

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

*Action
Office of Finance*

BULLETIN NO. 67-11

June 29, 1967

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Information on agency financial management improvement efforts

1. Purpose. This Bulletin requires each agency to submit data on its financial management improvement activities during fiscal year 1967. The requested information will be used in a Joint Financial Management Improvement Program review of the status of agency systems and current improvement efforts.

2. Background. President Johnson, in March 1967, transmitted to the Congress his message on "The Quality of American Government," which dealt with improving the machinery of Government in order to bring about more effective administration of programs.

Besides highlighting the cost reduction program as an "unrelenting drive to reduce the government's cost of doing business," the President directed attention to further development of the planning-programming-budgeting system. With respect to the latter, he pointed out that:

"The system has taken root throughout the government, but it will not be able to function fully until more trained men and women, more data, better cost accounting and new methods of evaluation are available."

The efficiency of financial systems and their contribution to management are matters of direct concern to agencies under the Joint Financial Management Improvement Program. Reports in response to this Bulletin should identify actions taken or planned to meet those objectives.

3. Reporting requirements. The information required under this Bulletin is identified in Attachment A. The instructions call for data on accomplishments during fiscal year 1967, the status of agency budget and accounting systems improvement work as of June 30, 1967, and plans for future improvements. An original and five copies of the report are to be furnished the Bureau of the Budget by August 14, 1967. Three of the copies will be forwarded for review by the General Accounting Office and the Treasury Department.

PHILLIP S. HUGHES
Acting Director

Attachment

REPORTING INSTRUCTIONS AND GUIDELINES

1. Coverage. All executive agencies are to submit reports in response to this Bulletin, except for those smaller agencies that meet the conditions set forth in 2, below, and have no significant accomplishments to report for the past fiscal year.

2. Reporting exemption. No report is required under this Bulletin for an agency that was listed under the headings "Independent Agencies--Complete Systems" and "Other Agencies" in the Appendix of the Annual Report of the Joint Financial Management Improvement Program for Fiscal Year 1966, if the agency:

- a. has received Comptroller General approval for all of its accounting systems during the period January 1, 1957 through June 30, 1967;
- b. has not made, or does not plan to make, a resubmission of such accounting system(s) for reapproval by the Comptroller General;
- c. has adopted, and is currently employing, internal cost-based operating budgets and performance reports for day-to-day management and control of operations; and
- d. has presented all appropriation requests in the 1968 Budget Appendix on a cost basis.

However, if an agency in this group has made significant improvements in its financial management system during fiscal year 1967, it is urged to report such accomplishments for possible inclusion in the Joint Program report for fiscal year 1967.

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

Part A, Accomplishments and Future Plans

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

b. Statements should be provided on financial management improvements completed during fiscal year 1967, emphasizing the management benefits derived. Improvements installed during prior fiscal years, properly identified as such, should also be included if the operating and managerial

gains resulting from the change began to be realized substantially during fiscal year 1967. In reporting on specific achievements, emphasis should be placed on those accomplishments that resulted in major savings or other benefits.

c. To provide for more effective presentation of accomplishments in the annual report of the Joint Program for fiscal year 1967, the narrative statement of improvements in agency submissions this year should be accompanied by illustrations wherever practicable--employing graphs, charts, photographs, etc., that will demonstrate pictorially the nature and significance of the improvements. This marks a return to the practice used in the Joint Program reports for fiscal years 1963 and 1964. Agencies should refer to those published reports for examples of how illustrations might be employed.

d. The requested information should be set forth in a brief narrative description of the improvements and the results obtained, together with a preliminary outline of any proposed illustrations. To facilitate development of the Joint Program report, the submission should be classified under broad functional headings such as financial organization, budgeting, accounting, reporting, and internal audit. Changes involving mechanization or automation should be included in the functional area most directly involved, or may be set forth in a separate section on automation.

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

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

- Adoption of cost-based budgeting practices for presentation of budget requests.
- Actions taken or planned toward effective use of responsibility centered cost-based operating budgets and related reports that will measure performance and permit comparison with approved plans for purposes of promoting efficiency and cost reduction.
- Synchronization of classifications for programming, budgeting, accounting, reporting, and control in order to permit

use of an integrated management system for conduct of agency operations. For agencies installing planning-programming-budgeting systems, the reports should identify the progress being made in coordinating that effort with the financial management improvement program. The objectives of such coordination should be to assure that the financial systems provide an accurate and reliable basis for associating costs with program elements and budget classifications, and that the data demands of the PPB system are satisfied within the framework of a unified management system in the agency. Specifically, the reports should identify actions taken or planned in response to the Comptroller General's letter of April 4, 1967 (B-114365), which notified agency heads of an amendment of the prescribed accounting principles and standards to provide accounting support for the PPB program structure.

- Actions taken or planned toward effective installation of accrual accounting practices, and obtaining Comptroller General approval of agency accounting systems. It should be recognized that attainment of these objectives should not be deferred pending the full development of PPB systems.
- Actions taken or planned toward improvement of financial management for grant-in-aid programs, with particular reference to simplifying financial requirements imposed on grantees (while still retaining effective control and accountability); and arrangements for improved coordination and efficient accomplishment of Federal audit objectives in such programs, as called for in Bureau of the Budget Circular No. A-73.
- Application of statistical sampling techniques to financial operations, with specific identification of actions taken or planned toward use of such techniques in the administrative examination of vouchers.
- Improvements in cash management, covering particularly the use of letters of credit or other methods of reducing cash advances held by contractors, States, international institutions, foreign governments, or other recipients of grants or contributions.
- Actions taken or planned in the recruitment and training of financial personnel in order to permit development and effective operation of a financial management system that conforms to requirements and satisfies the needs of management.

Part B, Status Information

g. This section of the report is to identify the status of agency efforts toward modernization of budget and accounting systems in relation to the provisions of the Budget and Accounting Procedures Act of 1950, as amended by Public Law 84-863. The central agencies under the Joint Financial Management Improvement Program have urged operating agencies to attain these goals as quickly as possible so as to provide better service to management and to promote more effective conduct of program operations. Hearings held by the House Government Operations Committee in September 1966--which represented a followup on those held in July 1964--reemphasized the congressional interest in more rapid implementation of legal requirements in agency financial management systems.

h. For each agency in which those requirements have not been met, the status tabulation should provide firm target dates that reflect positive plans for full compliance, and represent a realistic commitment by the agency to attain the desired objectives within the specified time period. In this connection, if the last agency report of status showed target dates in fiscal year 1967 and those targets were not met, Part B should include--under "Remarks"--an explanation of the reasons for the slippage in schedule, and the action being taken to avoid similar problems with respect to the new target date. Footnotes without target dates, and entries such as "Indefinite" or "Not Planned" will not be sufficient.

i. The status tabulation in Exhibit 1 is to be completed by each agency as of June 30, 1967. However, if an agency as a whole has attained the required objectives and its accounting system has been approved by the Comptroller General, the tabular form of report need not be employed. Instead, reporting under Part B can be complied with by use of the narrative statement: "Installation of accrual accounting and cost-based budgeting practices completed; accounting system approved by Comptroller General (insert date of approval)."

j. For those agencies using the tabular form of report, column (a) is to identify the organization and/or accounting entity for which information is submitted. For this year's report, the tabulation in each civilian agency's submission is to reflect the stub entries used for the agency in the Appendix of the published Annual Report of the Joint Financial Management Improvement Program for Fiscal Year 1966. The entries are to cover both complete systems and segments of systems, as treated in the published report. If any adjustments in the stub entries of the published tabulation are warranted by reorganizations or other changes (e.g. the Department of Transportation), the agency should contact General Accounting Office representatives to work out a mutually agreeable stub column for its tabulation. For the Defense agencies, the Department of Defense should contact the General Accounting Office to develop a pattern consistent with that of the civilian agencies.

k. Columns (b) and (c) represent a revised basis of presenting the status of approval by the Comptroller General of the agency accounting system(s). This reflects an adaptation of the status tabulation report to the General Accounting Office's revised procedures for obtaining accounting systems approvals--as announced by the Comptroller General on April 24, 1967 in a letter to the heads of executive agencies (B-114365). Under the revised procedures, accounting systems approvals are to be obtained in two stages: first in terms of the underlying principles and standards; and second, in terms of the detailed documentation and operation of the system. These two stages are reflected in columns (b) and (c) of the revised tabulation.

l. For an agency in which an accounting system legally is not subject to approval by the General Accounting Office, the report should show the entry "Not Applicable" in these columns. For all others, column (b) is to show the status of approval of underlying principles and standards for development of agency accounting systems, and column (c) is to show the status of approval of the detailed accounting system in operation. In each of these columns, status is to be shown by either the entry "Approved," accompanied by the date (month, day, and year) of official approval, the date (month and year) of a formal submission, or a target date (month and year) for a future submission to the Comptroller General.

m. Entries in column (b) will not be required if the detailed accounting system, including a statement of principles and standards, has been approved or has been under General Accounting Office review prior to June 30, 1967. In these cases, however, an agency may show an entry in column (b) if it is meaningful in a given situation. For all other cases, an entry should be made in that column either for the entire department, for an appropriate grouping of systems, or for individual systems--as elected by the agency in response to the instructions in the Comptroller General's letter of April 24, 1967.

n. In this connection, dates showing a submission for approval that occurred prior to June 30, 1967 are to be used only where the underlying principles and standards and/or the detailed accounting system currently is under review in the General Accounting Office. Columns (b) and (c) are not to show dates of previous submissions which have been withdrawn by the agency or returned to the agency by the General Accounting Office. In such cases of withdrawal or return, agencies are required to furnish new target dates for revised submissions.

o. The last two columns are to reflect the status of cost-based budgeting. Column (d) is to show "Complete" if the agency has adopted internal cost-based budget procedures and uses operating budgets and related reports for planning and control of the costs of operations on

a current basis throughout the year. Otherwise the column should show the target date (month and year) for completing such action. "Complete" is to be used in column (e) where all appropriations of the agency were printed on a cost basis in the 1968 Budget Appendix. Otherwise, that column should show as a target date the fiscal year budget in which the agency plans to convert to a cost-based presentation for all appropriations. The entry "Partial" is to be shown, along with a target date, if cost-based presentations were printed for some appropriations in the 1968 Budget Appendix, but not for all.

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

Exhibit 1
Bulletin No.

Financial Management Improvement Program
Agency Report as of June 30, 1967

Agency _____
Date _____

Part A - Accomplishments and Future Plans

Part B - Status Information

Organization and/or Accounting Entity	Accounting System Approval		Cost-Based Budgeting	
	Principles and Standards	Accounting System Documentation	Used Internally	Budget Presentation
(a)	(b)	(c)	(d)	(e)

Remarks:

*Notation
Library
Selection Officer*

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

BULLETIN NO. 67-10

June 5, 1967

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Agency publications required by the Library of Congress

1. Purpose. This Bulletin invites agency attention to statutory provisions requiring that copies of certain Government publications be supplied to the Library of Congress for official use and for international exchange.

2. Background. The Librarian of Congress has advised that the Library of Congress is not receiving copies of all required Government publications. He has requested that agencies provide the Library of Congress with copies of Government publications produced by authorized departmental and field printing plants and those procured commercially, pursuant to the provisions of law set forth in Sections 139 and 139a of Title 44, United States Code. A listing of the authorized departmental and field printing plants may be found in the Government Printing and Binding Regulations published by the Joint Committee on Printing of the Congress.

3. Publications required. The Library of Congress needs four copies of each book, pamphlet, manual, journal, map and chart, magazine, periodical, report, study, poster, and regulation, opinion, and decision of Federal agencies having intra-agency or extra-agency significance, which is printed or otherwise produced by agency printing plants or procured commercially as contract field printing, including microforms.

4. Exclusions. The statutory provisions referred to in paragraph 2 do not apply to confidential matter, blank forms, and circular letters not of a public character. In addition, the Library of Congress does not wish to receive drawings and specifications of individual patents, daily weather maps, Federal and military standards and specifications, press releases, routine administrative directives, reprints of articles from trade periodicals and books, or announcements of meetings and programs. Copies of publications produced by the Government Printing Office in Washington or at its Field Service Offices and publications procured by agencies on waiver by the Government Printing Office are furnished currently by the Government Printing Office. Arrangements to receive these publications directly have been made by the Library of Congress with the Government Printing Office and they are therefore not within the scope of this Bulletin.

5. Submission of materials. The publications to be supplied are those produced after the date of this Bulletin and should be addressed as follows:

Exchange and Gift Division (non-GPO)
Library of Congress
Washington, D. C. 20540

6. Revisions. The categories of publications desired may be revised by the Librarian of Congress after a review of the materials received. In such an event the agency or agencies will be advised directly by the Library of Congress.

PHILLIP S. HUGHES
Acting Director

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

BULLETIN NO. 67-8

April 27, 1967

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Uniform Time Act of 1966

The purpose of this Bulletin is to call the attention of all executive departments and establishments to a Department of Transportation instruction entitled "Guidelines for Observance of Time Under Provisions of the Uniform Time Act of 1966," issued for the guidance of Federal agencies by the Secretary of Transportation on April 27, 1967.

A copy of the issuance is attached.

CHARLES L. SCHULTZE
Director

Attachment

THE SECRETARY OF TRANSPORTATION

WASHINGTON, D.C. 20590

April 27, 1967

Guidelines for Observance of Time Under Provisions of the
Uniform Time Act of 1966

On April 1, 1967, there was transferred to the Department of Transportation, the functions, powers and duties previously vested in the Interstate Commerce Commission under the Uniform Time Act of 1966 (80 Stat 107; 15 USC 260), and related prior statutes (Act of March 19, 1918, as amended (40 Stat 450; 15 USC 261 et seq); The Act of March 4, 1921, as amended (41 Stat 1446; 15 USC 265)), relating to standard time zones and daylight-saving time.

The Uniform Time Act of 1966 (hereafter "the Act") directs the Department of Transportation to foster and promote the adoption and observance of uniform time within and throughout the various time zones.

The purpose of this memorandum is to provide guidance for other branches, departments and agencies of the United States Government as to the effect of the Act and the Department's interpretations and policies concerning it.

EFFECT OF UNIFORM TIME LEGISLATION

The Act of March 19, 1918, as modified by the Act of March 4, 1921, established the general boundaries, based on mean solar time, of the existing five time zones for the United States (Eastern, Central, Mountain, Pacific and Alaska). The precise boundaries of each time zone were, under these laws, to be defined and modified from time to time by order of the Interstate Commerce Commission. Pursuant to this authority the present boundaries of the five existing time zones were set by the ICC (see attached map).

The principal provisions of the Uniform Time Act of 1966 are as follows:

1. It substitutes the Yukon standard time zone for what was the Alaska standard time zone under prior law and creates the following three new time zones:

- Atlantic standard time, covering the offshore areas of the Eastern coast of the United States as well as Puerto Rico and the Virgin Islands.
- Alaska-Hawaii standard time, which covers Hawaii and most of Alaska.
- Bering standard time, which covers the far Western portion of Alaska and the Aleutian Islands.

2. The Act requires that within each time zone there be a one-hour advance of time from 2:00 a.m. of the last Sunday in April to 2:00 a.m. on the last Sunday in October of each year (i. e., making mandatory what is commonly called "daylight saving" time). However, a state may by legislation exempt itself from the daylight-saving time provisions provided that the entire state remains on non-advanced time throughout the year. These provisions apply notwithstanding conflicting state law or the fact that a state may be in more than one time zone. For example: If part of a state were within the Central zone and part in the Eastern zone, the entire state would go on daylight-saving time on the last Sunday of April. However, there would be a one-hour difference between the parts of the state in the different zones. From the last Sunday in October to the last Sunday of the following April the state would observe standard (non-advanced) time, and the one hour difference between the portions of the state situated in the different zones would continue. If the state had legislatively exempted itself from the daylight-saving time provisions, the entire state would remain on standard (non-advanced) time year-round and there would be a one-hour difference between the parts of the state lying in the different zones.

3. The Department is authorized to enforce the provisions of the Act by application to the U. S. District Court for the district where a violation occurs.

4. The Act expresses an intention that its provisions apply to the conduct of business by the Federal Government. 1/

5. The Act becomes effective April 1, 1967.

THE SITUATION DURING 1967

General. It is expected that the uniform daylight saving time provisions of the Act will be observed in all but a very few states throughout the country. Generally, then, Federal installations can observe the provisions of the Act and will also be in conformance with the local time in any particular area.

Special Situations. In a limited number of cases circumstances indicate that during the initial transitional period there may be deviations from the provisions of the Act. These are in most cases due to (1) historical observance in portions of certain states of a time different from the time of the zone in which that area lies and where authorized state officials have filed or indicated to the Department.

1/ Section 4(b) of the Act provides that "in all statutes, orders, rules and regulations relating to the time of performance of any act by any officer or department of the United States, whether in the legislative, executive, or judicial branches of the Government, or relating to the time within which any rights shall accrue or determine, or within which any act shall or shall not be performed by any person subject to the jurisdiction of the United States, it shall be understood and intended that the time shall insofar as practicable (as determined by the Interstate Commerce Commission) be the United States Standard time of the zone within which the Act is to be performed." The legislative history of the Act also indicates Congress considered that the observance of the Act by the Federal Government would be one of the principal inducements for the states to come into conformity.

that they are preparing to file a petition to change the boundary to conform to historical observance, (2) the fact that a state's legislature will not have had an opportunity to consider exempting the state from the daylight-saving time provisions or (3) the boundaries of one of the three new time zones having not yet been established. The Department notes that the enforcement provisions of the Act are stated in permissive terms and that the Act's legislative history suggests that during the initial transitional period deferral of enforcement is consistent with the objectives of the Act in situations where special equities exist. In the situations discussed below the Department will not consider enforcement of the Act until the administrative proceedings or other actions indicated have been concluded. In these cases it is expected that the areas concerned will observe the time they have traditionally followed. It is the Department's position that observance of such local time by Federal installations will not, until further notice from the Department, be considered inconsistent with the Act. The areas falling into this category are discussed below.

1. Puerto Rico, Virgin Islands, Alaska and Hawaii. Until the Department by administrative order fixes the limits of the new time zones affecting these areas, it will be consistent with the Act if Government installations follow the local time in effect.

2. Kentucky. Local time in effect can be followed by Government installations in Kentucky until the Kentucky legislature has met in 1968 and considered whether the state will avail itself of the option to exempt itself from the daylight-saving time provisions.

3. Michigan. Michigan has exempted itself by law from the daylight-saving time provisions of the Act. Although the Upper Peninsula of Michigan is officially located in the central time zone, most of this area has historically observed eastern standard time. A petition is being submitted to the Department requesting that the Eastern Time Zone boundary be changed to include the entire state. Until further notice from the Department, it will be appropriate for Federal installations to observe eastern standard time throughout the state.

4. North Dakota. A petition will be filed by officials of North Dakota requesting that the mountain time zone boundary be moved

eastward to include a section of the state west of the Missouri River which has historically observed mountain time. It will be considered appropriate if the local time in effect is observed by Federal installations in the portion of North Dakota west of the Missouri River.

5. Texas. El Paso and portions of three surrounding counties are technically located in the central time zone but have historically observed mountain time. The state is expected to file a petition requesting that El Paso be placed in the mountain time zone to conform to historical practice. It will be consistent with the Act if Federal installations observe mountain time in these areas until further notice from the Department.

6. Nebraska. Authorities in Nebraska have petitioned to move the boundary between the central and mountain zones to include in the central zone three counties and portions of nine others now lying in the mountain time zone. It will be considered consistent with the Act if Federal installations observe local time in these counties.

7. Kansas. Officials in Kansas have indicated they will petition the Department to alter the boundary between central and mountain time in North Central Kansas to conform with the historical observance of time in that portion of the state. The observance of local time in the affected area of the state will be considered consistent with the Act.

8. Indiana. A petition has been submitted to the Department by officials of the State of Indiana requesting that the entire state be placed in the central time zone. It will be considered consistent with the Act if Federal installations observe local time in Indiana until further notice.

In cases where local time may be observed by Federal installations inquiries regarding local time in effect may be directed to the Attorney General of the state, or the Office of the General Counsel, Department of Transportation.

* * * * *

There may be instances where a state or political subdivision of a state does not adhere to the provisions of the Uniform Time Act and

is not included in the special situations mentioned above. In these instances the Department urges Federal installations in those areas to follow the provisions of the Uniform Time Act of 1966. We believe that this approach will be of considerable assistance in accomplishing the objective of time uniformity which Congress has expressed in the Uniform Time Act.

* * * * *

The Department notes that the Act applies the term "standard time" to the advanced time period specified in section 3(a). The term "standard time" has historically been used in reference to non-advanced time. To employ the same term in making reference to advanced time will bring about much confusion during the transition period. Therefore the Department considers it appropriate for Government departments and agencies to continue to employ for the immediate future the term "daylight saving time" to distinguish advanced time from non-advanced time.

* * * * *

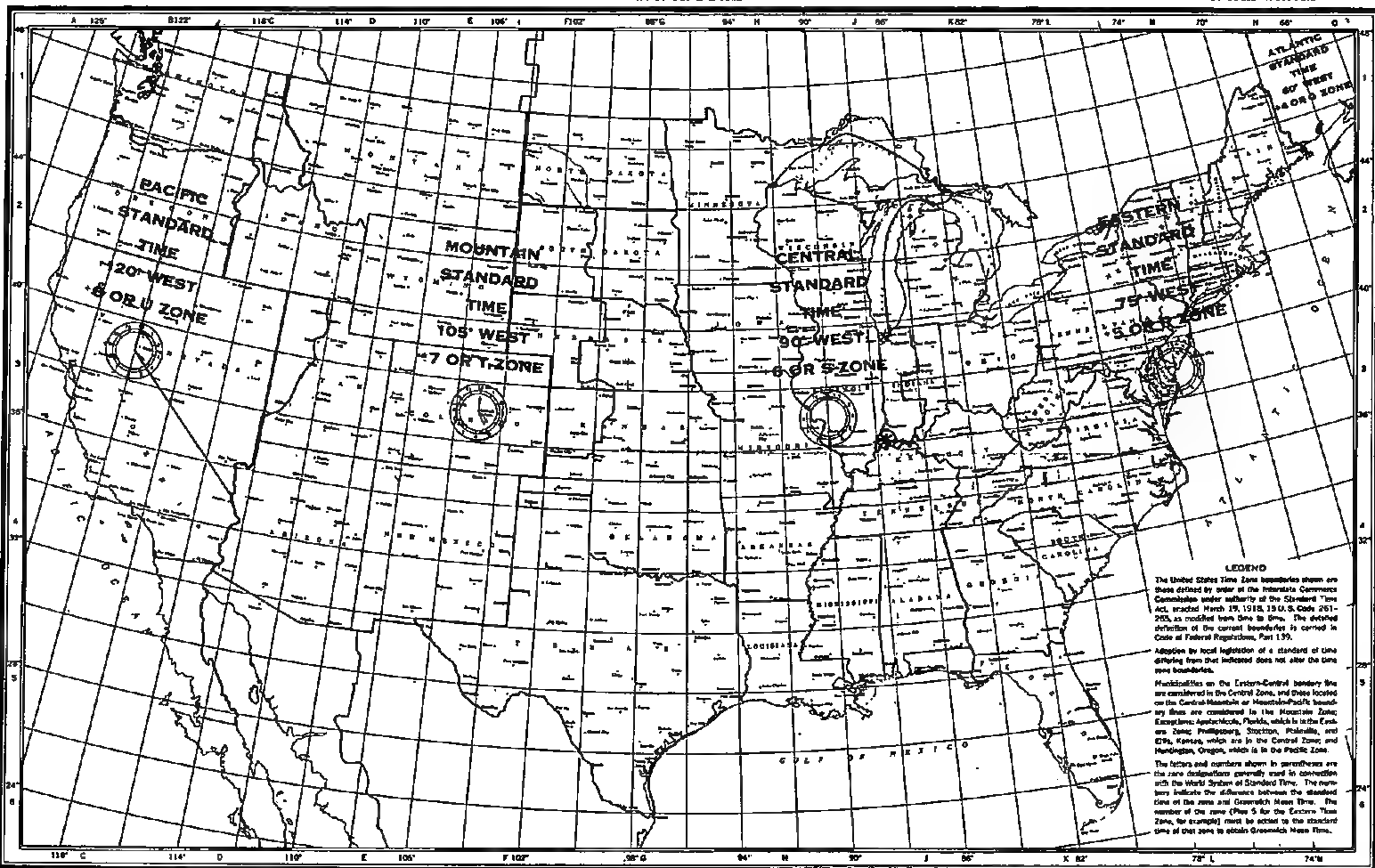
Should there be questions concerning the Act you are requested to direct them to the Office of the General Counsel, Department of Transportation, which will be pleased to assist you in any way possible.



Alan S. Boyd
Secretary of Transportation

INTERSTATE COMMERCE COMMISSION

AND ADJACENT PARTS OF CANADA AND MEXICO
AS OF JULY 1, 1953



LEGEND

The United States time zone boundaries shown are those defined by order of the Interstate Commerce Commission under authority of the Standard Time Act, enacted March 19, 1918, 39 U.S. Code 261-265, as modified from time to time. The defined deviation of the current boundaries is carried in Code of Federal Regulations, Part 159.

Adoption by local legislation of a standard of time differing from that indicated does not alter the time zone boundaries.

Municipalities in the Eastern-Central boundary line are considered in the Central Zone, and those located on the Central-Mountain or Mountain-Pacific boundary line are considered in the Mountain Zone; exceptions: Appleton, Florida, which is in the Eastern Zone; Philadelphia, St. John, Philadelphia, and Erie, Kansas, which are in the Central Zone; and Huntington, Oregon, which is in the Pacific Zone.

The letters and numbers shown in parentheses are the zone designations generally used in connection with the World System of Standard Time. The numbers indicate the difference between the standard time of the zone and Greenwich Mean Time. The number of the zone (Plus 5 for the Eastern Time Zone, for example) must be added to the standard time of that zone to obtain Greenwich Mean Time.

Base map by U. S. Geological Survey.
Subject data by Interstate Commerce Commission.

SCALE: 1:10,000,000

100 0 100 200 300 400 500 Miles

ALBERS CONIC AREA PROJECTION—STANDARD PARALLELS 39° AND 55° N

FOR SALE BY THE SUPERINTENDENT OF DOCUMENTS, WASHINGTON, D.C.

STANDARD TIME ZONES OF THE UNITED STATES
LIBRARY OF CONGRESS 8701.12
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EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

BULLETIN NO. 67-6

November 1, 1966

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Revision of motor vehicle reports (Standard Form 80)
for the 1968 budget

1. Policy for 1967. Temporary regulations No. E-7 and G-1 of the General Services Administration Federal Property Management Regulations, issued October 24, 1966 (31 F.R. 13773-13774) provide, with respect to passenger motor vehicles, for the following during fiscal year 1967: (a) permissible replacement standards of a minimum of 7 years or 72 thousand miles for passenger cars and station wagons, and (b) a requirement that agencies retain vehicles "which are in usable and workable condition" for at least one additional year beyond the normal replacement point, even though the 7 years and 72 thousand mile standards might permit replacement earlier. Vehicles which have been wrecked or damaged beyond economical repair remain an exception to the standards.

2. Assumption for 1968. For purposes of the budget submission the usual standards may be assumed to be in effect for fiscal year 1968. It may become necessary to revise this assumption at a later date. In this connection it should be noted that while existing standards permit replacement of passenger cars and station wagons at 6 years or 60 thousand miles, they limit replacements in any event to 25% of the fleet in any one year where the fleet consists of 8 or more such vehicles.

3. Revised reports. Agency implementation of these policies necessarily will result in revisions of many of the motor vehicle estimates (Standard Form 80) which were due in the Bureau of the Budget September 30. Each agency will promptly review its estimates in accordance with temporary regulations No. E-7 and G-1 and will revise its motor vehicle estimate to provide for compliance therewith. Agencies may mark up a copy of the estimate already submitted, providing it is clearly legible. Four copies of each marked-up or revised report are required. Each revised or marked-up report will be identified in the upper right-hand corner by the words "Reference BOB Bulletin No. 67-6."

All revised reports should be mailed to reach the Bureau of the Budget by the close of business on November 9, 1966.

CHARLES L. SCHULTZE
Director

30
copy

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

BULLETIN NO. 67-3

September 9, 1966

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Reduction of overtime hours and related costs

1. Objective. The head of each agency will take necessary action to minimize the amount of paid overtime, and in particular to reduce the total of overtime pay for fiscal year 1967 to the lower of:

a. The level contemplated in the President's budget recommendations for the fiscal year 1967.

b. A level 25% below the actual overtime pay for the fiscal year 1966.

2. Background. Overtime hours and related costs are growing sharply in calendar year 1966 as compared with calendar year 1965. Available data indicates that for the Government as a whole paid overtime and related hours have been virtually double the corresponding figures for a year ago, and are continuing to run at that accelerated level. In some cases particular program requirements have dictated the need for sharply increased overtime. Even after allowance has been made for such instances, the increases are very large. With the liberalization of overtime pay contained in the most recent pay legislation, on top of the actual experiences in the past 12 months, it is clear that specific action is called for. This action is particularly appropriate in the light of the President's program to control budget expenditures.

3. Considerations. Undoubtedly some overtime is essential. Fires and floods must be fought. Certain services must be provided for the public at appropriate times of day. Special workload peaks must be handled to avoid major inconvenience to the public or jeopardy to the national security of the United States.

Also, in some situations where additional man-hours of work are essential, there may be a choice between ordering overtime and employing additional personnel. Where extra man-hours are essential and the cost-benefit ratio indicates that overtime work is advantageous, after taking

appropriate account of the possibility of using part-time employment as well as full time to provide additional personnel, overtime may be an appropriate choice. On the other hand some overtime that is ordered or approved may be unnecessary, and therefore wasteful of Government funds. Better management of the man-hours available during the 40-hour workweek of regular employees and the regularly-scheduled workweek of part-time employees may often make it possible to limit overtime to a relatively low minimum. It is essential that management recognize its responsibility to hold overtime costs to the minimum.

While the objective is to reduce the amount of paid overtime, nothing in this Bulletin is to be construed as encouraging or condoning the ordering or approval of unrecorded overtime work.

4. Specific review and actions to be taken. In order to carry out the policy stated above, a specific review should be made, at least one level above the level where overtime was approved or ordered, of each individual case where:

a. An employee currently has a regularly-scheduled workweek of more than 40 hours, or has regularly-scheduled standby duty for which payment is made.

b. An employee working a scheduled workweek of 40 hours or less has had paid overtime during three consecutive pay periods totaling 30 hours or more. (Use the three most recent pay periods for which this can conveniently be reviewed.)

c. An employee above grade GS-10, or the equivalent in any other pay system, has been paid overtime of any amount during calendar year 1966.

d. An employee is receiving a stipulated percentage of annual pay for a position which involves substantial hours of irregular unscheduled overtime (usually called "administratively uncontrollable work").

The review of each such case should lead to such action as may be appropriate to reduce or eliminate paid overtime in that case, or in similar cases hereafter, in accordance with this Bulletin.

5. Policies to be adopted. Policies should be adopted and promulgated in each agency to accomplish the objective of

minimizing overtime pay, and meeting the targets on overtime set out above. Particular consideration should be given to the following:

a. That overtime not be paid where the granting of compensatory time off is available under the law as an option to the Government (for example, General Schedule employees whose basic rate of pay exceeds the maximum for GS-10), except upon a specific determination at least one level above the level where overtime is ordered or approved. No such determination should be in effect for more than three months without a specific redetermination.

b. That where round-the-clock or continuous coverage is necessary, the hours of the shifts be so fixed as to avoid overtime except where necessary to fill in for an absent employee. For example, the time for commencing and terminating a shift, after considering the lunch period, can usually be fixed so as to provide necessary overlap in operations as the shifts change without requiring any overtime.

c. Where costly facilities and equipment are to be worked more than an 8-hour day in order to obtain best utilization (as may be the case with automatic data processing facilities), employees be assigned on a shift basis, to the extent appropriate.

d. That where service to the public needs to be provided for more than a 40-hour week, as may often be the case, the employees be assigned such working hours as to permit this to be accomplished with little or no overtime. In small offices, where only one person is available to meet the public, the hours should usually be arranged to stay within 40 per week, though with such adjustment as might meet the convenience of the public in the locale involved (for example, a one-man office in a small town might be closed on Thursday mornings and open on Saturday mornings if that is the pattern of other offices in the area).

e. That allotments, cost targets and other suitable Government devices be used as appropriate to provide limits to subordinate organization units on the paid overtime for the year (or for shorter periods) in accordance with the policies of this Bulletin.

6. Utilization of savings. Savings under this Bulletin will be applied to assist in the absorption of the increased

costs of pay, employee benefits, and related costs to the maximum extent feasible.

7. Reports. No special report is required at this time under this Bulletin.

8. Records. Agencies will maintain, for management use and for possible inspection, appropriate records, including summaries centrally, of:

a. Budget estimates of paid overtime for 1966 and 1967.

b. Month-by-month paid overtime costs (and hours) for the fiscal years 1966 and 1967.

c. Reviews and actions taken under sections 4 and 5 of this Bulletin.

d. Explanations of any increases in overtime for the agency as a whole for any month in the remainder of this fiscal year, either in comparison with the preceding month, or in comparison with the corresponding month a year ago.

9. Subsequent reviews. The Bureau of the Budget will review the figures reported monthly to the Civil Service Commission on paid overtime. In those cases where paid overtime fails to decline in the coming months, and in those cases where it appears that further action will be required to meet the objectives stated in paragraph 1, further inquiry may be made. The records set forth in paragraph 8 should be available for Bureau of the Budget review.

CHARLES L. SCHULTZE
Director

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

BULLETIN NO. 67-2

August 18, 1966

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Adjustments between appropriations and funds

Public Law 89-473 authorizes charges to be made against an appropriation temporarily, with an accounting adjustment to the appropriation finally to be charged with the expenditure. As indicated in the legislative history of the bill, this legislation overcomes the instructions previously announced in 38 CG 734 against intentionally making a temporary charge to the wrong appropriation. This law does not authorize augmentation of appropriations or the transfer of funds for purposes other than those intended by Congress.

The law should be utilized to temporarily charge an appropriation within a bureau (or comparable organizational unit) to be corrected later, only in those cases where there is a clear advantage to doing so. In such cases an obligation should be reported as promptly as feasible against the appropriation that will finally be chargeable. It is preferable that charges be adjusted monthly, but all charges during the fiscal year must be adjusted on a final basis as of the close of the fiscal year. The adjustment will be accounted for in the same manner as a refund by the appropriation originally charged. Obligations incurred by the benefiting appropriation must be charged to the same object classes as would have been used if the expenditure had been charged directly against the appropriation in the first place and must be identical with credits in the account originally charged.

It is not intended that Public Law 89-473 will make any change in the practices heretofore followed under the Economy Act of 1932, as amended, or under other laws providing for reimbursements between agencies or between bureaus. Neither does the new law modify the normal operation of revolving funds; sales by such funds will continue to be handled on a normal reimbursable basis.

CHARLES L. SCHULTZE
Director