data System (FPDS) shows that, in FY 79, \$181 million was awarded to women-owned firms. Our response to this information must consider an increased goal for FY 1980, tempered by the reality that the third quarter is already underway. Under these circumstances, a modest increase in the overall goal to \$212 million for FY 80 and a more substantial increase to \$400 million for FY 81 is appropriate.

In order to reach the FY 80 goal of \$212 million, we request that you increase your agency's goal by 25% of your procurement awards to women-owned firms in FY 79, or \$20,000, whichever is higher.

I have enclosed for your information OFPP Policy Letter 80-4 which provides for implementing the subcontracting clause for women owned business. This will be included in every Federal government contract.

Vigorous efforts are required by your agency and your staff to meet the new goals. OFPP will be available to assist you in whatever way possible. We look forward to working with you and other agencies in achieving the President's goals.

Karen Hastie Williams
Administrator

Enclosure

WH-50 - NORN - owing
to Mr. Anderson

WOMEN BUSINESS OWNER'S GOALS

<u>Agency</u>	(\$ millions)		
	<u>FY 79 Total Proc.</u>	<u>FY 79 Women Proc.</u>	<u>FY 80 Woman Goal</u>
Department of Agriculture	1,500	5.1	5.5
Department of Commerce	351	1.2	2.0
Department of Defense	70,400	123.4	124.0
Department of Energy	5,700	.5	3.5
General Services Administration	2,200	10.2	20.0
Department of Health and Human Services	1,200	8.4	9.0
Department of Housing and Urban Development	288	.5	4.55
Department of Interior	1,200	5.2	5.5
Department of Labor	365	5.3	5.5
National Aeronautics and Space Administration	4,900	.6	2.0
Tennessee Valley Authority	1,500	.7	2.25
Veterans Administration	2,600	9.8	10.0
Department of Treasury	273	.14	2.0
Department of Transportation	1,500	5.8	10.0
Other Agencies	1,465	4.46	5.7
<hr/>			
TOTAL Approx.	95,443	181.3	211.5

Source: Office of Federal Procurement Policy

Sammy

WH - 49 NRN -
orig to Daniels

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

1980 MAY 10 11 54

MAY 10 1980

WH 49

MEMORANDUM TO : HEADS OF DEPARTMENTS AND AGENCIES

FROM : James T. McIntyre, Jr., Director *J. McIntyre*
Alan Campbell, Director
Office of Personnel Management *Alan Campbell*
Eleanor Holmes Norton, Chair *EHN*
Equal Employment Opportunity Commission

SUBJECT : LIMITATION ON HIRING AND AFFIRMATIVE ACTION

On March 14, 1980, the President directed each agency to limit the number of appointments to full-time permanent positions to not more than 50% of the number of vacancies occurring after February 29, 1980. We at EEOC, OMB and OPM, jointly want to underscore the continuing responsibility of all Federal managers to pursue aggressively the recruitment strategies and hiring goals established as part of the FY 1980 Federal Equal Opportunity Recruitment Program (FEORP) and Agency Affirmative Action Program Plans.

The fact that there are current limitations on the absolute number of vacancies available should add impetus to your FEORP and affirmative action efforts because agencies often will be filling critical vacancies in occupations where underrepresentation has been found. Therefore, in assessing the vacancies to be filled, a continuing priority should be given to meeting the goals you have established to eliminate underrepresentation of minorities, women, and handicapped individuals in targeted occupations during FY 1980.

For the duration of the hiring limitation, you are requested to convert your previously established numerical goals to percentages in order to ensure continuing agency commitment to affirmative recruitment and hiring. We will evaluate your agency's accomplishments in terms of the effectiveness of recruiting plans, the actual number of positions filled and the net increase in the employment of minorities, women and handicapped individuals.

As you know, the President has voiced strong support for vigorous affirmative action within the Federal government. He has stated that "it is through such programs that we can expect to remove the effects of discrimination and ensure equal opportunities for all Americans." This Administration's commitment to these programs has not wavered, despite the conditions which necessitate the freeze. We know that we can count on your continuing support to implement the goals and objectives of Federal affirmative recruitment and hiring programs.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

Date 5/16/80

To: Ed Mulrenin

From: Janet Hart

#48

- Per Conversation For comments and suggestions
 For your information Phone me re attached

I am certainly interested in ERA as an individual; but I don't feel it appropriate for Board staff to take public positions on political issues -- except with Board approval, where related to Board responsibilities, so I'm returning this to you.

JH

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

April 30, 1980

1980 MAY 15 AM 9:48

OFFICE OF THE ASSISTANT ATTORNEY GENERAL

WH-48

MEMORANDUM FOR MEMBERS OF THE CABINET
AGENCY HEADS

FROM: JACK WATSON *Jack*
SARAH WEDDINGTON *SW*

RE: Equal Rights Amendment

As you know, the President wholeheartedly supports the ERA. We need your help in our efforts to secure its ratification and to achieve equality for women under the Constitution.

It is likely that the ERA will come before the Illinois legislature within the next month. The political season focuses special attention upon it.

It is important for all Administration spokespersons to do the following:

- Raise ERA in speeches and press conferences in the unratified states. These states are: Illinois, Missouri, Nevada, Utah, Arizona, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Arkansas, Louisiana, Oklahoma, Virginia.
- Reiterate the strong support of the President and the Administration in all press opportunities.
- Speak on ERA in addresses to national conventions of a broad range of organizations to show this issue as a domestic policy initiative of importance.

Sarah Weddington will personally be available to assist you in this matter. Her staff is available to assist members of your staff in answering questions or tailoring materials to particular audiences (Linda Tarr-Whelan at 456-6585).

Attached are "Talking Points on ERA," a copy of the U.S. Civil Rights Commission booklet on ERA, "Statement on the Equal Rights Amendment," a copy of the "Summary of the Efforts of the Carter Administration for Passage of the ERA," and a question and answer guideline.

We hope that you will share these materials with officials and members of your staff who will be doing public speaking or meeting with the press. A special emphasis on ERA is needed now. In a memorandum dated July 20, 1978, President Carter asked Heads of Departments and Agencies to help in these efforts.

Your cooperation in this matter would be appreciated.

Attachments

April 1980

PASSAGE OF THE ERA

The Efforts of Jimmy Carter

NATIONWIDE VISIBILITY FOR A NATIONWIDE ISSUE

President Carter actively uses the prestige and influence of his office to promote passage of the Equal Rights Amendment. He has been meeting monthly with presidents of major women's organizations to map out plans for the 1980 state legislative season. The first consultation was held December 13, 1979, and the meetings have continued through the spring of 1980.

In January 1980, the President designated Juanita Kreps, former Secretary of the Commerce Department, to represent him in the National Business Council for ERA, which is spearheaded by the National League of Women Voters. The council is composed of chief executive officers, heads of boards and other top business leaders who are lending their names and influence in full support of the ERA. Polly Bergen is working closely with business leaders in this effort.

The President has participated in White House briefings to encourage passage of the ERA, including meetings to build stronger coalitions of proponents and a session scheduled for May 15 with national business leaders to seek their more active support of ratification.

Mrs. Carter also participates in strategy sessions at the White House with political consultants, ERA supporters and others to help organize campaigns in unratified states.

Members of the First Family regularly discuss the ERA with key legislators from unratified states and often telephone state legislators and elected officials to enlist their support for the ERA.

A STATE-BY-STATE STRATEGY

The White House has planned briefings for state leaders from unratified states where a vote is possible.

To broaden the constituency of active ERA support, the White House held a briefing on February 12 for religious, business, labor, minority and other civic leaders from four unratified states — Florida, Georgia, Illinois and Missouri. Besides establishing links between ERA activists and community leaders, the goal of the session — and future ones like it — is to heighten national visibility for the issues involved in ratification.

Activism is one of the President's goals as he works for the ERA. "If everyone who told the pollsters they favor equal rights told their legislators the same thing, the votes would shift for ratification," President Carter told his White House guests.

Carter Administration efforts on behalf of the ERA are coordinated through the office of his senior advisor, Sarah Weddington. In 1980 her staff has traveled to Missouri, Illinois, Florida, Georgia and Oklahoma to work with legislative and community leaders of ERA coalitions. They meet in weekly ERA strategy sessions

President Carter directed members of his Administration to address the ERA as a national issue and to stress its passage in their contacts with the press and public and in their speeches across the country.

The President includes his support of the ERA in speeches before a variety of audiences on numerous occasions. In the past he has spoken out for the ERA in speeches such as:

- * State of the Union address before the Congress, 1980
- * State of the Union address before the Congress, 1979
- * Joint session of the Georgia legislature, 1979
- * Joint session of the Illinois legislature, 1978
- * Democratic Mid-Term Conference, Memphis, December 8, 1978
- * Dinner for Carter-Mondale campaign, Washington, October 24, 1979

Support by First Lady Rosalynn Carter

Since she was First Lady of Georgia, Mrs. Carter has actively supported the ERA. In speeches, at fund-raisers and press conferences across the nation, she has emphasized the urgent need to ratify the ERA.

At the White House she gives the issue visibility by receiving organizations ranging from the Coalition of Labor Union Women to the League of Women Voters and the Religious Committee for the ERA.

Mrs. Carter worked diligently, often behind the scenes, during the spring and summer of 1979. She invited key legislators to the White House and telephoned officials in unratified states.

In July 1979, she sponsored a meeting for political consultants, state legislators, ERA supporters and others to plan strategy for the ERA.

On October 23, 1979, President and Mrs. Carter sponsored a Presidential Salute to the ERA, drawing more than 800 people to the White House to emphasize the need for the ERA and to demonstrate its broad base of commitment.

Support by the President's Advisory Committee for Women

At the request of President Carter, the President's Advisory Committee for Women (PACW) held a day of hearings on the ERA to receive testimony from supporters in unratified states. These hearings, on October 23, 1979, were followed by a meeting of the PACW with the President to advise him on how he could assist ERA ratification. Committee members met with him again in January to present a follow-up report. PACW regularly advises the President and his White House staff on ERA ratification strategy.

Lynda Johnson Robb, chair of the PACW, and members of the committee often speak before a variety of audiences in support of the ERA.

Support by White House Staff

Since her appointment, Sarah Weddington, Assistant to the President, has been speaking, attending meetings and fund-raisers for ERA, working with ERA

at the White House with leaders of women's organizations, labor, business, religious groups, minority organizations and education associations.

A HISTORY OF PRESIDENT CARTER'S SUPPORT

President Carter has never waived in his outspoken support of the ERA. In public statements, in interviews with the media, in directives to members of his Administration, he has made clear his commitment to ERA ratification.

Support as Governor

1974 - The halls of the Georgia state capitol were filled with anti-ERA demonstrators, waving red stop signs and upbraiding legislators. Jimmy Carter was governor.

It took strength to support the ERA in those days, in that state. Jimmy Carter did. His support has continued from that day, both in words and action.

Support as President

Efforts for Extension - During the fall of 1978, President Carter and Vice President Mondale turned seven Congressional "no" votes into "yes" votes to pass legislation extending the ERA ratification deadline. The extension of the deadline was critical to the ERA. (Thirty-five states have ratified the ERA, and three more are needed for it to become part of the Constitution.)

Mrs. Carter held a White House briefing for key Administration officials to emphasize the importance of the extension. Mrs. Mondale invited wives of Senators to her home to hear from ERA supporters and individual women who explained how the lack of equal rights protection had affected them.

Sarah Weddington, then Special Assistant to the President, convened regular meetings with ERA supporters — near the time of the vote, they met daily — to coordinate efforts. The Vice President assigned a staff person full-time and the Congressional liaison office assigned two staff persons to work with Ms. Weddington on this effort.

Vice President Mondale remained in Washington rather than attend the funeral of Pope John Paul I in order to preside over the Senate when the final vote was taken.

Efforts for Ratification - In early 1979, the President turned his attention back to crucial votes in the states which have not ratified the amendment. North Carolina and Florida were considered pivotal, so the Administration poured time and energy into those states. During the spring of 1979, the White House assigned a full-time consultant to assist elected state officials.

The President's top assistants met regularly with leaders in the ERA movement.

During the summer of 1979, the President supported media education on the ERA in efforts such as his statement to 34 national magazines for articles on the amendment. This communication effort, spearheaded by Redbook's Sey Chassler, resulted in nationwide publicity for a nationwide issue.

QUESTIONS AND ANSWERS ON THE ERA

Question: Do we really need a new Constitutional amendment? Isn't the 14th Amendment enough to guarantee equal rights for women?

Answer: The 14th Amendment was intended to apply to discrimination because of race or previous condition of servitude. The courts have interpreted it to apply to sex discrimination in only a limited number of areas.

Question: How about Title IX of the Education Amendments of 1972 and the Equal Pay Act of 1963. Aren't they enough?

Answer: While both laws have resulted in some gains for women, there are several limits to their effectiveness. Title IX applies only to federally-funded educational institutions and is enforced by the Department of Health and Human Services.

The Equal Pay Act does not cover all occupations and though it has been on the books since 1970, women still earn only 59¢ for every dollar earned by men.

Question: What would a new constitutional amendment accomplish?

Answer: The Equal Rights amendment would establish a single, not a dual system of justice, since the basic principle of the amendment is that sex is not a permissible factor in determining legal rights for anyone.

The basic principle of the ERA is not that men and women are the same, but that the law cannot treat them differently solely because of their gender. Discriminatory laws would not be possible on the basis of psychological or social characteristics that through custom have been attributed to women - such things as passive attitude, degrees of physical strength, lack of ability to reason, etc.

Question: Won't ERA take jobs away from men with families to support and give them to women who don't need them?

Answer: Over seven million women are now heads of households with dependents to support. Additional millions work outside the home to provide a necessary supplement to family income. In the vast majority of cases, women earn less than men, regardless of performance.

Question: Will the ERA invalidate state laws which require a husband to support his wife?

supporters and elected state officials, and responding to requests for assistance on the ERA.

Representatives from Sarah Weddington's office are meeting with key people in states where a vote on ratification is likely. Her staff also conducts weekly ERA strategy meetings with leaders of women's organizations, labor, business, church groups, minority organizations and education associations.

At the request of the White House, Mariwyn Heath of Business and Professional Women's Clubs assists the Administration in ERA support activities.

Support by Judy Carter

Judy Carter, daughter-in-law of President and Mrs. Carter, travels extensively on behalf of the ERA making speeches, attending fund-raisers and conducting fact-finding trips to unratified states for President Carter. Her ERA work has taken her to Illinois, Indiana, Florida, Texas, Missouri, North Carolina, Arkansas, Kansas, New Mexico, New York, Minnesota and all parts of Georgia.

She is a leader in Housewives for ERA. She has written six articles on ERA published in Redbook, the Atlanta Constitution, and the Los Angeles Times.

Judy Carter appears before women's organizations and Democratic party functions, and participates in interviews for newspaper, TV and radio reporters.

Continued Determination

On October 23, President Carter summed up what needs to be done to win passage:

"We've got to divide up the responsibility; we've got to organize our own forces effectively; we've got to share information; we've got to put aside the inclination that we all have to find a scapegoat on which to blame a temporary setback; we've got to share information about progress; and we need never to be deterred. Our course is a proper one, our time is right. And I predict that next year we will win. I'm determined to do so if you'll help me."

Prepared by the Office of Sarah Weddington

Answer: Possibly. Companies are not prohibited from paying more in benefits to men than to women solely because, on the average, women live six to nine years longer than men. Such gender based classification has been prohibited since the Equal Pay Act of 1964 was passed, but the Labor Department is still working on guidelines for implementation. ERA would require enforcement of the law.

Question: Will ERA repeal labor laws that protect women?

Answer: Such laws will have to be either repealed or extended to cover men. Most such laws are already invalid under Title VII of the Civil Rights Act. Groups that originally opposed ERA because they valued protective labor laws have come to realize that most such laws were repressive, not protective, and kept women out of the best and highest paying jobs.

Question: Will ERA mean that all schools and colleges must be coeducational?

Answer: Any school that received federal or state funds would have to be open to both men and women. Strictly private institutions that do not receive such monies could remain segregated if they so chose. The question of awarding government scholarships to students in sex-segregated schools and the question of whether tax-exemption constitutes federal assistance are still being debated.

Question: Will ERA make it easier for women to get credit?

Answer: Women are legally entitled to credit on the same basis as men under the Equal Credit Opportunity Act of 1975. A woman may apply for credit on the basis of her own income; she may not be asked her marital status, or anything about her birth control practices - only questions relevant to her ability to repay a loan. ERA will reinforce this law.

Question: Will passage of ERA increase my benefits under Social Security?

Answer: Possibly. There are some gender-discriminatory aspects of present Social Security law, and those would be corrected. The entire system is currently under review, and many inequities are suffered by women because of discrimination in other areas - employment, for example. So, ERA might help indirectly as well as directly in improving benefits for women.

Question: Will ERA cause insurance rates for women to rise?

Answer: Some rates may rise and some may fall. It is believed that ERA will prohibit use of gender-based actuarial tables for determining rates. While life insurance rates may rise for some women, certain other types of insurance such as disability coverage and some medical benefits that have been unavailable or extremely expensive for women will become available at rates not based on gender.

Answer: Courts have not always upheld the wife's right to financial support from her husband. The ERA would recognize marriage as a partnership in which both husbands and wives share benefits and the value of a wife's contribution as a homemaker is fully acknowledged.

Question: Will the ERA change abortion laws?

Answer: The ERA has absolutely nothing to do with abortion. The 1973 decisions of the Supreme Court in regard to abortion were not based on the ERA or any equality principle in the Fourteenth Amendment.

Question: Will the ERA force men and women to use public toilets together?

Answer: No. Privacy rights would in no way be affected by the ERA. Men and women already use the same bathrooms on airlines and other public carriers without a loss of privacy.

Question: Will the ERA mean that women will be drafted?

Answer: No. Congress already has the power to draft women as well as men. ERA will enable women to get a fair share of the military jobs and any benefits that may accrue from military service.

Question: Will the ERA legalize homosexual marriages?

Answer: Absolutely not. State laws on prohibited marriages will not be affected.

Question: Will there be a whole new Federal bureaucracy set up to implement the ERA?

Answer: No. President Carter has indicated that it is not his intent to use Section 2 of the Amendment to create a new Federal bureaucracy.

Question: Will it be possible under ERA for a husband to disinherit his wife?

Answer: This is now possible in only two states, North Dakota and South Dakota. It is believed that more equitable marital property laws will result from ratification of the amendment. This would protect the rights of women to an equal share of assets accumulated during a marriage.

Question: Will I be responsible for my husband's debts if ERA passes?

Answer: You are responsible for them now. Laws in some states protect certain assets of a wife from her husband's creditors. Such laws could stand under ERA if they were extended to cover men in similar circumstances.

Question: Will employed women receive larger pensions at retirement if ERA is ratified?

Votes are expected in Florida, Georgia, Missouri and North Carolina in 1981. With the continuing commitment to a dream of full equality for women and men, we shall soon celebrate the day when the ERA is the law of the land.

TALKING POINTS ON ERA

1. President Carter and his Administration support passage of the Equal Rights Amendment to achieve equality for women under the Constitution.
2. The Amendment is a simple document, "Equality of Rights under the law shall not be denied or abridged by the United States or by any State on account of sex."
3. The Amendment is necessary for the following reasons:
 - * Women do not currently enjoy the same constitutional protection extended to men.
 - * Court decisions have declined to extend constitutional protection to women, even under the Fourteenth Amendment.
 - * In principle, women should not be treated differently simply because of their sex. It would be unfair and regrettable if the country were to turn down this principle by rejecting the ERA.
 - * Because of the movement toward equality and the ERA, many discriminatory laws have been repealed. However, this movement toward equality could move backwards if the ERA is rejected and discriminatory laws could again be passed in the future.
 - * The U.S. Civil Rights Commission has shown there are 800 Federal laws alone where there is a difference in the treatment of men and women.

- * Women's rights currently vary from state to state; if a woman moves or crossed a state line, her rights change.
4. President Carter and Mrs. Carter have been working for the passage of the ERA in public and private ways. In part:
- * The President has used the prestige of his position to support the ERA by its inclusion in major addresses and by published statements.
 - * Numerous contacts on behalf of the ERA have been made with legislators and elected officials in unratified states.
 - * The President has been meeting with the Presidents of national women's organizations on a regular basis during the legislative season in the states to help coordinate strategy.
 - * Major briefings have been held, and are planned for leaders of business, labor, civil rights, religious and other community organizations to help build a broadened base of support.
5. Passage of the ERA is a cornerstone of the human rights policy of this Administration. President Carter has said:
- "This is a human rights issue."
(1979 ERA Salute)
- "And our Nation must make it clear that the legal rights of women as citizens are guaranteed under the

laws of our land by ratifying the
Equal Rights Amendment."

(1979 State of Union Address)

"Because the principle of equality between
man and women could be changed easily to
reduce current safeguards - The only way to
achieve full legal equality for women is to
ratify the Equal Rights Amendment."

"It simply gives women the legal rights that
every human being deserves and that American
men now enjoy."

I do not believe my daughter should have
fewer rights than my sons." "Only an Amendment
in our Constitution can guarantee women the same
rights and opportunities."

(1979 Statement of National Magazines)

SANDY WOLFE #47

May 30, 1980

The Honorable Esther Peterson
Special Assistant to the President
for Consumer Affairs
The White House
Washington, D.C. 20500

Dear Ms. Peterson:

Chairman Volcker has asked me to respond to your May 7 letter commenting on the summary of the Board's consumer program published last December. I am grateful for this opportunity to respond to your concerns.

You ask "whether there is a regular mechanism to permit DCCA to analyze the consumer impact of decision documents generated by other divisions of the Board." As director of DCCA, Janet Hart regularly receives the agendas of all Board meetings, decides which sessions to attend, and, when appropriate, presents consumer considerations to the Board on consumer-related issues. I should add, however, that the role of DCCA is not perceived as that of advocating either consumer or creditor viewpoints. The role of advocate is taken by members of the Consumer Advisory Council, who present the views of both consumers and creditors on issues of concern to the Board. As you know, there are several highly qualified consumer advocates on the Council. The responsibility of DCCA, rather, is to present to the Board, in a clear and consistent manner, the concerns of, and implications of its actions for, consumers and creditors alike.

You also ask that the Board explore additional opportunities for public participation beyond the formal rulemaking process, such as "regular forums between Board management and consumers on issues of mutual concern." The Board and Board members do seek the views of consumers on issues of special concern - most recently in connection with the consumer credit restraint program. And, from time to time, the Board holds public hearings on important issues, as it did in implementing the Community Reinvestment, Equal Credit Opportunity, Fair Credit Billing, and Electronic Funds Transfer Acts.

For regular contact, however, the Board relies on its Consumer Advisory Council to present the consumer viewpoint (as well as that of creditors) on issues facing the Board. This direct method of consumer interaction with Board members, which is expressly mandated by statute, is believed by the Board to be the approach best suited to ensure that the interests of consumers are communicated to it.

Finally, you request additional information about the analysis of consumer complaint trends and how they are reported to division management, as well as how complaint handling procedures are evaluated. Beginning this year our consumer affairs specialists analyze and prepare a written evaluation of the consumer correspondence from each of the twelve Federal Reserve Banks. A senior official in DCCA reviews each of these semi-annual evaluations, which are then forwarded to the Reserve Bank for appropriate action. In addition, DCCA's consumer correspondence file is circulated every two weeks to division management for review. In instances when a particular consumer issue is being researched by the division's legal staff, the consumer affairs specialists are frequently asked to provide specific information about the number and types of complaints concerning that issue.

The consumer complaint handling procedures of the Reserve Banks are evaluated in two ways. First, a follow-up letter is sent to all complainants. This letter solicits their comments and suggestions concerning the resolution and handling of their complaints by Federal Reserve staff. Second, an on-site review is routinely conducted every third year at each Federal Reserve Bank, during which complaint handling procedures used by the Bank are checked against those issued by the Board. More frequent reviews are conducted if the need is apparent.

As you may know, the Board has submitted to your office an updated summary of its consumer program to be published with other agency programs on June 9. The document was revised to clarify certain aspects of the program that were the subject of consumer comments.

Please feel free to call me or Ms. Hart at any time when you have a question about the Board's programs.

Sincerely,

Nancy H. Teeters

bcc: Sandy Wolfe

AMBray/RCP lows: pac
5/28/80
WH-47

THE WHITE HOUSE
WASHINGTON

May 7, 1980

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WH-47

Dear Chairman Volcker:

I want to thank you and the Federal Reserve Board for your participation in the implementation of the Consumer's Executive Order (12160) by voluntarily publishing a draft consumer program in the Federal Register. I am very much aware that the Board, as an independent agency, is under no obligation to implement the Executive Order; so the publication of your agency's consumer program is truly a tangible demonstration of your commitment to America's consumers.

Over the past several weeks, my staff and I have been evaluating the draft consumer programs in light of the specific requirements of the Executive Order and the guidelines we issued last October. We have been focusing on the draft programs of those agencies required to comply with the Order (primarily Cabinet Departments), but we have been able to examine the programs of the independent agencies as well. If I may, I would like to take a few moments to outline my thoughts about what the Board is doing, and proposing to do, in the area of consumer affairs. Of course you are free to use these comments as you wish; however, I do hope that you will give our observations your careful consideration.

You may recall that the Executive Order addresses the following five aspects of Federal consumer affairs activity:

- o Consumer perspective in agency decisionmaking;
- o Opportunities for consumer participation;
- o Informational materials for consumers;
- o Education and training of agency staffs; and
- o Complaint handling.

The Order also asks each agency to appoint a senior-level official to oversee its consumer program.

Against this background, my staff has looked at your agency's consumer program.

Our analysis shows that the consumer program of the Federal Reserve Board meets several of the criteria of a sound consumer program as described in the Executive Order, but I do have several questions and suggestions.

I am glad that the Board has established a Division of Consumer and Community Affairs (DCCA) to be responsible for administering

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a number of consumer-oriented statutes, such as the Truth in Lending Act and the Fair Credit Billing Act. I am also pleased that the Board has published a Consumer Handbook to Credit Protection Laws and a pamphlet on How to File a Consumer Complaint, and appreciate the fact that the Consumer Advisory Council is functioning satisfactorily and is providing valuable advice to the Board on policy issues.

My questions and suggestions are as follows:

- o The section on "Participation in Development and Review of Agency Rules, Policies, Programs, and Legislation" is very general. You may want to provide some examples of past involvement. Also, it is not clear whether there is a regular mechanism to permit DCCA to analyze the consumer impact of decision documents generated by other divisions of the Board. We believe that every agency of the government should provide its consumer office or its consumer program director with the authority to furnish the agency head with an independent assessment of potential consumer impact arising from all agency decisions. I hope that your revised program will provide such authority to a designated individual who can be responsible for overseeing the Board's consumer activities.
- o Opportunities for public participation appear to be confined to rulemaking but I wonder whether additional opportunities can be provided. Have you examined, for instance, the establishment of regular forums between Board management and consumers on issues of mutual concern?
- o I appreciate the fact that the Board has established procedures for consumers to file complaints, but it is not clear how complaint trends are analyzed and reported to management or how complaint-handling procedures are evaluated.

Again, I am grateful to you and the Board for what you are doing, and plan to do, for consumers. I am also grateful for the cooperation and assistance of Ms. Anne Marie Bray who has worked

Sandy

WH-46

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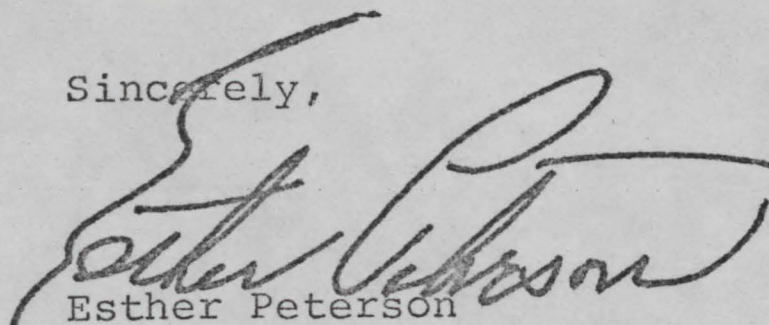
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Anderson

for information

with us in implementing the Order. I look forward to working with you as we prepare to publish the final consumer programs in June of this year. I am confident that by working together, we shall succeed in making the Federal government more responsive to the needs of consumers.

Sincerely,

A handwritten signature in cursive script, appearing to read "Esther Peterson".

Esther Peterson
Special Assistant to the President
for Consumer Affairs

The Honorable Paul A. Volcker
Chairman, Board of Governors
Federal Reserve System
20th Street and Constitution Avenue NW
Room B-2046
Washington, D. C. 20051



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

WH-46

OFFICE OF FEDERAL
PROCUREMENT POLICY

APR 29 1980

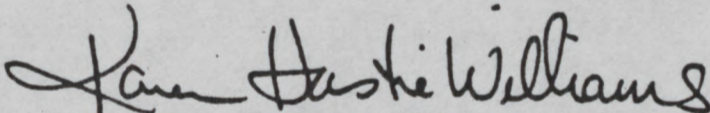
MEMORANDUM TO HEADS OF EXECUTIVE DEPARTMENTS AND
ESTABLISHMENTS

SUBJECT: OFPP Policy Letters

Attached for your information are advance copies of three
OFPP Policy Letters, as follows:

1. Policy Letter 80-2, Regulatory Guidance on
Section 211 of Public Law 95-507
2. Policy Letter 80-3, Regulatory Guidance on
Public Law 95-563, the Contract Disputes Act
of 1978.
3. Policy Letter 80-4, Women's Business Enterprise
Program.

These Policy Letters have been sent to the Senate Govern-
mental Affairs Committee and the House Government Opera-
tions Committee in accordance with section 8(b) of the
OFPP statute. They have also been forwarded to the
Federal Register for publication. All the policy letters
become effective on June 1, 1980.


Karen Hastie Williams
Administrator



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

OFFICE OF MANAGEMENT AND BUDGET
Office of Federal Procurement Policy
Subcontracting Under Federal Contracts

AGENCY: Office of Federal Procurement Policy, Office of Management and Budget.

ACTION: Policy Directive providing amendments to the Federal Procurement Regulations (FPR), the Defense Acquisition Regulation (DAR), and the National Aeronautics and Space Administration Procurement Regulation (NASAPR).

SUMMARY: This Policy Directive sets forth amendments to the FPR, the DAR, and the NASAPR in implementation of section 211 of Public Law 95-507.

On October 24, 1978, the President signed into law Public Law 95-507 amending the Small Business Act and the Small Business Investment Act of 1958. Section 211 of Public Law 95-507 relates to subcontracting under federal contracts.

On January 16, 1979, the Office of Federal Procurement Policy published in the Federal Register (44 Fed. Reg. 3340) proposed regulatory guidance regarding section 211 (Subcontracting). On April 20, 1979, final regulatory guidance directing changes in the DAR and FPR was published in the Federal Register (44 Fed. Reg. 23610).

On October 29, 1979, the Office of Federal Procurement Policy published for comment in the Federal Register (44 F.R. 62093) proposed changes supplementing the guidance published on April 20, 1979. The October 29, 1979 publication also included for comment, in Part II thereof, proposed data collection formats. Comments were received with respect to both the subcontracting regulatory guidance and the proposed data collection formats. The final changes to the subcontracting regulatory guidance summarized below reflect the views in some of those comments. Comments received regarding the data collection formats are still being considered, and final versions of those formats will be published in the near future.

Several significant features to be found in the subcontracting regulatory guidance are as follows:

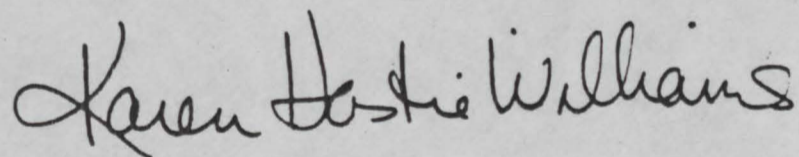
1. The Small Business and Small Disadvantaged Business Subcontracting solicitation provisions, for both negotiated and

formally advertised procurements, have been expanded. Many of the earlier instructions to contracting officers -- especially those requiring that officer to impose certain subcontract plan requirements on the offeror (or bidder) -- have been incorporated into the solicitation clauses.

2. The regulatory guidance, as well as the solicitation clauses, contains a definition of the term "subcontract."
3. The instructions to the contracting officer sections now cover contracts with options and similar provisions, and letter contracts.
4. With respect to "commercial products" the plan to be submitted by the contractor and reviewed and approved by the Government will now cover not only the commercial product being procured under the immediate contract, but the company's or division's production generally. Also, if the contracting officer finds that the product being procured differs only insignificantly from the contractor's commercial product, he may regard the contract product, for the purposes of the subcontracting plan provision, as a commercial product. Finally, the contracting officer may ask another agency (e.g., an agency with the preponderance of the contracts with the contractor) to review and approve the contractor's plan for commercial products.

DATE: The changes set forth herein will be effective June 1, 1980.

FOR FURTHER INFORMATION CONTACT: Owen Birnbaum, Deputy Associate Administrator for Acquisition Law, (202) 395-3455.



Karen H. Williams
Administrator

DATED: April 29, 1980



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

POLICY LETTER 80-2

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Regulatory Guidance on Section 211 of Public Law 95-507.

There is a need in Government for uniformity and consistency in the application of procurement policy. This directive provides the uniform policy applicable to Section 211 of Public Law 95-507. The clauses and regulatory coverage that follow articulate this uniform policy. The Defense Acquisition Regulations (DAR), the Federal Procurement Regulations (FPR), and the National Aeronautics and Space Administration Procurement Regulations (NASA PR) shall be amended to conform to this policy. This guidance supercedes in its entirety the guidance previously published in the Federal Register on April 20, 1979, (44 F.R. 23610).

A. UTILIZATION OF SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS CONCERNS (OVER \$10,000)

The following clause shall be included in all contracts over \$10,000 except (1) contracts for services which are personal in nature and (2) contracts which will be performed entirely (including all subcontracts) outside any State, territory, or possession of the United States, the District of Columbia, or the Commonwealth of Puerto Rico:

UTILIZATION OF SMALL BUSINESS CONCERNS AND SMALL
BUSINESS CONCERNS OWNED AND CONTROLLED BY
SOCIALY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS

(a) It is the policy of the United States that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals shall have the maximum practicable opportunity to participate in the performance of contracts let by any Federal agency.

(b) The contractor hereby agrees to carry out this policy in the awarding of subcontracts to the fullest extent consistent with the efficient performance of this contract. The contractor further agrees to cooperate in any studies or surveys as may be conducted by the Small Business Administration or the contracting agency which may be necessary to determine the extent of the contractor's compliance with this clause.

(c) (1) As used in this contract, the term "small business concern" shall mean a small business as defined pursuant to section 3 of

the Small Business Act and relevant regulations promulgated pursuant thereto.

(2) The term "small business concern owned and controlled by socially and economically disadvantaged individuals" shall mean a small business concern—

(i) which is at least 51 per centum owned by one or more socially and economically disadvantaged individuals; or in the case of any publicly owned business, at least 51 per centum of the stock of which is owned by one or more socially and economically disadvantaged individuals; and

(ii) whose management and daily business operations are controlled by one or more of such individuals.

The contractor shall presume that socially and economically disadvantaged individuals include Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans, and other minorities, or any other individual found to be disadvantaged by the Small Business Administration pursuant to section 8(a) of the Small Business Act.

(d) Contractors acting in good faith may rely on written representations by their subcontractors regarding their status as a small business concern or a small business concern owned and controlled by socially and economically disadvantaged individuals.

(End of Clause)

B. DEFINITIONS.

1. Business owners who certify that they are members of named groups (Black Americans, Hispanic Americans, Native Americans, Asian-Pacific Americans) are to be considered socially and economically disadvantaged.

2. The phrase "Native Americans" means American Indians, Eskimos, Aleuts and native Hawaiians. The term "Asian-Pacific Americans" means U.S. citizens whose origins are from Japan, China, the Philippines, Vietnam, Korea, Samoa, Guam, the U.S. Trust Territories of the Pacific, Northern Marianas, Laos, Cambodia and Taiwan.

3. Other individuals may qualify as socially and economically disadvantaged under procedures which have been separately established by the Small Business Administration at 13 CFR 124.1-1(3)(iii).

4. The Office of Minority Small Business and Capital Ownership Development in the Small Business Administration has the final authority to determine the eligibility of a concern to be designated as a small disadvantaged business and shall answer inquiries from prime contractors and others regarding such eligibility.

5. The term "subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for the performance of the original contract or subcontract.

C. SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING (NEGOTIATED).

All solicitations for negotiated contracts or negotiated amendments or modifications (including contracts, amendments, and modifications placed on a sole source basis), except those for procurements and set-asides pursuant to section 8(a) and section 15 of the Small Business Act as amended, which individually are expected to exceed \$500,000, or in the case of contracts for the construction of any public facility, \$1,000,000, and are required to include the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals, shall include a provision which requires the apparent successful offeror, provided the offeror is not a small business concern, to negotiate a detailed subcontracting plan. The provision is as follows:

SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (NEGOTIATED)

1. This provision does not apply to small business concerns.

2. The term "subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for the performance of the original contract or subcontract.

3. The offeror acknowledges that it is aware of the subcontracting plan requirements in this provision; and if it is the apparent successful offeror, and if the contract offers subcontracting possibilities, agrees to negotiate a plan which includes:

a. Percentage goals (expressed in terms of percentage of total planned subcontracting dollars) for the utilization as subcontractors of small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals; (For the purposes of the subcontracting plan, the contractor may include all purchases which contribute to the performance of the contract, including a proportionate share of products, services, etc., whose costs are normally allocated as indirect or overhead costs.)

As part of its establishment of percentage goals the apparent successful offeror shall also include in its subcontracting plan:

(1) A statement of: (a) total dollars planned to be subcontracted; (b) total dollars planned to be subcontracted to small business; and (c) total dollars planned to be subcontracted to small disadvantaged business.

(2) A description of the principal product and service areas to be subcontracted and an identification of those areas where it is planned to use (i) small business subcontractors, and (ii) small disadvantaged business subcontractors.

(3) A statement of the method used in developing proposed subcontracting goals for (i) small business, (ii) small disadvantaged business concerns (e.g., did the offeror use for subcontract solicitation purposes company source lists, the small business and disadvantaged small business source identification system provided by the Small Business Administration's Procurement Automated Source System, the National Minority Purchasing Council Vendor Information Service, the Office of Minority Business Data Center in the Department of Commerce, and the facilities of local small business and minority associations?).

(4) If the offeror includes indirect and overhead costs as an element in establishing the goals in the subcontracting

plan, the method used in determining the proportionate share of indirect and overhead costs incurred with (i) small business, and (ii) small disadvantaged business subcontractors shall be explained.

b. The name of an individual within the employ of the offeror who will administer the subcontracting program of the offeror and a description of the duties of such individual;

c. A description of the efforts the offeror will take to assure that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals will have an equitable opportunity to compete for subcontracts;

d. Assurances that the offeror will include the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals in all subcontracts which offer further subcontracting opportunities and to require all subcontractors (except small business concerns) which receive subcontracts in excess of \$500,000, or in the case of a contract for the construction of any public facility, \$1,000,000, to adopt and comply with a plan similar to the plan agreed to by the offeror. Such assurances shall describe the offeror's procedures for the review, approval, and monitoring for compliance with such plans;

e. Assurances that the offeror will submit such periodic reports and cooperate in any studies or surveys as may be required by the contracting agency or the Small Business Administration in order to determine the extent of compliance by the offeror with the subcontracting plan; and

f. A recitation of the types of records the offeror will maintain to demonstrate procedures which have been adopted to comply with the requirements and goals set forth in the plan, including the establishment of source lists of small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals; and efforts to identify and award subcontracts to such small business concerns. The records shall include at least the following (these records may be maintained on a plant-wide or company-wide basis unless otherwise indicated):

(1) Small and disadvantaged business source lists, guides and other data indentifying small and small disadvantaged business vendors.

(2) Organizations contacted for small and disadvantaged business sources.

(3) On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, indicating on each solicitation (a) whether small business was solicited, and if not why not; (b) whether small disadvantaged business was solicited, and if not why not; and (c) reasons for the failure of solicited small business or small disadvantaged business to receive the subcontract award.

(4) Records to support other outreach efforts:

- o Contacts with minority and small business trade associations;

- o Contacts with business development organizations;

- o Attendance at small and minority business procurement conferences and trade fairs.

(5) Records to support internal activities to guide and encourage buyers:

- o Workshops, seminars, training programs, etc.

- o Monitoring activities to evaluate compliance.

(6) On a contract-by-contract basis, records to support award data submitted to the Government to include name and address of subcontractor.

4. The offeror understands that:

a. No contract will be awarded unless and until an acceptable plan is negotiated with the contracting officer which plan will be incorporated into the contract, as a material part thereof.

b. An acceptable plan must, in the determination of the contracting officer, provide the maximum practicable

opportunity for small business concerns and small business concerns owned and controlled by socially and economically disadvantaged persons to participate in the performance of the contract.

c. If a subcontracting plan acceptable to the contracting officer is not negotiated within the time limits prescribed by the contracting activity and such failure arises out of causes within the control and with the fault or negligence of the offeror, the offeror shall be ineligible for an award. The contracting officer shall notify the contractor in writing of his reasons for determining a subcontracting plan to be unacceptable. Such notice shall be given early enough in the negotiation process to allow the contractor to modify the plan within the time limits prescribed.

d. Prior compliance of the offeror with other such subcontracting plans under previous contracts will be considered by the contracting officer in determining the responsibility of the offeror for award of the contract.

e. It is the offeror's responsibility to develop a satisfactory subcontracting plan with respect to both small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals and that each such aspect of the offeror's plan will be judged independently of the other.

f. The offeror will submit, as required by the contracting officer, subcontracting reports in accordance with the instructions thereon, and as further directed by the contracting officer. Subcontractors will also submit these reports to the government's contracting officer or as otherwise directed, with a copy to the prime contractor's designated small and disadvantaged business liaison.

5. The failure of any contractor or subcontractor to comply in good faith with (a) the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals or (b) an approved plan required by this Small Business and Small Disadvantaged Business Subcontracting Plan (Negotiated) provision, will be a material breach of such contract or subcontract.

6. Commercial Products. If a commercial product (defined below) is offered the required subcontracting plan may relate to the company's production generally (both for commercial and non-commercial products) rather than solely to the item being procured under the government contract. In such cases, the contractor shall be required to submit one company-wide, annual plan to be reviewed for approval by the first agency with which it enters into a prime contract (which requires a subcontracting plan) during the fiscal year, or by another agency satisfactory to the contracting officer. The approved plan will remain in effect for the company's entire fiscal year for all of the company's or division's commercial products.

The term "commercial products" means products in regular production sold in substantial quantities to the general public and/or industry at established market or catalog prices. A product which, in the opinion of the contracting officer, differs only insignificantly from the contractor's commercial product may be regarded for the purpose of this clause as a commercial product.

(End of Provision)

INSTRUCTIONS TO CONTRACTING OFFICERS

The following policy and procedural guidance is provided to contracting officers in making determinations as to the acceptability of a Small Business and Small Disadvantaged Business Subcontracting Plan (Negotiated) submitted by an apparent successful offeror, in accordance with the requirements of Public Law 95-507, Amendments to the Small Business Act and the Small Business Investment Act of 1958. This guidance is not intended to be all inclusive. Other factors may warrant consideration dependent upon the particular circumstances of the proposed acquisition. Ultimately, there is no substitute for the reasoned and objective judgment of a contracting officer exercised on a case by case basis.

(a) Contracts with Options or Similar Provisions - In the case of contracts with options, or similar provisions, requiring a subcontracting plan, the contracting officer shall obtain a satisfactory plan prior to award covering the basic and the option items of the contract. The price of the option items shall be included in determining whether the contract meets the subcontracting threshold, and the plan shall take into account the procurement of the option items. In the event the option or similar provision is not exercised, the contractor should not be bound by that portion of the plan relating to the option items.

(b) Letter Contracts - In the case of letter-type contracts requiring a subcontracting plan, the contracting officer shall seek to obtain a satisfactory plan within 90 days after award or before definitization, whichever comes first.

(c) Acceptability of Proposed Plan - In making determinations concerning the acceptability of a proposed subcontracting plan, the contracting officer should take the following actions:

(1) To the extent available, the contracting officer shall obtain the names and locations of principal proposed (i) small business, and (ii) small disadvantaged business subcontractors, including the type of product or service and the dollar value thereof to be awarded to each principal subcontractor. (This information will be used only to assist the contracting officer in making a determination as to the acceptability of the proposed percentage and dollar subcontract goals. The offeror will not be contractually bound to make subcontract awards to the designated subcontractors nor will the names of the subcontractors be included in any subsequent approved plan).

(2) Obtain and review information from all appropriate sources, including the prospective contractor, contract administration activities, Small and Disadvantaged Business Utilization Specialist, and SBA representatives concerning the apparent successful offeror's historical performance and achievements in placing subcontracts for the same or similar products or services with (i) small business, and (ii) small disadvantaged business subcontractors -- if this information is not available for a specific product or service, the offeror's past performance and achievements in the placement of total subcontract awards to (i) small business, and (ii) small disadvantaged business subcontractors shall be examined.

(3) Evaluate the anticipated potential for subcontracting to (i) small business, and (ii) small disadvantaged business considering the make-or-buy policies or programs of the apparent successful offeror, the nature of the products or services to be subcontracted, and the known availability of (i) small business, and (ii) small disadvantaged business concerns in the geographical area where the work will be performed.

(4) Advise the apparent successful offeror of (i) the availability of the sources of information on potential small business and small disadvantaged business subcontractors and (ii) the names of any known potential small business and small disadvantaged business subcontract sources. If the proposed goals are questionable, the

contracting officer shall emphasize that one or more of the sources of information should be used and potential small business and small disadvantaged business subcontract sources be considered to ensure development of realistic and acceptable goals.

(5) Obtain advice and recommendations of the Small and Disadvantaged Business Utilization Specialist and the assigned Small Business Administration Procurement Center Representative (if available) concerning the acceptability of the proposed plans.

(6) Negotiate subcontracting goals at a level which represents a good faith, aggressive, and comprehensive effort of the apparent successful offeror to use to the maximum practicable extent small and small disadvantaged subcontractors after appropriate consideration of their price, technical capability, and other pertinent factors. No goals will be negotiated upwards if it is apparent that such higher goals must result in significant increased costs to the Government or will seriously impede acquisition objectives. However, incentive subcontracting clauses should be considered in those cases where it is believed that additional and unique prime contractor effort could significantly increase small business and small disadvantaged business subcontract awards.

(7) The contracting officer shall promptly negotiate appropriate revisions to agreed subcontracting percentage and dollar goals if any subsequent amendments to the contract will have a major impact on the original planned volume or type of subcontracting effort. If agreement cannot be reached, the matter will be resolved under the Disputes Clause of the contract.

(8) In reviewing and negotiating a contractor's proposed small and disadvantaged business subcontracting plan, the contracting officer shall give due consideration to the contractor's "make-or-buy" policy or program. This is necessary to ensure that the respective programs are not in conflict, and the best interests of the Government are obtained. Furthermore, where the contract work involves products or services which are not generally available in the commercial marketplace or are particularly specialized, and the contractor has current capacity to perform the work, the contracting officer may recognize the reduced likelihood of subcontracting opportunities.

(d) Forwarding to SBA of Plans Involving Commercial Products

Contracting officers receiving company-wide plans under paragraph 6 (commercial products) of both solicitation clauses -- SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (NEGOTIATED) and SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (ADVERTISED) -- shall forward copies of such plans and approvals thereof to the Central Office of the Small Business Administration, 1441 "L" Street, N.W., Washington, D. C., Attention: AAPA.

(e) Failure to Comply in Good Faith with the Subcontracting Requirements

The failure of any contractor or subcontractor to comply in good faith with (1) the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals, or (2) an approved plan required by the Small Business and Small Disadvantaged Business Subcontracting Plan provision, will be a material breach of such contract or subcontract.

If such a breach has occurred in the prime contract, the contracting officer shall review the available facts to determine what remedy is in the best interests of the Government.

Such remedies may include Termination of the Contract pursuant to the Termination for Default Clause, negotiated reduction in contract price, negotiation of a revised subcontracting plan to correct deficiencies, or other negotiated measures the contracting officer may deem appropriate. In determining the proper remedy, the contracting officer shall consider as a minimum (1) the reasons attributed to the failure to comply in good faith, (2) the Government's need for the contract deliverables, and (3) the impact a proposed remedy may have on existing small and disadvantaged subcontractors.

If the failure to comply in good faith cannot be settled by agreement, a contracting officer decision pursuant to the contract disputes clause shall be issued.

D. INCENTIVE SUBCONTRACTING PROGRAM.

The following clause may be used in negotiated contracts for which a subcontracting plan is required.

INCENTIVE SUBCONTRACTING PROGRAM FOR SMALL BUSINESS
AND SMALL DISADVANTAGED BUSINESS (NEGOTIATED)

(1) The contractor has established, in its subcontracting plan, the following goals for awards to small business and small disadvantaged business concerns:

(i) * percent of the total planned subcontract amount of \$ * to small business concerns, and

(ii) ** percent of the total planned subcontract amount of \$ ** to small business concerns owned and controlled by socially and economically disadvantaged individuals.

(2) To the extent that the contractor exceeds such subcontract goals in the performance of this contract, it will receive *** percent (not to exceed 10 percent) of the dollar amount of such excesses, unless the contracting officer determines that such excess was not due to efforts by the contractor, i.e., subcontractor costs in excess of those contractually agreed upon or where the actual subcontract amount exceeds that estimated in the subcontract plan; or planned subcontracts which were not disclosed in the subcontract plan during contract negotiation.

(3) If the contract is a cost plus fixed fee type, the total of the fixed fee and the incentive payments made pursuant to this clause is subject to the limitations set forth in FPR 1-3.405-5(c)(2) and DAR 3-405.6(c)(2).

(End of Clause)

* , ** Identified elsewhere in the contract.

*** Exact percentage to be inserted into the contract document.

E. SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS
SUBCONTRACTING (ADVERTISED).

All solicitations for formally advertised contracts or amendments or modifications thereto which, except those for procurements and set-asides pursuant to section 8(a) and section 15 of the Small Business Act as amended, offer subcontracting opportunities and are expected to exceed \$500,000, or in the case of contracts for the construction of any public facility, \$1,000,000, and are required to include the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals, shall include a provision which requires the bidder selected to be awarded the contract, provided the bidder is not a small business concern, to submit a detailed subcontracting plan.

The contracting officer shall include the solicitation notice below in all solicitations meeting the monetary threshold unless the contracting officer determines in writing that the proposed contract, amendment or modification, offers no subcontracting possibilities. If the contracting officer is not sure of the presence of subcontracting possibilities, the notice must be included; but the requirement to furnish a plan may be omitted on a showing by the bidder selected for award that subcontracting possibilities do not exist.

The provision is as follows:

SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS
SUBCONTRACTING PLAN (ADVERTISED)

1. This provision does not apply to small business concerns.
2. The term "subcontract" means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for the performance of the original contract or subcontract.
3. The bidder acknowledges that it is aware of the subcontracting plan requirement in this provision; and if selected for award, will submit within the time specified by the contracting officer a subcontracting plan that will afford the maximum practicable opportunity to participate in the performance of the contract to small and small disadvantaged concerns, and will include:

a. Percentage goals (expressed in terms of percentage of total planned subcontracting dollars) for the utilization as subcontractors of small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals; (For the purposes of the subcontracting plan, the contractor may include all purchases which contribute to the performance of the contract, including a proportionate share of products, services, etc., whose costs are normally allocated as indirect or overhead costs.)

As part of its establishment of percentage goals the apparent successful bidder shall also include in its subcontracting plan:

(1) A statement of: (a) total dollars planned to be subcontracted; (b) total dollars planned to be subcontracted to small business; and (c) total dollars planned to be subcontracted to small disadvantaged business.

(2) A description of the principal product and service areas to be subcontracted and an identification of those areas where it is planned to use (i) small business subcontractors, and (ii) small disadvantaged business subcontractors.

b. The name of an individual within the employ of the bidder who will administer the bidder's subcontracting program and a description of the duties of such individual;

c. A description of the efforts the bidder will take to assure that small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals will have an equitable opportunity to compete for subcontracts;

d. Assurances that the bidder will include the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals in all subcontracts which offer further subcontracting opportunities and to require all subcontractors (except small business concerns) which receive subcontracts in excess of \$500,000, or in the case of a contract for the construction of any public facility, \$1,000,000, to adopt and comply with a plan similar to the plan agreed to by the bidder;

e. Assurances that the bidder will submit such periodic reports and cooperate in any studies or surveys as may be required by the contracting agency or the Small Business Administration in order to determine the extent of compliance by the bidder with the subcontracting plan; and

f. A recitation of the types of records the successful bidder will maintain to demonstrate procedures which have been adopted to comply with the requirements and goals set forth in the plan, including the establishment of source lists of small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals; and efforts to identify and award subcontracts to such small business concerns. The records shall include at least the following (these records may be maintained on a plant-wide or company-wide basis unless otherwise indicated):

(1) Small and disadvantaged business source lists, guides and other data indentifying small and small disadvantaged business vendors.

(2) Organizations contacted for small and disadvantaged business sources.

(3) On a contract-by-contract basis, records on all subcontract solicitations over \$100,000, indicating on each solicitation (a) whether small business was solicited, and if not why not; (b) whether small disadvantaged business was solicited, and if not why not; and (c) reasons for the failure of solicited small business or small disadvantaged business to receive the subcontract award.

(4) Records to support other outreach efforts:

o Contacts with minority and small business trade associations,

o Contacts with business development organizations,

o Attendance at small and minority business procurement conferences and trade fairs.

(5) Records to support internal activities to guide and encourage buyers:

- o Workshops, seminars, training programs,
- o Monitoring activities to evaluate compliance.

(6) On a contract-by-contract basis, records to support award data submitted to the Government to include name and address of subcontractor.

4. The bidder understands that:

(a) It agrees to carry out the government's policy to provide the maximum practicable opportunity for small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals to participate in the performance of the contract, consistent with its efficient performance.

(b) If it does not submit a subcontracting plan within the time limits prescribed by the contracting agency, it will be ineligible to be awarded the contract.

(c) Prior compliance of the bidder with other such subcontracting plans under previous contracts will be considered by the contracting officer in determining the responsibility of the offeror for award of the contract.

(d) It is the bidders responsibility to develop a subcontracting plan with respect to both small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals and that each such aspect of the plan will be judged independently of the other.

5. The failure of any contractor or subcontractor to comply in good faith with (a) the clause entitled Utilization of Small Business Concerns and Small Business Concerns Owned and Controlled by Socially and Economically Disadvantaged Individuals or (b) the terms of any subcontracting plan required by this Small Business and Small Disadvantaged Business Subcontracting Plan (Advertised) provision, will be a material breach of the contract or subcontract.

6. Commercial Products. If a commercial product (defined below) is offered the required subcontracting plan may relate to the company's

or division's production generally (both for commercial and non-commercial products) rather than solely to the item being procured under the government contract. In such cases, the contractor shall be required to submit one company-wide, annual plan to be reviewed for approval by the first agency with which it enters into a prime contract (which requires a subcontracting plan) during the fiscal year, or by another agency satisfactory to the contracting officer. The approved plan will remain in effect for the company's entire fiscal year for all of the company's or division's commercial products.

The term "commercial products" means products in regular production sold in substantial quantities to the general public and/or industry at established market or catalog prices. A product which, in the opinion of the contracting officer, differs only insignificantly from the contractor's commercial product may be regarded for the purpose of this clause as a commercial product.

(End of Provision)

INSTRUCTIONS TO CONTRACTING OFFICERS

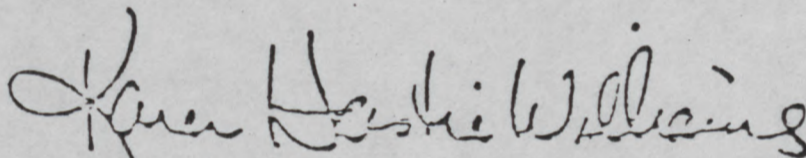
(a) Informational Goals. The contracting officer may, in a letter accompanying the solicitation or otherwise, inform the offeror of the goal the Government contemplates for subcontracting to both small business concerns and small business concerns owned and controlled by socially and economically disadvantaged individuals. Any such letter shall state that the goals are informational only and not legally binding.

(b) Notification of Unsatisfactory Plans. If the contracting officer believes that the subcontracting plan submitted pursuant to this section does not reflect the best effort by the bidder to award subcontracts to small and small disadvantaged firms to the fullest extent consistent with the efficient performance of the contract, he shall notify the agency's director of the Office of Small and Disadvantaged Business Utilization who shall in turn notify the Small Business Administration and request a review of the plan pursuant to Section 8(d)(10) and (11) of the Small Business Act. Such request for an SBA review shall not delay award of the contract. Prior compliance of the bidder with other such subcontracting plans under previous contracts will be considered by the contracting officer in determining the responsibility of the bidder for award of the contract.

(c) Forwarding to SBA of Plans Involving Commercial Products.
Contracting officers receiving company-wide plans under paragraph 6 (commercial products) of both solicitation clauses -- SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (NEGOTIATED) and SMALL BUSINESS AND SMALL DISADVANTAGED BUSINESS SUBCONTRACTING PLAN (ADVERTISED) -- shall forward copies of such plans and approvals thereof to the Central Office of the Small Business Administration, 1441 "L" Street, N.W., Washington, D. C., Attention: AAPA.

EFFECTIVE DATE: This Policy Letter is effective June 1, 1980.

CONCURRENCE: This Policy Letter has been concurred in by the Director of OMB.



Karen H. Williams
Administrator



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

OFFICE OF MANAGEMENT AND BUDGET
Office of Federal Procurement Policy

FINAL CONTRACT DISPUTES REGULATORY COVERAGE AND
CONTRACT DISPUTES CLAUSE.

AGENCY: Office of Federal Procurement Policy, Office of Management and Budget.

ACTION: Final text of contract disputes regulatory coverage and Contract Disputes Clause to be adopted.

SUMMARY: On November 1, 1978, the President signed into law Public Law 95-563, the Contract Disputes Act of 1978. That Act, among other things, required certain changes to clauses and procurement regulations of the procuring agencies by March 1, 1979. To assure uniformity of language in the resulting changes, a suggested text of provisions to implement that Act was published at 44 FR 5219, January 25, 1979 for comment. After consideration of comments received and resulting changes to the suggested text, a set of interim final regulations and a Contract Disputes Clause was published at 44 FR 12519, March 7, 1979. This set of interim final regulations and Disputes clause contained language to be used by the affected agencies when amending their regulations. This language was to become final June 1, 1979, unless changed before that time.

The interim final rules were made final by notice published at 44 FR 34228, June 14, 1979, but the Disputes clause remained as interim. In addition, a second proposed Disputes clause was published there for comment.

Comments have been received and evaluated and this document (1) rescinds the regulations and contract Disputes clause issued March 7 and June 14, 1979, and (2) provides final regulatory coverage and a contract Disputes clause for incorporation into the Defense Acquisition Regulation, the Federal Procurement Regulations, and the National Aeronautics and Space Administration Procurement Regulations.

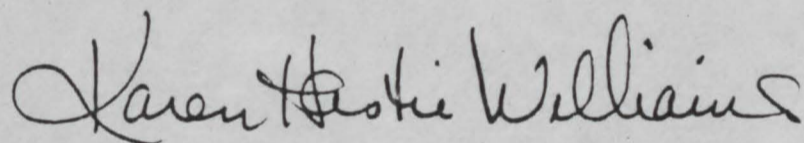
A major change from the regulations and interim Disputes clause, in use since March 1979, concerns the extent of the contractor's obligation to continue performance of work. Prior to the passage of the Contract Disputes Act, a contractor, pursuant to the Disputes clause then in effect, was in the event of a dispute arising under the contract, obligated to continue performance in accordance with the contracting officer's decision pending resolution of the dispute. On the other hand, if the dispute arose out of the contract, or in breach of the contract, there was no obligation to

continue work. The interim Disputes clause expanded the contractor's obligation to continue performance to include disputes arising out of, or in breach of, the contract as well as under the contract. The final Disputes clause published here returns the situation to the pre-Contract Disputes Act obligation. Under the Disputes clause and the accompanying regulations, the contractor is obligated to continue performance only if the dispute arises under the contract. It is recognized, however, that in unusual circumstances the performance of some contracts may be vital to the national security or to the public health and welfare so that performance must be guaranteed even in the event of a dispute arising out of, or in breach of, contract. In those unusual cases, procuring agencies may provide for a change to the Disputes clause to assure a continuation of the work. In such cases agencies should also seek to provide appropriate financing to cover the additional work, provided that the Government's interests are properly secured.

The final Disputes clause and regulations also provide technical changes from the interim clause and regulations with regard to payment of interest, procedures for certification of a claim exceeding \$50,000, and other areas. These changes are made to better reflect the intent of the Contract Disputes Act.

DATES: This regulatory coverage and contract Disputes clause are to be effective June 1, 1980, and shall apply to all solicitations and resulting contracts issued on or after June 1, 1980.

FOR FURTHER INFORMATION CONTACT: Ms. Patricia A. Szervo, Associate Administrator for Acquisition Law, (202) 395-3501.



Karen Hastie Williams
Administrator

DATED: April 29, 1980



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

OFPP POLICY LETTER 80-3

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Regulatory Guidance on P.L. 95-563, the Contract Disputes Act of 1978

There is a need in Government for uniformity and consistency in the application of procurement policy. This directive provides the uniform policy applicable to the Contract Disputes Act of 1978. The clauses and regulatory coverage that follow articulate this uniform policy. The Defense Acquisition Regulation (DAR), the Federal Procurement Regulations (FPR), and the National Aeronautics and Space Administration Procurement Regulations (NASA PR) shall be amended to conform to this policy. This guidance supersedes in its entirety the guidelines previously published in the Federal Register on March 7, 1979 (44 FR 12519), and June 14, 1979 (44 FR 24228).

I. REGULATORY COVERAGE - RESOLUTION OF CLAIMS.

1. Contract Disputes Act of 1978

(a) General. The Contract Disputes Act of 1978 (P.L. 95-563, 41 U.S.C. 601-613) establishes procedures and requirements for asserting and resolving claims by or against contractors relating to a contract subject to the Act. In addition, the Act provides for the payment of interest on contractor claims, for the certification of contract claims in excess of \$50,000, and a civil penalty for contractor claims that are fraudulent or based on a misrepresentation of fact.

(b) Definition of Claim.

(i) As used herein "claim" means a written demand by one of the contracting parties seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief, arising under or related to the contract.

(ii) A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim for the purposes of the Act. However, where such submission is subsequently not acted upon in a reasonable time, or

disputed either as to liability or amount, it may be converted to a claim under Section 6(a) of the Act as provided in Section 3, below.

(c) Government Policy on Settlement by Mutual Agreement. It is the Government's policy, consistent with the Act, to try to resolve all claims by mutual agreement at the contracting officer's level, without litigation. Implementation of this policy depends on an open mind with regard to the matter in dispute and the adequacy of the information provided in support of the claim by both the contractor and the Government. In appropriate circumstances, before issuance of a contracting officer's decision on a claim, informal discussions between the parties, to the extent feasible, by individuals who have not participated substantially in the matter in dispute, can aid in the resolution of differences by mutual agreement and should be considered.

(d) Contracting Officer Authority. Except as provided in this subsection (d), the Contracting Officer is authorized (within any specific limitations in his warrant) to decide or settle all claims relating to a contract subject to the Act. The authority of this subsection (d) does not extend to (1) a claim or dispute for penalties or forfeitures prescribed by statute or regulation which another Federal agency is specifically authorized to administer, settle, or determine, or (2) any claim involving fraud. See Section 2, below.

(e) Contracts Excepted from the Act. A contract with a foreign government or agency thereof, or with an international organization or subsidiary body thereof may be exempted from the Act and DAR Section 1-314 and FPR Section 1-1.318, if the head of the Agency determines that application of the Contract Disputes Act to the contract would not be in the public interest.

(f) Public Law 85-804 Requests. Requests for relief under Public Law 85-804 are not considered to be claims within the Contract Disputes Act of 1978 or the Disputes clause, and shall continue to be processed under DAR Section XVII or FPR Section 1-17.

2. Referral of Suspected Fraudulent Claims - If a contractor is unable to support any part of its claim and there is evidence that such inability is attributable to misrepresentation of fact or fraud on the part of the contractor, the contracting officer shall refer the matter to the designated Agency official responsible for investigating fraud.

3. Initiation of a Claim - Except as provided in the Act, (a) contractor claims shall be made in writing and submitted to the contracting officer for a decision, and (b) claims by the Government against a contractor shall be the subject of a contracting officer decision.

4. Contracting Officer's Decision

(a) When a claim by or against a contractor cannot be satisfied or settled by agreement and a decision on the claim is necessary, the Contracting Officer shall:

- (i) review the facts pertinent to the claim;
- (ii) secure assistance from legal and other advisors; and
- (iii) coordinate with the contract administration office or Contracting Office, when appropriate.

(b) The Contracting Officer shall furnish a copy of the decision to the contractor, by certified mail, return receipt requested, or by any other method that provides evidence of receipt, and shall include in the decision:

- (i) A paragraph substantially as follows:

This is the final decision of the Contracting Officer. This decision may be appealed to the Board of Contract Appeals.

If you decide to make such an appeal, you must mail or otherwise furnish written notice thereof to the Board of Contract Appeals within ninety days from the date you receive this decision. A copy thereof shall be furnished to the Contracting Officer from whose decision the appeal is taken. The notice shall indicate that an appeal is intended, shall reference this decision, and identify the contract by number. In lieu of appealing to the cognizant Board of Contract Appeals you may bring an action directly in the U.S. Court of Claims,* within twelve months of the date you receive this decision.

- (ii) A description of the claim or dispute;
- (iii) A reference to pertinent contract provisions;

* Except as provided in Sections 4 (maritime contracts) and 10(a)(2) (Tennessee Valley Authority) of the Act.

(iv) A statement of the factual areas of agreement or disagreement;

(v) A statement of the Contracting Officer's decision, with supporting rationale;

(vi) Notification that the small claims procedure of the cognizant Board shall be applicable at the sole election of the contractor in the event that the amount in dispute as a result of the final decision is \$10,000 or less; and

(vii) Notification that the accelerated procedure of the cognizant Board shall be applicable, at the sole election of the contractor in the event the amount in dispute as a result of the final decision is \$50,000 or less.

(c) The Contracting Officer shall issue the decision within the following statutory time limitation:

(i) For claims not exceeding \$50,000: Sixty days after receipt of the claim.

(ii) For claims exceeding \$50,000: Sixty days after receipt of claim; provided, however, if a decision is not issued within sixty days the Contracting Officer shall notify the contractor of the time within which he will make the decision. The reasonableness of this time period will depend on the size and complexity of the claims and the adequacy of the contractor's supporting data and any other relevant factors.

(d) The amount determined payable pursuant to the decision, less any portion already paid, should be paid, if otherwise proper, without awaiting contractor action concerning appeal. Such payment shall be without prejudice to the rights of either party.

5. Payment of Interest on Contractor's Claims - The Government shall pay interest on a contractor claim on the amount found due and unpaid, from the date the contracting officer receives the claim until the date payment is made, at the rates fixed by the Secretary of the Treasury pursuant to the Renegotiation Act, Public Law 92-41.

6. Disputes Clause

(a) The Act applies to all disputes with respect to contracting officer decisions on matters arising out of or relating to a contract. Agency Boards of Contract Appeals (BCA) created under the Act have the same jurisdiction as the Court of Claims with respect to a claim that is subject to the Act. Thus, the statutory agency BCAs continue to have all of the authority they possessed before the Act with respect to disputes arising under a contract, as well as authority to decide disputes relating to a contract. The Disputes clause set forth in Part II recognizes the all disputes authority established by the Act, and states certain requirements and limitations of the Act for the guidance of contractors and contracting agencies. It is not intended to affect the rights and obligations of the parties as provided by the Act, nor to constrain the authority of the statutory agency BCAs in the handling and deciding of contractor appeals pursuant to the Act.

(b) Obligation to Continue Performance - Section 6(b) of the Act authorizes contracting agencies to include a provision requiring a contractor to continue performance of the contract in accordance with the contracting officer's decision pending final decision on a claim. In general, prior to passage of the Act, the obligation to continue performance applied only to claims arising under a contract. Subparagraph (i) of the new Disputes clause is intended to require continued performance to the same extent as existed under the standard Disputes clause in effect prior to the Act.

7. Certification of Contractor Claims Over \$50,000

(a) Section 6(c)(1) of the Act requires that a contractor claim over \$50,000 shall be certified that it is made in good faith; that the supporting data are accurate and complete to the best of the contractor's knowledge and belief; and that the amount requested accurately reflects the contract adjustment for which the contractor believes the Government is liable.

(b) The certification shall be executed by the contractor if an individual. When the contractor is not an individual, the certification shall be executed by a senior company official in charge at the contractor's plant or location involved, or by an officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

II. CONTRACT DISPUTES CLAUSE

The following clause shall be included in all contracts subject to the Contract Disputes Act unless (1) exempted by the head of the Agency under 41 U.S.C. 603(c), or (2) modified in accordance with DAR 1-314 or FPR 1-1.318:

Disputes Clause

(a) This contract is subject to the Contract Disputes Act of 1978 (P.L. 95-563).

(b) Except as provided in the Act, all disputes arising under or relating to this contract shall be resolved in accordance with this clause.

(c) (i) As used herein, "claim" means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment or interpretation of contract terms, or other relief, arising under or relating to this contract.

(ii) A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim for the purposes of the Act. However, where such submission is subsequently not acted upon in a reasonable time, or disputed either as to liability or amount, it may be converted to a claim pursuant to the Act.

(iii) A claim by the contractor shall be made in writing and submitted to the contracting officer for decision. A claim by the Government against the contractor shall be subject to a decision by the Contracting Officer.

(d) For contractor claims of more than \$50,000, the contractor shall submit with the claim a certification that the claim is made in good faith; the supporting data are accurate and complete to the best of the contractor's knowledge and belief; and the amount requested accurately reflects the contract adjustment for which the contractor believes the Government is liable. The certification shall be executed by the contractor if an individual. When the contractor is not an individual, the

certification shall be executed by a senior company official in charge at the contractor's plant or location involved, or by an officer or general partner of the contractor having overall responsibility for the conduct of the contractor's affairs.

(e) For contractor claims of \$50,000 or less, the Contracting Officer must render a decision within 60 days. For contractor claims in excess of \$50,000, the Contracting Officer must decide the claim within 60 days or notify the contractor of the date when the decision will be made.

(f) The Contracting Officer's decision shall be final unless the contractor appeals or files a suit as provided in the Act.

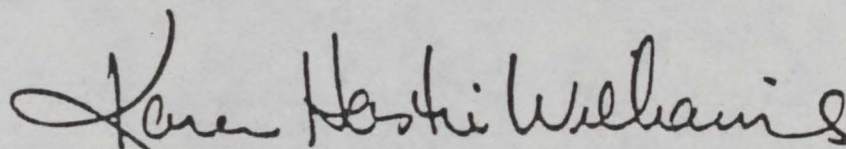
(g) The authority of the Contracting Officer under the Act does not extend to claims or disputes which by statute or regulation other agencies are expressly authorized to decide.

(h) Interest on the amount found due on a contractor claim shall be paid from the date the claim is received by the Contracting Officer until the date of payment.

(i) Except as the parties may otherwise agree, pending final resolution of a claim by the contractor arising under the contract, the contractor shall proceed diligently with the performance of the contract in accordance with the contracting officer's decision.

EFFECTIVE DATE: This Policy Letter is effective June 1, 1980, and shall apply to all solicitations and resulting contracts issued on or after June 1, 1980.

CONCURRENCE: This Policy Letter has been concurred in by the Director of OMB.



Karen Hastie Williams
Administrator



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

OFFICE OF MANAGEMENT AND BUDGET
OFFICE OF FEDERAL PROCUREMENT POLICY

Subcontracting With Women's Business
Enterprises Under Federal Contracts

AGENCY: Office of Federal Procurement Policy (OFPP), Office of Management and Budget

ACTION: Policy directive providing amendments to the Federal Procurement Regulations (FPR), the Defense Acquisition Regulation (DAR), and the National Aeronautics and Space Administration Procurement Regulations (NASA PR).

SUMMARY: On May 18, 1979, the President signed Executive Order 12138 which created a National Women's Business Enterprise Policy, and prescribed arrangements for developing, coordinating and implementing a national program for women's business enterprise. Each department and agency of the Executive Branch was directed, within the constraints of statutory authority and as otherwise permitted by law, to take appropriate action to facilitate, preserve and strengthen Women's Business Enterprises and to ensure full participation by women in the free enterprise system.

To achieve the maximum practicable Federal contracting opportunity for women-owned firms, the Office of Federal Procurement Policy among other things, has directed the uniform revision of government-wide procurement regulations to assure that Federal prime contractors increase their use of women-owned firms as subcontractors.

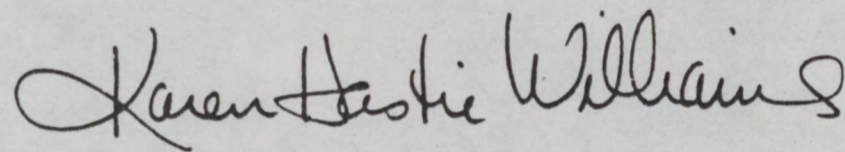
These revisions include:

- (a) Developing clauses for inclusion in prime contract solicitations and in prime contracts that encourage the use of women-owned firms as subcontractors to the maximum degree feasible; and
- (b) Studying the feasibility of developing an incentive clause for inclusion in appropriate prime contracts to offer a dollar award to a prime contractor for subcontracting with women-owned firms in excess of an agreed upon goal for such subcontracting.

To implement (b) above, OFPP will in September 1980, evaluate the results of the pilot programs using incentive clauses for small and disadvantaged firms, as authorized in Public Law 95-507, and relate the lessons learned to the women business enterprise program.

To implement (a) above, the following Policy Letter sets forth changes to be made in the FPR, DAR and NASA PR. These changes are to be effective June 1, 1980, and are applicable to all solicitations and contracts arising therefrom, issued after June 1, 1980.

FOR FURTHER INFORMATION CONTACT: Dorothy Dickerson, Deputy Associate Administrator for Acquisition Law, (202) 395-3455.



Karen Hastie Williams
Administrator

DATED: April 29, 1980



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

OFFICE OF FEDERAL
PROCUREMENT POLICY

POLICY LETTER 80-4

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Women's Business Enterprise Program

Background - Executive Order 12138 noted that Congressional findings and the findings of the Interagency Task Force on Women Business Owners recognize:

1. the significant role which small business and women entrepreneurs can play in promoting full employment and balanced growth in our economy;
2. the many obstacles facing women entrepreneurs; and
3. the need to aid and stimulate women's business enterprise.

In response to these findings, the Executive Order established a National Women's Business Enterprise Policy and prescribed arrangements for developing, coordinating and implementing a national program for women's business enterprise. Each department and agency was directed to take affirmative action in support of women's business enterprise in appropriate programs and activities including, but not limited to, procurement.

The President's Memorandum for the Heads of Departments and Agencies dated May 18, 1979, accompanying E.O. 12138, noted that the Interagency Task Force on Women Business Owners found that efforts to encourage full participation of women in Federal procurement activity have been less than adequate. Subsequently, OFPP undertook to establish agency goals for the award of prime contracts to women-owned firms and to develop Government-wide procurement regulations to encourage Federal prime contractors to increase their use of women-owned firms as subcontractors.

Action - There is a need in Government for uniformity and consistency in the application of procurement policy. This directive provides a uniform policy applicable to the Women's Business Enterprise Program. The clauses and regulatory coverage that follow articulate this uniform policy. The Defense Acquisition Regulation (DAR), the Federal Procurement Regulations (FPR), and the National Aeronautics and Space Administration Procurement Regulations (NASA PR) shall be amended to conform to this policy.

CLAUSES FOR WOMEN-OWNED BUSINESS CONCERNS

1. The following clause shall be included in all contracts expected to exceed \$10,000 except (i) contracts which, including all subcontracts thereunder, are to be performed entirely outside the United States, its possessions, Puerto Rico and the Trust Territory of the Pacific Islands, and (ii) contracts for services which are personal in nature.

UTILIZATION OF WOMEN-OWNED BUSINESS CONCERNS (Over \$10,000)

(a) It is the policy of the United States Government that women-owned businesses shall have the maximum practicable opportunity to participate in the performance of contracts awarded by any Federal agency.

(b) The Contractor agrees to use his best efforts to carry out this policy in the award of subcontracts to the fullest extent consistent with the efficient performance of this contract. As used in this contract, a "woman-owned business" concern means a business that is at least 51% owned by a woman or women who also control and operate it. "Control" in this context means exercising the power to make policy decisions. "Operate" in this context means being actively involved in the day-to-day management. "Women" mean all women business owners.

(End of Clause)

2. The following clause shall be included in all contracts, amendments or modifications expected to exceed \$500,000 or in the case of contracts for the construction of any public facility, \$1,000,000 which require the Utilization Clause in (1) above.

WOMEN-OWNED BUSINESS CONCERNS SUBCONTRACTING PROGRAM (Over \$500,000 or \$1,000,000 for Construction Of Any Public Facility)

(a) The Contractor agrees to establish and conduct a program which will enable women-owned business concerns to be considered fairly as subcontractors and suppliers under this contract. In this connection, the contractor shall:

(1) Designate a liaison officer who will administer the Contractor's "Women-Owned Business Concerns Program."

(2) Provide adequate and timely consideration of the potentialities of known women-owned business concerns in all "make-or-buy" decisions.

(3) Develop a list of qualified bidders that are women-owned businesses and assure that known women-owned business concerns have an equitable opportunity to compete for subcontracts, particularly by making information on forthcoming opportunities available, by arranging solicitations, time for the preparation of bids, quantities, specifications, and delivery schedules so as to facilitate the participation of women-owned business concerns.

(4) Maintain records showing (i) procedures which have been adopted to comply with the policies set forth in this clause, including the establishment of a source list of women-owned business concerns; (ii) awards to women-owned businesses on the source list by minority and non-minority women-owned business concerns; and (iii) specific efforts to identify and award contracts to women-owned business concerns.

(5) Include the "Utilization of Women-Owned Business Concerns" clause in subcontracts which offer substantial subcontracting opportunities.

(6) Cooperate in any studies and surveys of the Contractor's women-owned business concerns procedures and practices that the Contracting Officer may from time-to-time conduct.

(7) Submit periodic reports of subcontracting to women-owned business concerns with respect to the records referred to in subparagraph (4) above, in such form and manner and at such time (not more often than quarterly) as the Contracting Officer may prescribe.

(b) The Contractor further agrees to insert, in any subcontract hereunder which may exceed \$500,000 or \$1,000,000 in the case of contracts for the construction of any public facility and which offers substantial subcontracting possibilities, provisions which shall conform substantially to the language of this clause, including this paragraph (b), and to notify the Contracting Officer of the names of such subcontractors.

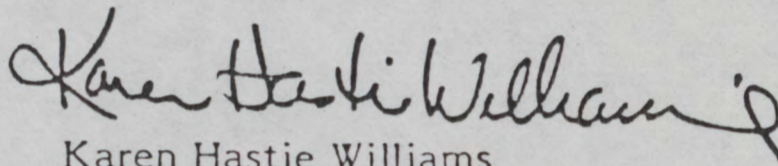
(c) The contractor further agrees to require written certification by its subcontractors that they are bona fide women-owned and controlled business concerns in accordance with the definition of a

women-owned business concern as set forth in the Utilization Clause 1(b) above at the time of submission of bids or proposals.

(End of Clause)

EFFECTIVE DATE: This Policy Letter is effective June 1, 1980, and shall be applicable to all solicitations, and contracts arising therefrom, issued after June 1, 1980.

CONCURRENCE: This Policy Letter has been concurred in by the Director of OMB.



Karen Hastie Williams
Administrator

THE WHITE HOUSE

WASHINGTON

1980 MAY -7 11 35

May 2, 1980

MEMORANDUM FOR THE WHITE HOUSE SENIOR STAFF AND THE
HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM:

AL McDONALD *AM*

RICK HUTCHESON *RH*

SUBJECT:

Presidential Paperflow

WH-45

Too frequently memoranda which require a decision by a certain deadline are coming to the President too late, giving him inadequate time to request supplemental information or points of view while considering his decision.

The President should have at least 24 hours to deal with a decision memorandum requiring fast turnaround. With very few exceptions, there is no excuse for giving the President a memo at the last minute. He needs time to fit it into his schedule and deal with it in an orderly fashion. When inadequate lead time is allowed, there may also be a question raised as to the completeness of the staff work and coordination of inputs before coming to his attention.

To serve him better, you are requested to adhere to the following guidelines:

1. Alert Rick Hutcheson to deadlines for decision memoranda well in advance of the due date, so that he may work with you in expediting the processing of the memorandum.
2. Remember that other EOP offices in addition to your own may require time to consider the decision you are proposing to the President, and allow time for them to prepare their comments. The normal "staffing" period is 48 hours.
3. Indicate clearly any absolute deadline in the upper right-hand corner of the memo, i.e. "Last Day for Action: 20 May 1980."
4. Remember that all letters or memoranda intended for Presidential signature must be cleared by the speechwriters. You may expedite the handling of your memo by handling this clearance directly with the speechwriters before submitting the memorandum to the Staff Secretary.
5. Direct memoranda requesting Presidential meetings to Phil Wise, not to the President.
6. In planning adequate lead time, remember that most official documents (executive orders, proclamations, letters) must be retyped after staffing before being submitted to the President.

With your cooperation in following these guidelines we can assist you better to meet your target times for decision.

W H - 45 - N R N
to Garwood FYI

WH - 44

NRW

To answer

FYI

THE WHITE HOUSE

WASHINGTON

May 1, 1980

WH-44

1630177-5 7410:53

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

Youth employment is one of my top domestic priorities. For this reason I am asking Congress to enact the Youth Act of 1980, which will provide education and jobs for millions of disadvantaged youth. These new initiatives grew out of the work of the Vice President's Task Force and are intended to prepare young people for the labor market of the 1980s.

In the meantime, many young Americans will seek summer employment at the end of this school year. Some will need earnings from their jobs to help meet their educational expenses or to help out at home. Others will be looking for an opportunity to translate classroom theory into practical experience. Under the 1980 Federal Summer Employment Program for Youth, we can meet the aspirations of these young people.

The Federal government's outstanding reputation as an employer of students during the summer months has long set an example for private employers and for State and local governments. I am confident that once again Federal departments and agencies will support the summer employment program. Opportunities should be provided for students who have successfully competed in the summer employment written test, who have filed under agency merit staffing plans, or who are nominated by their schools under the Federal Summer Intern Program.

In addition to these programs, I am determined to see that Federal agencies do their part to alleviate the high rate of unemployment among needy youths this summer. For this reason, I am asking that one disadvantaged young person be hired for every 40 regular employees in each department and agency.

Alan K. Campbell, Director of the Office of Personnel Management, will provide guidance on all aspects of our Federal summer employment efforts and will report to me on the results. I know that I can count on your personal involvement and support in achieving a successful 1980 summer employment program.

Jimmy Carter

THE WHITE HOUSE
WASHINGTON

APR 16 1980
April 16, 1980

WH-43

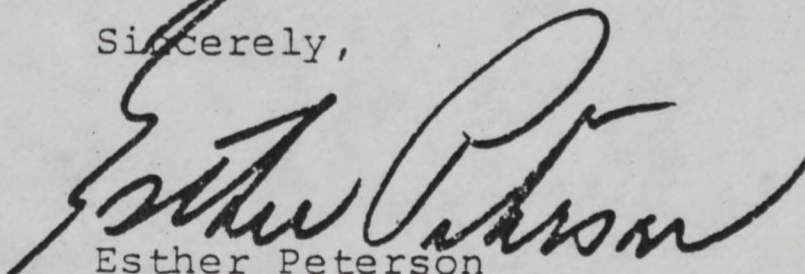
Dear Mr. Volcker:

For your information I am sending you a copy of a report, The Major Consumer Policy Developments in the United States, 1978-1979 prepared by my Office with the assistance of staff of the Consumer Product Safety Commission. This report, developed at the request of the Committee on Consumer Policy (CCP) of the Organization for Economic Cooperation and Development (OECD), outlines very concisely recent extensive and often unheralded consumer protection activities in this country. Many of these activities would not be available, especially those which now give consumers a voice at the highest level of Federal government policymaking, if it were not for President Carter's steadfast commitment to consumers.

It is my pleasure to represent the United States on the OECD Consumer Committee and to have overseen preparation of this report. It will be combined, in its entirety, with reports from the 23 other OECD-member nations and made available at nominal cost as an OECD publication later this year. That compendium will offer convincing evidence that there is increasing government interest and action on behalf of consumers in all major industrialized nations.

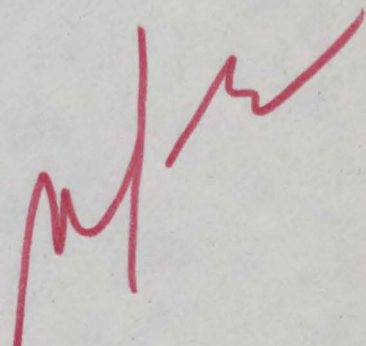
Please feel free to use any of the report as you see the need. I look forward to our continued working together in the interest of consumers.

Sincerely,

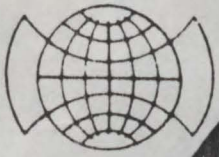


Esther Peterson
Special Assistant to the President
for Consumer Affairs

Enclosure



W H - 42 - N R N
cc Daniels



APAFEC

ASIAN AND PACIFIC AMERICAN FEDERAL EMPLOYEE COUNCIL

P.O. Box 23125 L'Enfant Plaza Station Washington, D.C. 20024

April 15, 1980

WH-42

Dear Mr. Volcker:

By Presidential Proclamation, May 7-14, 1980 has been designated as Asian/Pacific American Heritage Week.

In his Proclamation of February 27, 1980, President Carter calls upon the American people to observe this week with appropriate ceremonies and activities which would recognize the diverse contributions made by Asian and Pacific Americans to the American culture and institutions.

President Carter also issued an Executive memorandum on March 24, 1980; directing all Federal agencies to observe the Asian/Pacific American Heritage Week.

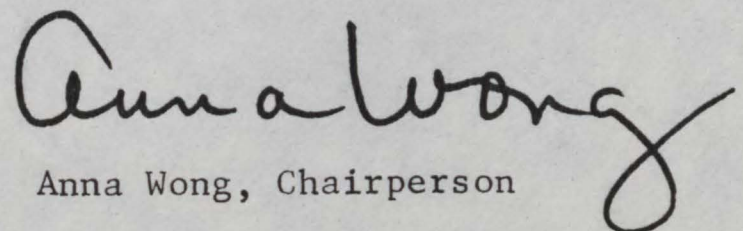
The Asian and Pacific American Federal Employee Council (APAFEC) takes this opportunity to urge you to encourage your agency to take appropriate steps to recognize the Peoples of the Asian and Pacific Community and their contributions to America's cultural heritage.

To assist your agency efforts, APAFEC has prepared a resource packet which can serve as a reference on Asian/Pacific Americans in the Federal Service, legislative discrimination against Asians and Pacific Islanders, sources of audio-visual materials on Asian/Pacific Americans, and selective books on the Asian/Pacific American experience.

APAFEC would also like to invite your agency's employees to the Second Asian/Pacific American Heritage Festival on May 10, 1980 at the Washington Monument grounds from 12 Noon to 6 PM. This event is sponsored by the Asian/Pacific American Heritage Council.

We look forward to receiving your agency's plans for the Asian/Pacific American Heritage Week. If we can be of any assistance, call me at (703) 235-1079.

Sincerely yours,



Anna Wong, Chairperson



BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

To:
From: Edward T. Mulrenin

Date: 6/4/80

W 17-40

dated 4/12

NO RESPONSE
NEEDED. A MEMO
DETAILED LETTER FROM
GAO to N.Y. Fed
will ANSWER.

WH-41 - ARN

THE WHITE HOUSE
WASHINGTON

1980 APR 21 11 9:49

April 16, 1980

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

SUBJECT: National Volunteer Week

WH-# 41

Because of the deep commitment to voluntary action that Mrs. Carter and I share, I am pleased to join in the observance of National Volunteer Week, April 20-26, 1980.

In order to meet the serious economic and social challenges that our country faces today, citizens and communities must take more responsibility for themselves and for each other. This effort requires the help of the millions of volunteers and volunteer organizations across this nation.

Voluntary citizen action is one of the cornerstones of our democracy. Americans have always been willing to lend their talents and energies to assist their communities, their nation, and the world. They have volunteered as individuals, they have volunteered through religious and community organizations, and they have volunteered by the tens of thousands through the government programs administered by ACTION. There is no area of American life -- health care, education, the law, housing, religion, the arts, civil and human rights -- that has not been strengthened by citizens willing to donate their time and energy to the benefit of others.

I urge every Federal agency to participate in National Volunteer Week with activities that salute and promote volunteerism and self-help. I know that many Federal employees already do volunteer work in their communities. I encourage you to highlight their achievements with appropriate recognition, and to encourage others to follow their example.

Participation in National Volunteer Week will once again affirm our belief that citizen involvement in all aspects of our national life is essential to the health and well-being of the democracy we live in.

Jimmy Carter



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

April 18, 1980

1500 00 00 11:00

OFFICE

WH-40

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Reporting Requirements for Federal Government Pension Plans

Public Law 95-595 established uniform annual reporting requirements for Federal Government pension plans. The law also specified those plans that would be subject to annual reporting requirements (see Attachment C).

On December 10, 1979, President Carter signed Executive Order 12177, which delegates to the Director of the Office of Management and Budget all the functions vested in the President by P.L. 95-595 and delegates to the Secretary of the Treasury the responsibility for establishing the form and content of the reports (Attachment B). Attachment A provides more specific guidance to those agencies to which P.L. 95-595 is applicable. Instructions on the specific form and content of the annual reports will be provided separately to executive agencies and departments by the Secretary of the Treasury.

John P. White
Deputy Director

Attachments

ANNUAL REPORTING REQUIREMENTS FOR
FEDERAL GOVERNMENT PENSION PLANS

Executive Order 12177 delegates to the Director of the Office of Management and Budget all functions vested in the President by section 121(a) of the Budget and Accounting Procedures Act of 1950, as amended. The Executive Order stipulates that the heads of executive agencies responsible for Federal Government pension plans under the Act ensure that the administrators of plans under the Act comply with the form, manner, and time of filing as required by the Director of the Office of Management and Budget. The Executive Order further stipulates that the Secretary of the Treasury, in the absence of contrary direction by the Director, shall develop the specific form and content of the annual reports required by the Act.

Instructions to executive agencies on the form and content of the reports will be provided to agencies directly by the Treasury Department. These instructions incorporate economic assumptions regarding inflation rates provided by the Office of Management and Budget for the development of annual reports. Inquiries about the form and content of required annual reports should be addressed to Gary Gilliam in the Office of Government Financing, Office of the Assistant Secretary of the Treasury for Domestic Finance.

P.L. 95-595 requires that the first annual reports on Federal Government pension plans be submitted to the Congress by April 30, 1980, for those plans that are calculated on the same fiscal year as used by the Federal budget. Agency drafts of the required reports should be submitted for review to the Fiscal Analysis Branch, Budget Review Division, Office of Management and Budget by April 23, 1980. Those plans using a plan year other than the Federal Government fiscal year may submit their annual reports at later dates, as specified by P.L. 95-595. Approved reports will be submitted by the agency head to the Congress.

FOR IMMEDIATE RELEASE

DECEMBER 10, 1979

Office of the White House Press Secretary

THE WHITE HOUSE

EXECUTIVE ORDER

FEDERAL GOVERNMENT PENSION PLANS

By the authority vested in me as President of the United States of America by Section 121(a)(1) of the Budget and Accounting Procedures Act of 1950, as amended (92 Stat. 2541, Public Law 95-595, 31 U.S.C. 68a), and Section 301 of Title 3 of the United States Code, and in order to provide consistency among the financial and actuarial statements of Federal Government pension plans, it is hereby ordered as follows:

1-101. All the functions vested in the President by Section 121(a) of the Budget and Accounting Procedures Act of 1950, as amended (31 U.S.C. 68a), are delegated to the Director of the Office of Management and Budget. The Director may, from time to time, designate other officers or agencies of the Federal Government to perform any or all of the functions hereby delegated to the Director, subject to such instructions, limitations, and directions as the Director deems appropriate.

1-102. The head of an Executive agency responsible for the administration of any Federal Government pension plan within the meaning of Section 123(a) of the Budget and Accounting Procedures Act of 1950, as amended (31 U.S.C. 68c), except subsection (a)(9) and (b), shall ensure that the administrators of those plans comply with the form, manner, and time of filing as required by the Director of the Office of Management and Budget.

1-103. Subject to the provisions of Section 1-101 of this Order, and in the absence of any contrary delegation or direction by the Director, the Secretary of the Treasury, with respect to the development of the form and content of the annual reports, shall perform the functions set forth in Section 121(a) of the Budget and Accounting Procedures Act of 1950, as amended (31 U.S.C. 68a). In performing this function, the Secretary shall also be responsible for consulting with the Comptroller General.

JIMMY' CARTER

THE WHITE HOUSE,
December 10, 1979.

#

PUBLIC LAW 95-595—NOV. 4, 1978

92 STAT. 2541

Public Law 95-595
95th Congress

An Act

To amend the Budget and Accounting Procedures Act of 1950 to require that the Comptroller General provide for a financial audit with respect to pension plans for officers and employees of the Federal Government and its agencies and instrumentalities, to require that an annual report, including a financial statement and an actuarial statement, be furnished to the Congress and the Comptroller General with respect to such plans, and for other purposes.

Nov. 4, 1978

[H.R. 9701]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Part II of title I of the Budget and Accounting Procedures Act of 1950 (64 Stat. 832) is amended by adding at the end thereof the following new matter:

Budget and
Accounting
Procedures Act of
1950,
amendment.
31 USC 1 note.
31 USC 65 *et seq.*

“Subpart C

“FEDERAL GOVERNMENT PENSION PLANS

“SEC. 120. It is the purpose of this subpart to protect the interests of the Nation and of the participants and their beneficiaries in Federal Government pension plans and certain other pension plans by requiring full disclosure of the financial condition of such plans.

31 USC 68.

“SEC. 121. (a) Notwithstanding any other provision of law or any administrative determination to the contrary, each Federal Government pension plan and each plan described in section 123(b), except as specified in subsection (b) of this section, shall be deemed to be subject to the provisions of section 103 of the Employee Retirement Income Security Act of 1974 in the same manner as an employee pension benefit plan to which such section applies, except that, with respect to such a Federal Government pension plan or a plan described in section 123(b)—

31 USC 68a.

“(1) the annual report required by such section shall be in such form, and shall include such information and data, as the President, in consultation with the Comptroller General (or in the case of a plan described in section 123(a)(9) or 123(b), the Comptroller General) may prescribe;

29 USC 1023.

“(2) the annual report required by such section shall be furnished to the Congress and to the Comptroller General, not later than the end of the two hundred and ten-day period beginning on the day after the last day of the plan year involved;

“(3) unless specifically authorized by the Comptroller General, no provision of such section which provides for waiver of, relief from, or exception to any requirement otherwise applicable to an employee pension benefit plan shall be deemed to apply to such Federal Government pension plan or such plan described in section 123(b);

“(4) the provisions of section 104(b) of such Act shall not apply;

29 USC 1024.

“(5) the report required by this subpart shall be in addition to and shall not supersede other reports or projections required by law; and

29 USC 1023.

“(6) other than in the case of a plan described in section 123(b), the Comptroller General shall perform such audits as the Comptroller General deems appropriate in lieu of the requirements for the independent qualified public accountant under section 103 of the Employee Retirement Income Security Act of 1974.

“(b) Nothing in this subpart shall be construed as imposing any requirement with respect to a Federal Government pension plan for officers or employees of the Central Intelligence Agency, unless the imposition of such requirement is specifically approved in writing by the President.

31 USC 68b.

“(c) Nothing in this Act shall preclude the use by a plan of the services of an enrolled actuary employed by the agency or agencies administering the plan.

“SEC. 122. If requested by either House of Congress (or any committee thereof) or if deemed necessary by the Comptroller General, the General Accounting Office shall—

“(1) review financial and actuarial statements furnished pursuant to section 121 for the purpose of determining whether the reporting requirements of such section are adequate to carry out the purpose of this subpart; and

“(2) submit to the Congress such recommendations for legislative action as it may deem necessary to carry out the purposes of this subpart.

Recommendations, submittal to Congress.

“Federal Government pension plan.”
31 USC 68c.
29 USC 1001 note.

26 USC 3101.
26 USC 3201.

29 USC 1002.

“SEC. 123. (a) For purposes of this subpart, the term ‘Federal Government pension plan’ means a pension, annuity, retirement, or similar plan (other than a plan covered under the Employee Retirement Income Security Act of 1974, or any plan or program which is financed by contributions required under chapter 21 of the Internal Revenue Code of 1954 (the Federal Insurance Contributions Act) or chapter 22 of the Internal Revenue Code of 1954 (the Railroad Retirement Tax Act)), whether or not such plan is an employee pension benefit plan within the meaning of section 3(2) of the Employee Retirement Income Security Act of 1974, established or maintained by the Government of the United States, or any agency or instrumentality thereof, for any of its officers or employees, without regard to the number of participants covered by such plan, and such term includes but is not limited to the following plan:

- “(1) Civil Service Retirement System;
- “(2) Foreign Service Retirement and Disability System;
- “(3) Military Retirement System;
- “(4) Coast Guard Retirement System;
- “(5) Commissioned Corps of the Public Health Service Retirement System;
- “(6) National Oceanic and Atmospheric Administration Retirement System;
- “(7) Tennessee Valley Authority Retirement System;
- “(8) nonappropriated fund plans; and
- “(9) judicial plans.

“(b) For purposes of this subpart, the plans described in section 123(b) are the following (other than any of the following which are covered under the Employee Retirement Income Security Act of 1974):

- “(1) Federal Reserve Employees Retirement Plans;
- “(2) Federal Home Loan Bank Board Retirement Systems;
- “(3) Federal Home Loan Mortgage Corporation Plan; and
- “(4) Farm Credit District Retirement Plans.

29 USC 1001
note.

“SEC. 124. The requirement imposed by section 121(a) shall apply with respect to plan years beginning after September 30, 1978. For purposes of this section, the term ‘plan year’ means with respect to a plan, the calendar, policy, or fiscal year chosen by the plan on which the records of the plan are kept.”

31 USC 68d.
“Plan year.”

SEC. 2. Part II of title I of the Budget and Accounting Procedures Act of 1950 (64 Stat. 832) is further amended—

31 USC 65.

(1) by inserting after “PART II—ACCOUNTING AND AUDITING” the following new center heading:

“Subpart A”;

and

(2) by inserting after section 111 the following new center heading:

“Subpart B”.

Approved November 4, 1978.

LEGISLATIVE HISTORY:

HOUSE REPORT No. 95-1678 (Comm. on Government Operations).
CONGRESSIONAL RECORD, Vol. 124 (1978):

Oct. 10, considered and passed House.
Oct. 15, considered and passed Senate.

W H - 39 - N R N cc Anderson

THE WHITE HOUSE
WASHINGTON

April 11, 1980

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

SUBJECT: Procurement Sanctions

WH-39

Inflation continues to be one of our most pressing national problems. It is a problem which we must all fight together, and with every weapon at our disposal.

In the fall of 1978, the Council on Wage and Price Stability developed wage and price guidelines and we asked for voluntary compliance with those guidelines. We went a step further with respect to Government purchasing, and stated that firms which did not comply with these guidelines would not be eligible to receive Federal Government contracts worth more than \$5 million.

It is critical that the Government continue to make prudent buying decisions as a purchaser and consumer of goods and services. Accordingly, I ask that each of you personally take responsibility for approval of all requests to waive either certification of compliance with the Council on Wage and Price Stability's standards or ineligibility for contract awards to assure scrutiny at the highest level of all such requests. Specifically, waivers should not be granted unless approved by the Head of the Agency or a Cabinet-level official, whichever is higher, after prior consultation with the Chairman of the Council on Wage and Price Stability. Waivers should only be considered for the most essential national security requirements and then only when there are no alternative sources available.

Jimmy Carter

WH-38 - NRN

United States of America
**Office of
Personnel Management**

Washington, D.C. 20415

In Reply, Refer To

Your Reference

April 8, 1980

WH-38

MEMORANDUM FOR HEADS OF DEPARTMENTS AND AGENCIES

On August 3, 1979, we issued FPM Bulletin 315-19 (Special Bulletin #64) providing FPM instructions for establishing a probationary period for newly appointed managers and supervisors, as authorized by 5 U.S.C. 3321.

Agencies were asked to submit one copy of their plans implementing this new requirement to: Morton I. Horvitz, Chief, Office of Policy Analysis and Development, Staffing Services Group, Office of Personnel Management, 1900 E Street, N. W., Room 6526, Washington, D.C. 20415. To date, we have received only 20 agency plans.

The purpose of this memorandum is to emphasize the importance of these plans to our ongoing efforts to evaluate this facet of Civil Service Reform Act implementation. We recognize the heavy workload placed on agencies by the many Reform Act provisions. However, the probationary period requirement was effective August 11, 1979, and agency instructions for carrying this into effect should already have been developed.

Would you, therefore, please submit them no later than May 1, 1980.

Jule Sugarman

Jule M. Sugarman
Deputy Director



BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

#35

April 22, 1980

Ms. Diane Steed
Acting Deputy Assistant Director
for Regulatory Policy
Office of Management and Budget
Room 3228
New Executive Office Building
Washington, D.C. 20503

Dear Ms. Steed:

In response to the request for information from independent agencies on their activities in "Improving Government Regulations", we are enclosing a copy of the Final Status Report for 1979 for the Federal Reserve System's Regulatory Improvement Project. This status report was prepared as part of an overall report on the objectives for this project. The review and improvement of all the Federal Reserve's regulations is considered a major objective of the System.

Sincerely yours,

A handwritten signature in cursive script that reads "Barbara R. Lowrey".

Barbara R. Lowrey,
Assistant Secretary to the Board
Regulatory Improvement Project

Enclosure
BRL:cac

FINAL STATUS REPORT

REGULATORY IMPROVEMENT PROJECT

OBJECTIVE: Review all existing Federal Reserve regulations to determine if such regulations are meeting their current policy goals; rewrite the regulations to improve style and clarity; review the scheme of all regulations and preserve the integrity of the improved regulatory structure and content. Undertake a separate and similar review of all internal Federal Reserve rules, regulations and published procedures.

STATUS: As of the end of 1979 reviews had been completed on eight regulations: C (Home Mortgage Disclosure); E (Purchase of Warrants); K (International Banking Operations); L (Management Official Interlocks); M (Foreign Activities of National Banks); O (Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks); S (Bank Service Arrangements); and V (Loan Guarantees for Defense Production). Three (E, M and S) had been abolished. However, as a result of the adoption of new legislation, two (E and S) had to be replaced with new regulations concerning electronic fund transfers and reimbursement to financial institutions for providing financial records.

During the year, several Regulations were rewritten after the Board requested and received comments from the public. These were: K (International Banking Operations), L (Management Official Interlocks), and O (Loans to Executive Officers, Directors, and Principal Shareholders of Member Banks). Regulation V (Loan Guarantees for Defense Production) was also rewritten.

Also during the year, the Board adopted simplified rules for the computation of annual percentage rates under Regulation Z (Truth in Lending). The simplified rules are of particular value to small financial institutions and other small businesses without the highly specialized personnel or equipment sometimes needed to compute annual percentage rates.

In addition, the Board invited public comment on a revision of Regulation J (Collection of Checks and Other Items and Transfers of Funds), rewritten to make it easier to understand. Comment also was requested on proposed amendments to Regulation F (Securities of Member State Banks). The amendments would, among other things, facilitate preparation of financial reports for stockholders, which are especially burdensome to smaller banks.

Under the original scope of the project, 17 regulations have yet to be reviewed. In 1980, staff will concentrate on Regulations G, T, U, X, J, Y and Z.



BOARD OF GOVERNORS OF THE
FEDERAL RESERVE SYSTEM

To: Ms. Lowrey
From: Edward T. Mulrenin

Date: April 15, 1980

Barbara,

It is my recollection that we provided an input to the first report.

Would you prepare an appropriate response? Perhaps the Chairman or Vice Chairman should sign it -- I'll leave that up to you. In any event, please let Catherine Mallardi know the outcome.

Attachment

A handwritten signature in dark ink, appearing to be "E. T. Mulrenin", written in a cursive style.



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

1800 APR 14 PM 2:35

WH-35

APR 11 1980

Honorable Paul A. Volcker
Chairman
Federal Reserve Board
Washington, D.C. 20551

Dear Mr. Chairman:

As you know, E.O. 12044, "Improving Government Regulations", was issued on March 23, 1978. The Order was designed to simplify regulations, open new opportunities for public participation in the regulatory process and assure more effective oversight of the development of agency regulations.

Although the independent regulatory commissions are not subject to the Order, the President asked for your voluntary compliance with this important program. We have been pleased to receive occasional progress reports from some agencies noting changes in agency practices and the results of these changes in specific rulemakings. In our first public progress report on the Order, we included actions underway in the independent regulatory commissions.

We are now compiling our second progress report and we would like to update our chapter on the independent commissions. We will be reporting on achievements in five areas: policy oversight; public participation; regulatory analysis; the review of existing regulations; and "plain English." We would like to include some of your recent experiences in this second progress report and would appreciate receiving your response by April 21, 1980. Please address your response to Ms. Diane Steed, Acting Deputy Assistant Director for Regulatory Policy, Office of Regulatory and Information Policy, Office of Management and Budget, Room 3228 - New Executive Office Building.

Thank you for your cooperation in the President's regulatory reform program.

Sincerely,

Wayne G. Granquist
Associate Director for
Management and Regulatory Policy

THE WHITE HOUSE
WASHINGTON

April 8, 1980

To: Chairman Volcker

From: Esther Peterson

FYI.

THE WHITE HOUSE

WASHINGTON

April 8, 1980

WH-348

MEMORANDUM FOR

STU EIZENSTAT

FROM:

ESTHER PETERSON

SUBJECT:

Possible Meeting of Administration
Officials with Representatives of
Beef, Pork & Grain Groups

Attached are remarks from John Mohay, President of the National Meat Association, relative to the situation he describes as critical within the livestock and meat industries.

He recommends that Administration leaders meet with a small group of representatives of beef, pork and grain industries. A letter to this effect is coming to you. The points of their concern are attached.

I am sending a copy of Mr. Mohay's remarks to Secretary Bergland, Fred Kahn, Charlie Schultze, Chairman Volcker, and Lynn Daft, persons with whom they would like to meet.

Mr. Mohay called on me to explain their problems relative to our price ceiling program.

Attachment

telephoned Mrs. Peterson's
office & advised of
a meeting being held here
ARC
4/11/80

Remarks of John Mohay
President, National Meat Association

at a meeting with

Esther Peterson
Special Assistant to the President
White House Office of Consumer Affairs

April 8, 1980

CURRENT BEEF/PORK SITUATION

I. Current situation for beef producers, ranchers, cattlemen and wholesalers very bleak

- o Prices are far below costs of production
- o Effecting entire spectrum of production and distribution -- very unique situation unparalleled at any other point in history -- no supply and no demand.
- o Anticipate agricultural bankruptcy if nothing is done within the next 6-8 weeks. In addition, a crucial meat shortage is predicted by next year and/or exorbitant prices for meat.
- o Right now live slaughter cattle prices at \$60 per hundred weight, down about \$12 from one year ago. Wholesale choice steer carcass costing approximately \$92 to \$94 today while a year ago prices ranged from \$105 to \$109 and were increasing. By products, such as hides, which previously were the profit-makers for producers, have decreased tremendously -- from \$82.20 last April to \$33.00 today. Prices received for calves are down 21%, yearlings 19%, and choice steers 17% from last year. Cattlemen began losing money per head last August and today losses range from \$84 to over \$100 for each animal sold. The hog producers have lost over \$90 million in the past 2 weeks and are currently losing at the rate of \$50 million per week.

II. Factors contributing to current situation

A) Unavailability of credit and high interest rates.

In late 1978, cattle producers were at that stage in the cattle cycle where they began liquidating their stocks. They predicted there would be beef shortages in 1979 but would begin to rebuild their herds in the early 80's. However, currently this has not and will

not occur because cattlemen cannot afford to raise these cattle while facing the current record inflation rates and interest rates (up over 30%). At present there are only 50 cattle for every 100 people in the U.S. while in January 1975 there were 62 cattle per 100 persons. The entire cattle herd has decreased from 132 million in 1975 to 111 million in January 1980. The unavailability of credit disproportionately affects cattlemen. Reports of loans denied, distress selling, postponements of needed repairs and reductions in necessary outlays to maintain the farm. It is estimated that for every 1 percent increase in the interest rate, it costs the hog producer an additional \$1.10 per hundredweight. This is not a short-term problem and there is no forecast for the situation to improve in the near future. As the credit crunch tightens the effects on cattlemen and pork producers will merely compound.

B) Increased costs of production

Tremendous increases in costs of energy and transportation in recent months. These effect the cost of production all along the line. Producers are unable to pass on rising costs to consumer. In an attempt to save on some costs many slaughtering plants and meat packers are shutting down completely, decreasing their work week, or laying off employees.

C) Sluggish consumer demand for beef and effects of competing meats

Consumer demand for beef products have been decreasing markedly due to the large available supplies of pork and poultry and their relatively low (and decreasing) price. As a result, consumers are substituting pork and poultry products for beef products which further places an economic burden on producers who must cope with an already depressed market for beef. Anticipated that hog raisers will cut production and step up slaughter to work out an overabundant pork supply. By decreasing supply pork prices should increase.

- D) Due to the liquidation of stocks and inventories in the late 70's, the entire industry has become much more unstable -- no supply cushion left to fall back upon.

III. Recommended solutions -- need for immediate action.

- A. Availability of money, i.e., low-interest government backed loans at rates of 12-15%. Necessary to stimulate rebuilding of herds. Imperative that cattlemen and hog producers have funds available or else bankruptcy will result.
- B. Encourage buying of leather goods instead of plastic. Leather goods need to be promoted as a good buy in order to stimulate demand. As demand for hides increases producers may be able to recoup some of their losses from meat sales.
- C. Increase demand for exports -- need to open the door in Japan and the European Economic Community. Stimulating demand abroad will prompt increased production as prices for beef and meat products rise.
- D. Increase consumer demand by promoting meat as an excellent buy. There is a definite need for the government and consumer groups to stimulate consumer demand for meat by encouraging its purchase. This can be done through advertising channels and various communication programs. This promotion can easily be accomplished by highlighting the nutritional and economic value of meat products.
- E. Increase government and military purchases of certain cuts of beef and pork. The various government food purchasing and assistance programs can greatly aid the meat industry if the government increases its purchase of meat products in general and, in addition, targets in on certain specific types and cuts of meat (for example, precooked roasts). Not only would this be an economical purchase for the government but at the same time it can stimulate production and increase revenues for the producer and rancher. Also, if the military increases its purchase of commercial cuts of meat this will prove beneficial to both the military and meat producers.

STEER PRICES, COSTS AND NET MARGINS

<u>YEAR</u>	<u>STEERS OMAHA</u>	<u>FEED & FEEDER</u>	<u>BREAK- EVEN</u>	<u>NET MARGIN</u>
\$ per cwt.				
<u>1979</u>				
January	60.35	49.92	57.02	+ 3.33
February	64.88	50.59	57.81	+ 7.07
March	71.04	50.97	58.26	+ 12.78
April	75.00	51.72	59.04	+ 15.96
May	73.99	52.73	59.80	+ 14.19
June	68.53	55.33	62.88	+ 5.65
July	67.06	58.73	66.53	+ 0.53
August	62.74	61.90	70.12	- 7.38
September	67.84	66.14	74.65	- 6.81
October	65.81	68.02	76.65	- 10.84
November	67.00	68.31	75.93	- 8.93
December	67.78	64.70	73.06	- 5.28
<u>1980</u>				
January	66.32	66.00	74.39	- 8.07
February	64.00*	62.70	70.90	- 6.90
March	60.00*	66.40	74.83	- 14.83
April	--	63.89	72.22	--
May	--	63.95	72.33	--
June	--	64.37	72.78	--

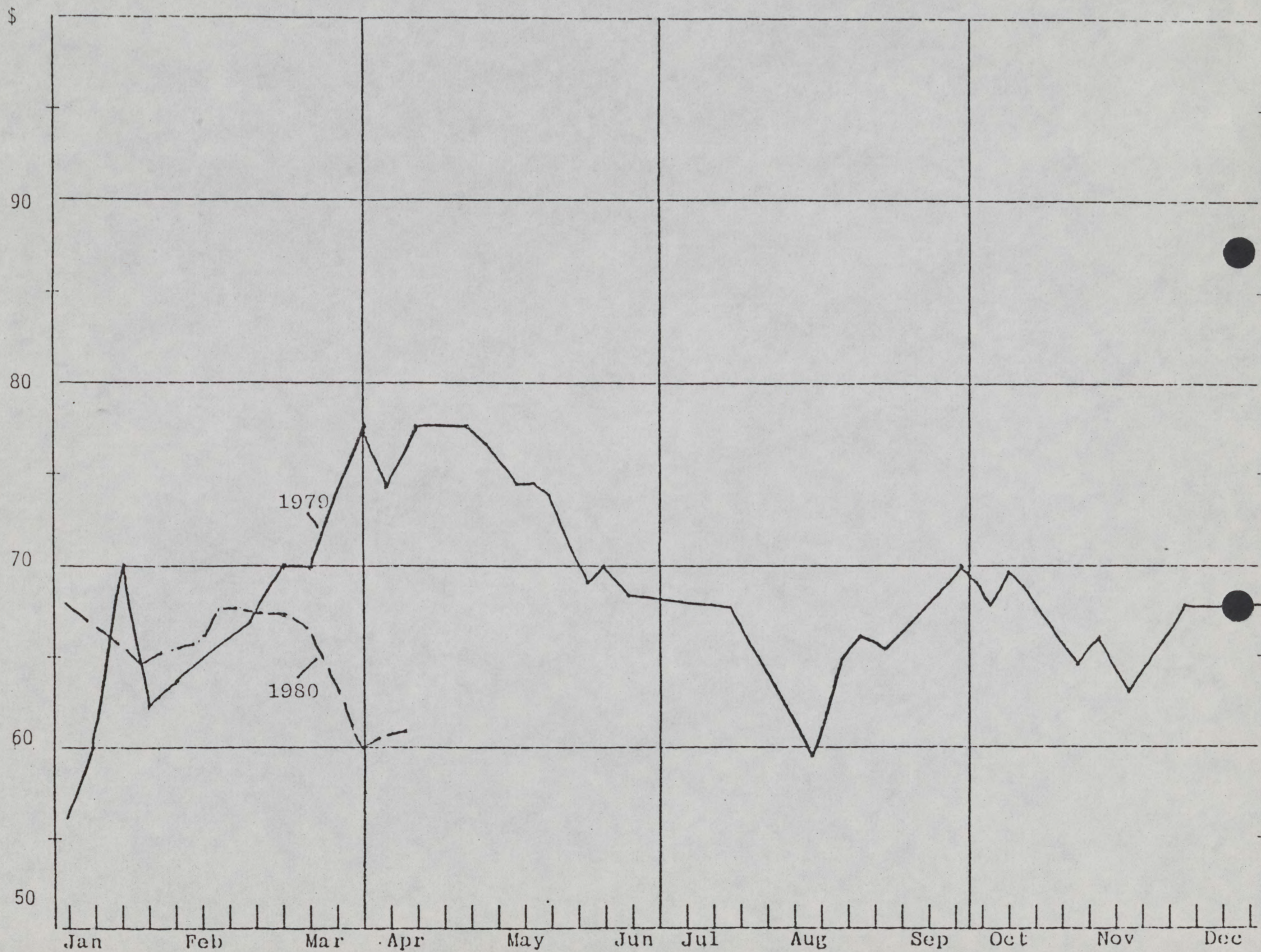
* Estimated price

HOG PRICES, COSTS, AND NET MARGINS

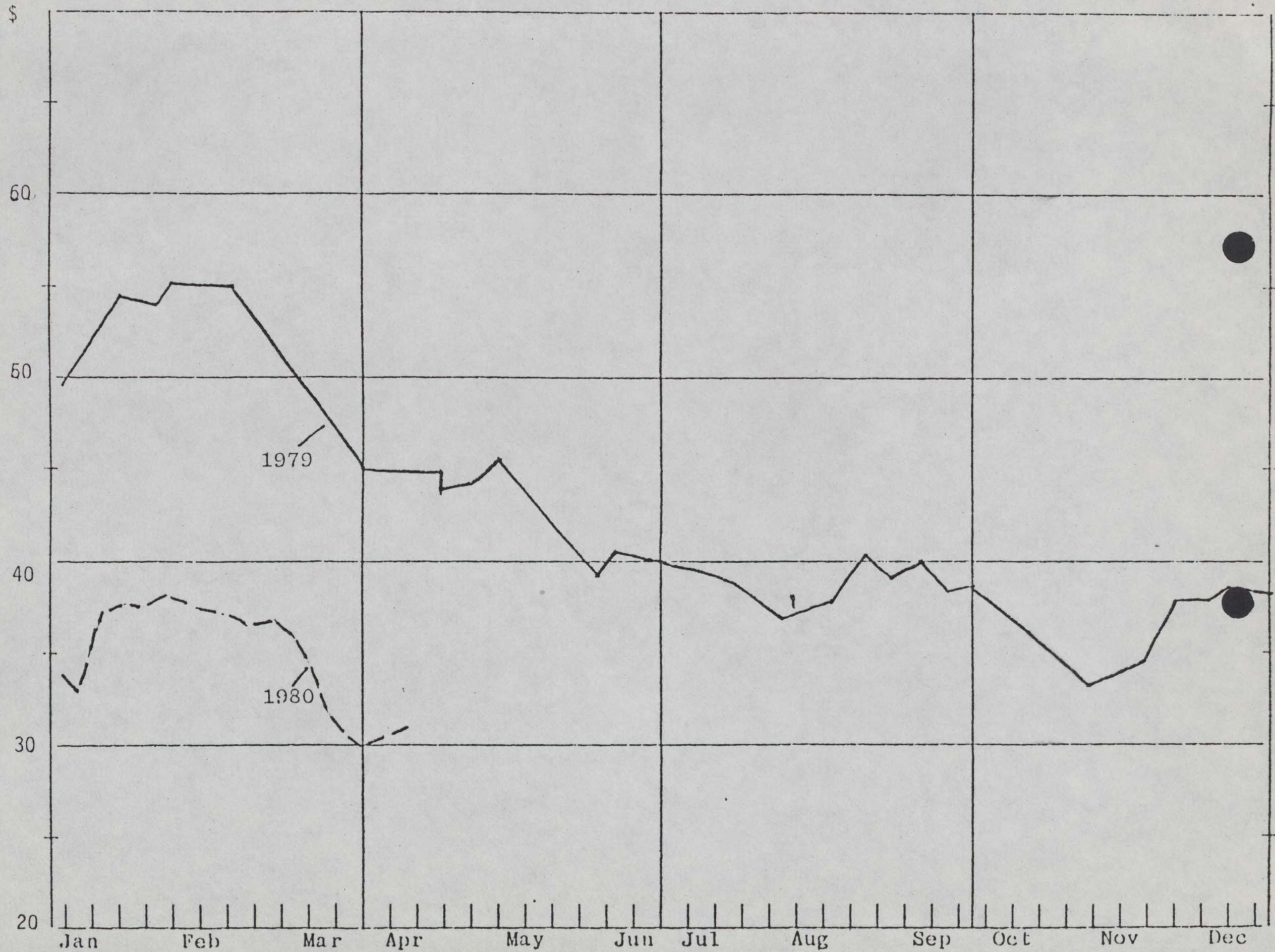
<u>YEAR</u>	<u>BARROWS & GIFTS 7 MARKETS</u>	<u>FEEED AND FEEDER</u>	<u>BREAK- EVEN</u>	<u>NET MARGINS</u>
\$ per cwt.				
<u>1979</u>				
January	52.13	40.85	49.63	+ 2.50
February	54.42	41.04	49.79	+ 4.63
March	49.38	39.56	48.27	+ 1.11
April	45.04	38.58	47.23	- 2.19
May	43.79	37.67	46.35	- 2.56
June	40.29	42.60	52.09	-11.80
July	38.73	43.17	52.76	-14.03
August	38.21	42.73	52.28	-14.07
September	38.62	38.58	47.74	- 9.12
October	34.70	34.49	43.31	- 8.61
November	36.01	33.58	42.25	- 6.24
December	38.45	32.30	40.83	- 2.38
<u>1980</u>				
January	36.00*	33.96	42.65	- 6.65
February	--	30.83	39.35	
March	38.28*	31.98	40.93	- 2.75
April	--	32.04	41.02	

* Estimated price

AVERAGE PRICE CHOICE SLAUGHTER STEERS - OMAHA



AVERAGE PRICE OF HOGS



AVERAGE MONTHLY PRICE ON BUTT BRANDED HIDES
AS COMPILED BY THE JACOBSON REPORT, CHICAGO, IL

1979

MARCH-----76.95¢

APRIL-----82.20¢

MAY-----90.30¢

JUNE-----81.95¢

JULY-----75.48¢

AUGUST-----64.09¢

SEPTEMBER---55.11¢

OCTOBER-----54.45¢

NOVEMBER----51.89¢

DECEMBER----51.60¢

1980

JANUARY-----54.70¢

FEBRUARY----44.69¢

MARCH-----34.14¢

Last Quoted Price

APRIL 3-----33.00¢

CPI PERCENT CHANGE FROM FEBRUARY 1979

TO

FEBRUARY 1980 FOR SELECTED ITEMS

Food	7.3%
Food at Home	5.8
Commodities	13.6
Energy	46.6
All items less food	15.7
Transportation	22.5
Services	15.0
Meats	2.3
Beef and Veal	9.4
Pork	-12.7
Other Meats	6.6
Poultry	- 1.7

* For all Urban Consumers, US City Average

23 APR 1980

Ms. Esther Peterson
Special Assistant to the
President for Consumer Affairs
The White House
Washington, D.C. 20500

Dear Ms. Peterson:

Thank you for your March 28 letter concerning the Board's consumer credit restraint regulation. In your letter, you urge the Board to adopt a regulation prohibiting changes in terms that affect outstanding balances on existing credit accounts.

As I am sure that you are aware, on April 2 and 14, the Board amended its consumer credit restraint regulation to establish a uniform rule for creditors to follow if they wish to make certain changes in terms on open-end and 30-day credit accounts. Enclosed are copies of the amendments and the press release describing the rules adopted by the Board. Before taking those actions, the Board and its staff considered many comments such as yours. The Board believes that the change in terms rule best effectuates the purpose of its program to restrain the growth of consumer credit, while taking into account consumers' concerns about adequate notice and creditors' concerns about disruption of their credit plans.

We appreciate your taking the time to send us your comments for your consideration.

Sincerely,

Enclosures

Claudia Yarus:flh
WH:33
4/21/80

THE WHITE HOUSE
WASHINGTON

March 28, 1980

Mr. Paul A. Volcker
Chairman
Board of Governors
Federal Reserve System
20th Street and Constitution Ave., NW
Washington, D.C. 20551

1980 APR -2 PM 8:51

OFFICE OF THE SECRETARY

WH-33

Dear Mr. Volcker:

I am writing to express my deep concern regarding proposed changes in revolving charge accounts being implemented by many creditors in response to President Carter's call for credit controls, and the imposition by the Board of Governors of the Federal Reserve System (the "Board") of controls requiring a fifteen (15) percent special deposit for increases in consumer credit.

Let me say first that I fully support the President's decision to impose controls on the extension of consumer credit. I do so recognizing that restricting availability of credit may result in hardship for many persons. Nonetheless, I believe that all of us will benefit in the long run from this action. I also believe that, as to future extensions of credit, it is best to leave it to the marketplace to decide how credit is to be allocated.

In response to the Board's actions on consumer credit, a number of large retailers and other consumer creditors have announced that they are increasing the minimum monthly payments which consumers must provide. Except where expressly prohibited by state law, the new minimum payment requirements will be extended to outstanding balances as well as to balances from new purchases on credit. I do not believe that the imposition of credit controls should unfairly burden consumers who have previously used credit based on certain expectations as to how that credit was to be repaid. Many consumers, faced with increases in monthly payments from several creditors, will find it difficult, if not impossible, to meet those increases. As a result, many may be forced into bankruptcy -- at a time when the personal bankruptcy rate has already increased dramatically. Therefore, I urge the Board to carefully consider the impact of these actions on consumers, and specifically prohibit creditors from retroactively applying any changes to outstanding balances.

Received CA APR 3 1980
Log No. _____
Out Date _____

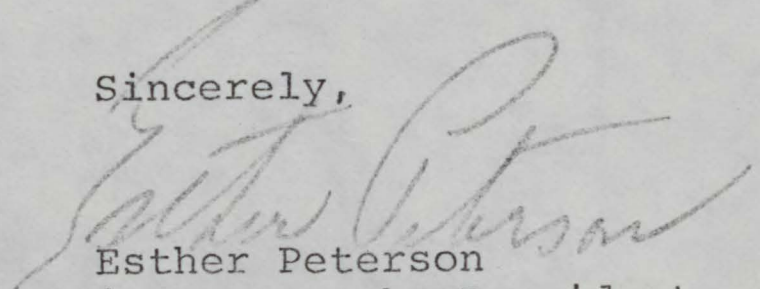
For years, the consumer credit industry has courted the consumer with promises of easy credit and low repayment terms. Now, that same industry, claiming it cannot make a profit from these extensions of credit, is proposing to change those terms. In my view, it is unconscionable to allow creditors to impose changes retroactively on outstanding balances, the accumulation of which have been actively encouraged by creditors.

I further believe that these proposed actions -- as retroactively applied -- may not successfully tighten credit. Rather, they will actually provide creditors with a greater amount of money to extend credit without having to make a special deposit. Prohibiting retroactive changes will make credit controls more effective because new credit extensions will be subject to the special deposit requirement and, therefore be more costly to the creditor.

Obviously, a choice between competing interests is involved. Creditors want to continue issuing credit at a profit and consumers will continue to need some credit. But debtors with outstanding balances -- particularly those lower and middle income families who have budgeted their credit purchases based on the minimum payments required when they made their purchase -- will be especially harmed if changes are retroactively imposed.

I, therefore, urge the Board to adopt a regulation prohibiting changes which apply to outstanding balances on consumer credit accounts. I believe that such a regulation would achieve the balancing of the burdens which President Carter intended in invoking his powers under the Credit Control Act.

Sincerely,



Esther Peterson

Special Assistant to the President
for Consumer Affairs

April 14, 1980

Dear Mr. Watson:

Thank you for your memorandum on the President's Executive Exchange Program. I strongly support the program and will continue to encourage participation in it throughout the Federal Reserve System.

I have asked that Governor Emmett J. Rice serve as the System's liaison to the President's Commission on Executive Exchange for 1980-81. Governor Rice, I am sure, shares my ideas about the benefits to be derived from this program.

Sincerely,

PALL

Mr. Jack H. Watson, Jr.
Assistant to the President
The White House
Washington, D. C. 20500

cc: Governor Rice
Mr. Denkler
Mr. Shannon
Mr. Mulrenin
Mr. Weis
Mrs. Mallardi (WH-32) ✓

ETMulrenin:mhw

THE WHITE HOUSE

WASHINGTON

March 25, 1980

WH-32

MEMORANDUM FOR PAUL A. VOLCKER
FEDERAL RESERVE SYSTEM

FROM: JACK WATSON

Jack

SUBJECT: The President's Executive Exchange Program

The President strongly supports the Executive Exchange Program, in which mid-career executives from private industry and the Federal Government work for a year in the opposite sector. When he met with the Presidential Exchange Executives on February 26, he said, ".....we have benefitted in the government, and I think the Nation has benefitted as well from your fine service."

To ensure that your agency continues to support this Program, would you please designate a Presidential Appointee who is not a member of the President's Commission on Executive Exchange, to serve as liaison to the Commission for 1980-81. If possible, I would like you to designate yourself. Would you please advise me if you concur.

James Hill
4/3

WH-31 - To Daniels

THE WHITE HOUSE
WASHINGTON

March 24, 1980

10 01 1980 114

WH-31

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS
AND AGENCIES

I have just signed a Presidential Proclamation designating the seven day period beginning May 7, 1980 as Asian/Pacific American Heritage Week.

Out of all proportion to their numbers, Asian and Pacific Americans have contributed to our Nation's progress in a wide range of fields - science, the arts, literature, agriculture, industry and commerce. Bringing with them the strong and varied traditions of their Asian and Pacific homelands, they have greatly enriched our cultural heritage and institutions.

As President of the United States, I urge all members of the Federal establishment to recognize Asian and Pacific Americans during Asian/Pacific American Heritage Week.

Jimmy Carter

30 - to Wens D
Coordinate
w/ Daniels

WH-30 to Wain: coordinate
w/ Daniels



United States
Office of
Personnel Management

Federal Executive Institute
Route 29 North
Charlottesville, Virginia 22903
804-296-0181 (FTS 937-1295)

In Reply Refer To:

Your Reference:

March 20, 1980

WH-30

MEMORANDUM FOR HEADS OF DEPARTMENTS AND INDEPENDENT AGENCIES

FROM: Jule M. Sugarman
Deputy Director

SUBJECT: Executive Development for Executives of Hispanic Ancestry

The U.S. Office of Personnel Management is exploring a number of essential cutting-edge issues on executive development which are starting to surface with the implementation of the Senior Executive Service provision of the Civil Service Reform Act of 1973. To meet these issues, OPM has developed a special one-week activity focusing on Federal Executives of Hispanic ancestry, which is scheduled for July 27 - August 1, 1980, at the residential training facility of the Federal Executive Institute in Charlottesville, Virginia.

The program is entitled Diversity in the Federal Workforce: A Focus on Executives of Hispanic Ancestry. It is the first in what is planned as a series of experimental and innovative leadership development programs focusing on the changing composition of the Federal workforce, the implications and ramifications of these changes for the Federal Government in terms of programmatic thrust and new initiatives.

The program is being planned as an open forum for discussion, presentation and analysis of the unique leadership roles, responsibilities and challenges which face those individuals of Hispanic ancestry who currently occupy high-level government career positions and/or those who might aspire to such positions. Uppermost, the program will be concerned with the geographic and demographic changes in the population of the United States which are giving rise to a growing demand for more of a multi-ethnic, multi-cultural perspective in the Federal workforce as well as examine the special needs of various constituent population groups government agencies and departments are now servicing or may be called upon to address in the foreseeable future.

I would like to recommend this particular program to you and heartily encourage you to nominate those Federal managers and executives within your agency whom you think could both benefit from and contribute to this innovative executive development effort at the FEI. Pages 4 and 14 - 15 in the attached pamphlet contain more specific information on the purpose and the thrust of this program as well as registration procedures and costs.

You may also find it interesting as you review the attached pamphlet to take note of the other topic areas which will be explored at the FEI this summer in short one-week sessions.

Please help me in supporting what I think will be a very worthwhile program at the Federal Executive Institute on workforce diversity by making appropriate arrangements to have your agency well-represented during the week of July 27 - August 1, 1980, in Charlottesville.

Attachment

3/21/80

Dandy -

Peggy Perry called -

W.H. #29 was sent to
Controller's office - It

is being sent to J. Reis.

There is no reply necessary.

It will probably end up
in the Health Unit.

Am

U.S. DEPARTMENT OF LABOR
EMPLOYMENT STANDARDS ADMINISTRATION
Office of Workers' Compensation Programs
Office of the Director

WH-29

Washington, D.C. 20210



MAR 11 1980

MEMORANDUM FOR:

REPRESENTATIVES OF ALL FEDERAL AGENCIES

FROM:

RALPH M. HARTMAN
Director, Office of
Workers' Compensation Programs

SUBJECT:

OWCP Uniform Billing Procedure

In its effort to more promptly and efficiently perform the functions of claims adjudication and bill paying, the Office of Workers' Compensation Programs (OWCP) is continuing its automation of these functions. In connection with this a billing form has been adopted, namely, Form CA-1333, Federal Employees' Compensation Medical Provider's Claim Form (copy enclosed), for payment of medical services and/or supplies. Use of the form by hospitals is optional.

The use of this Form should begin as soon as possible but no later than June 2, 1980, as bills received after this date must be submitted on the form. Therefore, compensation specialists and other appropriate personnel in your agency should maintain an adequate supply. Any employee who is authorized by Form CA-16 to obtain medical services and/or supplies should be furnished with two copies of Form CA-1333.

An initial supply of this Form is being sent to you under separate cover. Additional supplies may be ordered from the Government Printing Office, or reproduced by your agency.

Your cooperation in helping us improve our services to Federal employees is appreciated.

Enclosure

Include your address, ZIP code, and file number on all correspondence

Patient Information:

- Item 1 — The name of the patient must be filled in here as indicated.
- Item 2 — Month, day and year of patient's birth
- Item 4 — This should be filled in as completely and accurately as possible.
- Item 5 — The sex of patient must be indicated.
- Item 6 — Enter FECA Case No.
- Item 7 — The name and address of the employing agency should be included.
- Item 10 — The appropriate block should be checked.
- Item 12 — The patient's signature requests payment for the services rendered and certifies that the services were, in fact, rendered. This block must be signed or the claim cannot be processed.

Provider Information:

Since many different types of providers may use this form, it is unlikely that all the items will be completed by any single provider. For instance, item 22 would not be completed for emergency ambulance transportation.

- Item 14 — This item must contain the date of the first symptoms for an illness or the date of the accident for an injury.
- Item 15 — Month, day and year patient first consulted the provider for the condition for which the claim is being submitted.
- Item 16 — Provider should check the appropriate block.
- Item 17 & 18 — These items are for completion by the attending physician.
- Item 19 — This item must be completed on your initial claim for this patient.
- Item 20 — Complete if applicable (month, day, year).
- Item 21 — Complete if applicable.
- Item 22 — If the answer is yes, the amount of charges from the laboratory must be completed and the name and address of the laboratory must be entered in item 21.
- Item 23 — The diagnosis must always be included on a claim from a physician and, it should be included on all other claims if known.
- Item 24 — In column A enter the month, day and year for each service. "From" and "To" can be used for repetitive services such as hospital care charges or visits by a physician in a hospital.

In column B enter the appropriate place of service code shown at the bottom of the form. If the place of service is other than the patient's home or your facility, it should be so indicated in item 21.

In column C fully describe the service that was rendered. Hospital charges other than room charges must be itemized though date of service need not be given. It is not mandatory that a procedure code be entered but, it is preferred that the appropriate California Relative Value (CRV) Code be entered. When using the CRV Code, please indicate the year of the edition you used.

In column D it is not mandatory to enter a diagnosis code but it is preferred that the International Classification of Disease Adapted (ICDA) Code be entered.

In column E the charge for each service described in column C should be entered.

Column F can be used for any additional remarks. If this claim or any portion of this claim, has been previously submitted, it should be so indicated in this column.

Item 25 — The provider, or a representative, must personally sign and date the claim form. The claim cannot be processed unless it is signed. By this signature, the provider certifies that the described services were, in fact rendered as described either personally by the provider or under direct personal supervision; that the foregoing information is true, accurate and complete; furthermore, the services were medically necessary because of the condition indicated in item 23.

Item 27 — This amount must equal the total of all amounts entered in item 24 column E.

Item 28 & 29 — These items relate to bills with a running balance. They should be completed if applicable and previously submitted items should be so indicated in item 24 column F.

Item 30 — The Social Security Number should be used by all providers that are in independent practice.

Item 31 — This item must be completed in detail. Don't forget the zip code.

Item 32 — The patient's account number, as recorded in the provider's accounting system, may be entered for additional patient identification.

Item 33 — The Employer I.D. Number should be completed when the services are provided by an entity that has been assigned an income tax identification number other than the social security number, i.e., physicians in a professional association, claims from an institution such as a hospital, etc. Either item 30 or 33 must be completed or the claim will not be processed.

Please double check the claim for accuracy and submit it to the appropriate Federal Employees' Compensation Office. Any one who misrepresents or falsifies information may upon conviction be subject to fine and imprisonment under applicable federal laws.

. You may be a member of a political party or other political organization and attend meetings and vote on issues, but you may not take an active part in managing the organization.

. You may attend a political convention, rally, fund-raising function, or other political gathering, but you may not take an active part in conducting or managing such gatherings.

. You may sign petitions, including nominating petitions, but may not initiate them or canvass for signatures, if they are nominating petitions for candidates in partisan elections.

. You may petition Congress or any Member of Congress, such as by writing to your Representatives and Senators to say how you think they should vote on a particular issue.