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Report To Congressman H. R. Gross
On Our Examination Of
The Transportation Exposition At
Dulles International Airport. B-157512

Department of Transportation

**BY THE COMPTROLLER GENERAL
OF THE UNITED STATES**

089954

5/13/73

MAY 18, 1973



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON DC 20548

B-157512

The Honorable H. R. Gross
House of Representatives

Dear Mr. Gross

Our report examines certain aspects of the United States International Transportation Exposition held at Dulles International Airport from May 27 to June 4, 1972. We made our review pursuant to your request of March 9, 1972. *AG 000593*

We have not determined the propriety of the financial assistance and other support provided by the Federal departments and agencies for the exposition. As agreed with you, we will provide you with such information as soon as possible. The support provided by Federal departments and agencies is shown in appendix II of the report.

As you requested, we did not obtain written comments from the Department of Transportation on this report. However, we did discuss the matters contained in the report with Department officials, during our review. Most of the matters contained in this report are included in a similar report to be issued to another Member of Congress today. We obtained written comments from the Department on that report. We will release this report only if you agree or publicly announce its contents.

Sincerely yours,

A handwritten signature in cursive script that reads "James B. Stacks".

Comptroller General
of the United States

C o n t e n t s

	<u>Page</u>	
DIGEST	1	
CHAPTER		
1	INTRODUCTION	5
	The background of TRANSPO	6
	Scope	7
2	FEDERAL FUNDING AND SUPPORT OF TRANSPO	8
	Funds and support for TRANSPO	8
	Costs incurred	9
3	CONTRACT ADMINISTRATION	12
	Limited competition in advertised and negotiated TRANSPO contracts	14
	Sole-source contracting	17
	Weaknesses in negotiating contracts	19
4	MANAGEMENT OF TRANSPO	22
	Staffing	22
	Funds and support from Federal agencies	25
5	OTHER MATTERS	28
	Improvements to Dulles	28
	Economic impact of TRANSPO	29
APPENDIX		
I	Letter dated March 9, 1972, from Representa- tive H. R. Gross to the General Accounting Office	31
II	Support provided to TRANSPO by Federal de- partments and agencies	34

ABBREVIATIONS

TRANSPO	United States International Transportation Exposition
FAA	Federal Aviation Administration
FHWA	Federal Highway Administration
GAO	General Accounting Office

D I G E S T

WHY THE REVIEW WAS MADE

In response to a request from Representative Gross, GAO examined operations of the U S International Transportation Exposition (TRANSPO), sponsored by the Department of Transportation at Dulles International Airport from May 27 to June 4, 1972 (See app I.) At the request of the Congressman, GAO did not obtain agency comments on this report

Primarily TRANSPO was designed to stimulate the development of new markets for U.S. transportation products and to exhibit innovations in transportation to the general public

GAO's examination was directed primarily to charges that the cost of TRANSPO was excessive and might have involved violations of Government procurement and contracting regulations.

FINDINGS AND CONCLUSIONS

Federal funds and support for TRANSPO

To supplement TRANSPO's initial appropriation and its estimated revenues, TRANSPO officials expected wide support from within the Department of Transportation and from other Government agencies (See p. 26)

Although TRANSPO initially experienced difficulty obtaining staff, funds, and services from the Federal departments and agencies, it ultimately received total Federal support in excess of that initially reported to the Congress in November 1971 during hearings on the need for a supplemental appropriation.

At that time Department officials informed the Congress that the total estimated cost of TRANSPO was about \$8 78 million, or \$2.20 million more than the anticipated revenues of \$3 78 million and the initial appropriation of \$2.80 million This amount did not include any estimates for support from other departments and agencies. In December 1971 the Congress appropriated the \$2 20 million and authorized an additional \$1 25 million for defense contractors participating in TRANSPO. (See pp. 6, 7, and 27)

Information furnished by officials of TRANSPO and the Federal departments and agencies involved indicates that as of February 1973 total Federal funds, support, and exposition revenues made available for TRANSPO totaled about \$20 24 million, of which the Federal Government had spent, or committed, about \$20.18 million

At that date TRANSP0 also had about \$1.55 million in contingent liabilities consisting of claims by TRANSP0 contractors for additional compensation. Also restoration of the TRANSP0 site was estimated to cost \$400,000 (See p 8.)

Agency officials said that, of the \$20 18 million spent or committed, \$7.77 million, identified as demonstration and exhibit costs, could not be considered as exclusive TRANSP0 costs because such costs would have been incurred even if TRANSP0 had not taken place

For example, the Urban Mass Transportation Administration provided \$6 million to four corporations to demonstrate rapid transit systems (people movers) and gave TRANSP0 about \$400,000 for site development work related to the transit systems. The four systems were to be tested at Dulles during TRANSP0 and for 1 year after TRANSP0 (See p 9.)

Contract administration

GAO examined the reasonableness and appropriateness of TRANSP0's procurement actions. Authorizing legislation for TRANSP0 excluded it from the requirement of procurement by formal advertising procedures

GAO reviewed 18 contracts amounting to \$7 29 million of the \$9.41 million in procurements for TRANSP0 operations. For most of the contracts, GAO found that competition was limited or nonexistent or that the procurement procedures and practices did not adequately insure that fair and reasonable prices had been obtained. Several contracts resulted in expenses in excess of anticipated amounts

For the contracts without adequate competition, GAO found that

--an unreasonably short time was permitted for preparing and submitting bids or proposals,

--the need was not advertised in the Department of Commerce's Business Daily, where industry normally learns of Government contracting opportunities,

--the TRANSP0 staff had contacted only a small group of contractors,

--sole-source purchases were made because, according to procurement officials, the TRANSP0 staff did not submit their requirements early enough for the procurement group to solicit competition (See pp 14 and 17.)

Most of the negotiated contracts GAO reviewed, totaling at least \$100,000 each, were awarded without adequate competition. Under such circumstances, the contracting officer should have made detailed cost analyses of the offerors' proposals to insure fair prices. This was not done (See p. 19.)

Management of TRANSP0

During the preparation for TRANSP0, the Department realized that it did not have the experienced management or sufficient operating staff to efficiently develop TRANSP0. Management problems were compounded by the difficulty TRANSP0 experienced in obtaining support from the Federal departments and agencies on a timely basis

These factors, together with the short time in which the Department and TRANSP0 officials were operating, were not conducive to an efficient operation, as was particularly evident in their procurement activities

Late in the planning and preparation process, the Department changed the management and organization of TRANSPO so that it could open on time. (See p. 22)

It is difficult to determine what effect the problems with management, staff, and time have had on the overall cost of TRANSPO. However, it appears that these problems produced a situation which favored expediency. It seems

reasonable to conclude that TRANSPO costs were most likely affected by decisions concerning what activities and exhibits to include. (See p 27)

Other matters

The Congressman also requested GAO to examine a number of specific matters associated with TRANSPO activities. GAO's views on these matters are presented in chapter 5.

CHAPTER 1

INTRODUCTION

At the request of Representative H.R. Gross (see app. I), we have examined certain aspects of the U.S. International Transportation Exposition (TRANSPO) which was held at Dulles International Airport in Loudoun County, Virginia, from May 27 to June 4, 1972. We directed our examination primarily to charges that the cost of TRANSPO was excessive and might have involved violations of Government procurement and contracting regulations. At the request of the Congressman, we did not obtain agency comments on this report.

TRANSPO was primarily designed to stimulate development of new markets for U.S. transportation products. Manufacturers were invited to exhibit their products to present the most modern equipment and systems available and to preview the transportation technology of the future. In conjunction with the marketing approach, TRANSPO exhibited innovations in transportation to the general public.

Department of Transportation officials claimed that about 400 exhibitors participated in TRANSPO, including 9 countries, 60 foreign firms, and about 17 Federal and State agencies. Following is a breakdown of exhibitors associated with a particular part of the transportation industry.

Aircraft and aerospace	127
Passenger cars, trucks, and buses	61
Rail and rapid transit	36
Cargo handling, storage, and warehousing	33
Trailers and mobile homes	17
Marine and boats	<u>10</u>
	<u>284</u>

The other exhibitors were Government agencies, associations, transportation service industries, and other companies with various miscellaneous products.

Paid attendance was about 449,000. In addition, free passes for the exposition were given to exhibitors, staff and support groups, the press, and special guests. A TRANSPO consultant estimated that about 1 million people attended.

THE BACKGROUND OF TRANSPRO

On December 5, 1969, the President signed the Military Construction Authorization Act of 1970 (83 Stat. 317). Section 709 of this act authorized the President to establish and conduct an International Exposition.

The President, by Executive Order 11538, dated June 29, 1970, assigned responsibility for the development and operation of the exposition to the Secretary of Transportation. On August 28, 1970, the Secretary delegated responsibility for the exposition to the Administrator of the Federal Aviation Administration (FAA). In September 1971 the Secretary appointed a special assistant to assume responsibility for managing the exposition.

The act required the first exposition to be held in 1971 and authorized \$750,000 to cover the initial organizational costs.

Some time before the initial appropriation, Department officials envisioned the scope of the exposition as broader than simply an exhibit of aeronautical technology. All aspects of advanced transportation technology were to be featured, including ground, air, and marine exhibits and symposiums.

The Department evaluated the effort required to plan and construct the necessary facilities and considered whether the amount initially authorized would be adequate. On the basis of these evaluations, the Department requested and obtained an amendment to the original legislation. This amendment (approved Oct. 26, 1970, 84 Stat 1224) provided that the exposition would be held no later than 1972 and authorized appropriations not to exceed \$3 million.

The Congress appropriated \$2.80 million in May 1971. Together with anticipated revenues of \$3.78 million from TRANSPRO activities, Department officials considered the funds to be sufficient to meet estimated total exposition costs of \$6.58 million. The anticipated revenues would be received from such sources as admission and parking fees and rental of exhibit space.

Internal memorandums indicated that Department officials expected a high level of nonreimbursable support from within the Department and from other Government agencies. When they did not receive this support and when increased unforeseen costs were incurred, Department officials requested increased funding for TRANSP0. In November 1971 Department officials stated that

"The cost of developing the TRANSP0-72 site and installing the necessary facilities has increased significantly since the submission of the initial appropriation request. This increase is due to several factors (1) a significant inflation in construction costs, (2) the greatly expanded concept for the Exposition, and (3) inability to obtain accurate estimates or actual cost data until the master planning was completed "

Department officials requested an additional \$2.2 million to meet their revised cost estimate of \$8.78 million.

In December 1971 the Congress appropriated an additional \$2.2 million to TRANSP0 (85 Stat. 627) with the provision that \$2 million of this be available only upon congressional approval of increased authorization. The remaining \$200,000 had previously been authorized. (See p. 6.) In March 1972 the Congress increased the authorization for TRANSP0 from \$3 million to \$5 million (86 Stat. 63)

Also in December 1971 the Congress, under the Department of Defense Appropriation Act of 1972 (85 Stat. 716), allowed defense contractors which would participate in TRANSP0 to charge a portion of their exposition costs to their contracts, not to exceed a total of \$1.25 million. The Department of Defense had not allocated the \$1.25 million to any specific contracts as of February 1973

SCOPE

We examined the legislative history of TRANSP0 and reviewed pertinent TRANSP0 records, files, and reports. We interviewed officials responsible for TRANSP0 and those familiar with TRANSP0 and similar expositions. In addition, we requested each Government agency which provided support to TRANSP0 to provide us with information on the extent of and authority for that support.

CHAPTER 2

FEDERAL FUNDING AND SUPPORT OF TRANSPO

A final analysis of the financial aspects of TRANSPO was not available during our review because all transactions had not been completed. However, on the basis of information and estimates from officials of TRANSPO and other Federal agencies, we estimated that, as of February 1973, the total amount of Federal funds and support and exposition revenues made available for TRANSPO totaled about \$20.24 million and that the Federal Government had spent or committed about \$20.18 million. In addition, TRANSPO had about \$1.55 million in contingent liabilities consisting of claims submitted by TRANSPO contractors for additional compensation. Also, restoration of the TRANSPO site was estimated to cost \$0.40 million.

FUNDS AND SUPPORT FOR TRANSPO

The funds and support to operate TRANSPO were derived from appropriated funds, exposition revenues, and support from Department of Transportation agencies and other Government agencies. The sources of the funds and support are summarized below.

Funds for which TRANSPO officials were responsible		
Direct appropriations		\$ 5,000,000
Estimated revenues		
Space sales	\$1,628,600	
Admissions	^a 973,200	
Support services	100,000	
Parking	^a 71,700	
Food, Souvenirs, and concessions	61,300	
Catalogs and programs	8,500	
Commemorative sales	75,200	
Bus service	38,000	
Contributions	21,200	
Telephone cable	27,500	
Sale of exhibit buildings	<u>127,100</u>	3,132,300
Direct financial assistance from the Department of Transportation and its agencies		<u>1,766,100</u>
		<u>9,898,400</u>
Contributed support from Government departments and agencies		^b <u>10,344,700</u>
Total		<u>\$20,243,100</u>

^aIn a March 16, 1973, report, the Office of Audits, under the Office of the Secretary of Transportation, pointed out that the estimated loss of revenues to TRANSPO due to a lack of proper control over free admission tickets and parked cars during TRANSPO totaled at least \$186,000. It was estimated that about 66,000 admission tickets, valued at about \$150,000, were issued without charge. In addition, about 60,000 cars were parked at TRANSPO without a free pass or a paid parking ticket, resulting in a loss of about \$36,000.

^bIn April 1973 Department of Transportation officials informed us that FAA was planning to absorb approximately \$120,000 of additional expenses for TRANSPO into the FAA appropriations. This action will increase FAA's financial support to TRANSPO by \$120,000 and decrease the expenses charged to the TRANSPO appropriation by the same amount. (See p. 25.)

COSTS INCURRED

We estimated that as of February 1973 the Government had spent or committed \$20.18 million for TRANSP0, as shown in the following table.

	<u>Amount</u>	
	(000 omitted)	
Exclusive costs (note a).		
General site--grading, roads, parking, stabilization, utilities, and design service	\$4,460	
Operations--master plan, administration, site security, cleaning, and other site services	2,880	
Buildings--exhibit and business centers	1,741	
Assistance to defense contractors which exhibited	1,250	
Marketing and promotion	574	
Air and ground demonstration	376	
Bus service	260	
Graphics	223	
Miscellaneous costs	<u>649</u>	<u>\$12,413</u>
Other costs (note b)		
Demonstrations and exhibits	6,676	
Support for demonstrations and exhibits	<u>1,090</u>	<u>7,766</u>
Total		<u>\$20,179</u>

^a Exclusively for TRANSP0.

^b Costs which agency officials said would have been incurred if TRANSP0 had not taken place.

The \$4 46 million for general site work includes \$973,000 for roadwork and parking facilities that the Federal Highway Administration (FHWA) considered to be a demonstration for new construction material and therefore not an exclusive cost of TRANSPO. If FHWA had not contributed the support, TRANSPO would have had to expend operating funds for the projects. Also included in this amount is \$676,000 for road and site preparation work which FAA considers as permanent improvements to Dulles Airport. We considered both of these items exclusive costs because they were necessary for the operation of TRANSPO.

Most of the \$7.77 million categorized as other costs concerned the following.

1. The Urban Mass Transportation Administration provided (a) grants of \$6 million to four corporations under its Research, Development, and Demonstration Program to design rapid transit systems (people movers) and to demonstrate and test those systems at the TRANSPO site for about 1 year, (b) \$414,000 for site development work related to the people movers, and (c) \$108,000 to exhibit urban transit research vehicles.
2. FAA provided \$510,000 for (a) displaying flight-line navigational aid and uses of aeronautics in transportation and (b) supporting a man-in-motion theme¹ and a Department-wide exhibit on its role in providing a balanced transportation system.
3. The Federal Railroad Administration provided \$208,000 to transport a high-speed rail research car to TRANSPO for exhibition and to support the Department's theme and exhibit costs.
4. The Department of Commerce, through the Bureau of International Commerce and the Maritime Administration,

¹A series of exhibits, supported by the Department, depicting man's technological progress in transportation from the beginning of recorded history.

constructed and operated two exhibits at a cost of \$88,000. Commerce officials told us that they intend to use these exhibits in future trade shows.

Appendix II lists department and agency contributions and the cited authority for them. We have not determined the propriety of these contributions.

CHAPTER 3

CONTRACT ADMINISTRATION

Although the authorizing legislation for TRANSP0 excluded it from the requirement of procurement by formal advertising procedures, our examination was concerned with the reasonableness and appropriateness of procurement actions for insuring that goods and services were obtained at fair and reasonable prices.

TRANSP0 and Department organizations procured about \$9.41 million in goods and services through contracts, interagency agreements, and purchase orders. We found that competition for most procurements we reviewed was restricted or nonexistent or that the procurement procedures and practices did not adequately insure that fair and reasonable prices had been obtained. Several contracts resulted in expenses in excess of anticipated amounts

TRANSP0 officials stated that they lacked sufficient procurement and technical support personnel to manage the large volume of procurements and that they followed sound procurement practices when possible within the time available to them.

The procurements are summarized below.

Contract awarded by	Formal advertising procedures		Negotiation procedures				Total	
	Num-ber	Amount	Sole-source		Competitive		Num-ber	Amount
			Num-ber	Amount	Num-ber	Amount		
TRANSP0	26	\$3,011,277	112	\$2,708,106	18	\$1,482,591	156	\$7,201,974
FHWA	4	1,110,069	1	601,577	-	-	5	1,711,646
Office of the Secretary	-	-	-	-	1	283,349	1	283,349
Total	<u>30</u>	<u>\$4,121,346</u>	<u>113</u>	<u>\$3,309,683</u>	<u>19</u>	<u>\$1,765,940</u>	<u>162</u>	<u>\$9,196,969</u>

TRANSP0 officials issued, in addition to the 162 contracts, 301 purchase orders for \$217,338, resulting in total procurements of \$9,414,307 for TRANSP0 operations

We reviewed the procurement practices and examined in detail 18 contracts amounting to about \$7.29 million. Our observations follow.

LIMITED COMPETITION IN ADVERTISED
AND NEGOTIATED TRANSPO CONTRACTS

Seven of the 12 formally advertised or competitively negotiated contracts which we reviewed were awarded by TRANSPO after solicitations which limited competition. At least one of the following characteristics was associated with the award of each of the seven contracts, which totaled about \$3.57 million.

1. An unreasonably short time was permitted for preparing and submitting bids or proposals.
2. The need was not advertised in the Department of Commerce "Business Daily," where industry normally learns of Government contracting opportunities.
3. Competition was limited because, in making procurements, the TRANSPO staff contacted only a small group of contractors.

The limited competition for the seven contracts is illustrated in the following cases.

Case 1

A formally advertised solicitation for leasing toilet and other sanitation facilities was made to eight firms selected from the Washington area telephone directory's yellow pages. TRANSPO officials stated that they used the yellow pages and the Thomas Register to supplement a list which was considered too small to insure adequate competition. However, they did not publicly advertise the proposed procurement.

Potential bidders were given 7 days to prepare bids. Of the three bids received, the low and high bidders were declared nonresponsive because TRANSPO determined that they failed to adequately describe the facilities, such as their color and size. The remaining bidder was awarded the contract for \$124,300.

A TRANSPO official informed us that the need for the facilities had not been advertised and that bidding time had been limited because TRANSPO knew that most of the potential

contractors would need as much time as possible to buy or manufacture toilets to meet the contract requirements.

Our review indicated that TRANSPO officials recognized the need for the facilities months before solicitation. Therefore, the initiation of procurement should not have been delayed until little time was left. Advertising and earlier solicitation could have greatly increased the competition and allowed adequate time for preparing bids

Case 2

TRANSPO made two attempts through formal advertising procedures to solicit competition for the construction and lease of business centers, but it did not receive bids within the TRANSPO budget. TRANSPO then requested 14 potential contractors to submit proposals subject to negotiation. Three of the contractors submitted proposals within the budgeted amount, but two later withdrew because, according to TRANSPO records, TRANSPO officials had failed to make a timely award.

The remaining contractor (two companies in a joint venture) was awarded a firm fixed-price contract for \$384,000 on December 10, 1971.

TRANSPO officials seemed to have relaxed their requirements to get the contract awarded. TRANSPO accepted the contractor as reliable and competent and accepted a \$25,000 letter of credit in lieu of a 100-percent performance bond as initially intended, even though an official from each of the two companies in the joint venture had to pledge personal assets as a result of the unfavorable financial position of their company.

A TRANSPO official told us that requiring such a bond would have tied up all of the contractor's capital. Financial information provided to TRANSPO on the two companies was based on unaudited financial data. Also, the preaward survey of the contractor's technical ability seemed to contain more favorable conclusions than the data justified, since it showed that the contractor had never built the type of structure required.

The records show that, from the time the contract was awarded, TRANSPO considered the contractor marginal from a

financial and performance standpoint. The partially constructed buildings blew down in April 1972, at which time the contractor had been paid \$192,000.

TRANSPO officials terminated the contract because of default and collected \$25,000 under the letter of credit when they determined that the contractor could not possibly complete reconstruction in time for the TRANSPO opening. Two days after termination, TRANSPO awarded a contract to another contractor for a firm fixed price of \$420,000, plus a cost-reimbursable provision for removing certain portions of the previous contractor's material at an estimated cost of \$116,000. The new contractor placed prefabricated units on the foundations constructed by the previous contractor.

TRANSPO officials stated that the buildings in question were only leased to the Government and that at no time did the Government have or intend to have title to them, therefore, the Miller Act, which contains the normal requirements for a performance bond, did not apply. They also stated that the use of performance bonds for such contracts is restricted by the Federal Procurement Regulations.

The Federal Procurement Regulations generally do not require performance bonds for other than construction contracts, but they do not restrict the use of such bonds. Such bonds may be required for other than construction contracts when essential to the best interests of the Government. We believe that TRANSPO officials had sufficient information about the shortcomings of the contractor at the time the contract was awarded to justify requiring a 100-percent performance bond. If TRANSPO officials had required such a bond, the Government would have been protected against the additional costs resulting from the default of the initial contractor

Case 3

TRANSPO invited nine small businesses in the Washington area to submit bids within 8 days for fencing to surround the exposition site. TRANSPO's design contractor had estimated the fencing would cost \$82,000. Two bids were received, of which the lower was for about \$170,000.

Rather than reject both bids and solicit new bids, TRANSP0 personnel stated that they accepted the low bid because of time limitations. They also indicated that the job may have been too big for most small contractors and that 8 days may not have given small contractors enough time to prepare proposals.

The fencing was provided for in the design specification in October 1971, however, TRANSP0 did not solicit bids until March 1972, about 2 months before the opening of TRANSP0. TRANSP0 personnel stated that the fencing was a low-priority item and that sufficient funds were not available for this project until March 1972.

SOLE-SOURCE CONTRACTING

TRANSP0 awarded 112 sole-source contracts totaling about \$2.71 million for personnel, goods, and services. Sixty-one of these, for about \$360,000, were for such goods and services as antique vehicles, temporary military bridges, and air show performers, which did not appear susceptible to competition. We reviewed 5 of the remaining 51 contracts and the 1 sole-source contract awarded by FHWA. The six contracts amounted to about \$1.81 million.

Competition for three of the six contracts appeared to have been unnecessarily limited. In each case a TRANSP0 technical representative informally contacted organizations which he believed might meet TRANSP0's needs.

On the basis of such contacts, the technical representative picked an organization he decided would be acceptable and submitted a sole-source purchase request to the contracting officer. Officials told us that this practice was typical of other TRANSP0 sole-source procurements because time restraints prevented them from advertising. Procurement officials stated that many of the TRANSP0 staff were not familiar with Government procurement procedures and that they frequently did not submit their requirements early enough for the procurement group to solicit competition.

For example, the contract for installing a public address system at the exposition site had to be awarded early so that the public address contractor could coordinate his activities with the master plan design contractor. This

coordination was necessary because all of the public address cables were to be underground

In May 1971 TRANSP0 attempted to arrange for a large manufacturer to provide a public address system in return for free exhibit space. The manufacturer declined but recommended another firm.

The TRANSP0 technical staff contacted the recommended firm and requested it to submit a proposal on the basis of verbal specifications. The firm submitted a proposal on July 7, 1971, which TRANSP0 considered too costly. After further discussions, the firm submitted a revised proposal on August 6, 1971, based on a 50-percent reduction in equipment and services.

On August 10, 1971, the technical staff submitted a purchase request to the procurement staff for a sole-source procurement from the firm for \$24,900, the approximate amount of the firm's August 6 proposal. The justification stated that "insufficient time was available to draft specifications and necessary plans to solicit, research, develop, and award a contract." When we asked why the formal procurement action had not been started earlier, TRANSP0 technical representatives stated that sufficient staff had not been available to prepare the detailed specifications needed to solicit competition.

At least one other firm was interested in supplying the public address system, and it had contacted top TRANSP0 officials asking to be considered. However, the request was not passed down to the operating levels until too late to be considered in the procurement process.

WEAKNESSES IN NEGOTIATING CONTRACTS

When adequate competition does not exist in Government procurements, the procurement agency is normally expected to negotiate for the best possible terms.

When the amount of a negotiated contract is expected to exceed \$100,000, the contracting officer should make a detailed cost analysis of the offeror's proposal to insure a fair price.

It is the contracting officer's responsibility in such cases to require the prospective contractor to submit, or specifically identify in writing, the existing verifiable information used to develop the price proposal (cost or pricing data) and to certify that such data is accurate, complete, and current.

Eight of the 10 negotiated contracts we reviewed, each for at least \$100,000, were awarded without adequate competition. However, in none of these cases (six contracts awarded by TRANSPO and one each awarded by FHWA and the Office of the Secretary) did the contracting officer request cost or pricing data.

As a result, the agencies were not able to make cost analyses of the contractors' proposals. For three contracts the agencies stated that they had made price analyses, that is, they compared the proposals with agency estimates or prices paid for similar goods or services. For the other five contracts, neither cost nor price analyses were made, and for four of these the contractors' proposed prices were accepted without any negotiations.

A TRANSPO procurement official said that sufficient procurement personnel were not available to analyze proposed prices. It was his view that, if time had been taken to obtain cost or pricing data and make detailed cost analyses, TRANSPO would not have opened on time.

The following cases illustrate the practices followed which, in our opinion, did not adequately insure that the Government had a reasonable basis for accepting the contractors' proposals.

Case 1

TRANSPO awarded a contract for \$128,700 to provide graphic panels for TRANSPO's theme. The technical representative who handled this procurement discussed TRANSPO's needs with the contractor and, after the contractor submitted a proposal, requested the contracting officer to award the sole-source contract.

At least three other firms were interested in the contract, but the technical representative decided they were unacceptable. TRANSPO officials did not request cost or pricing data in support of the proposal and received none. Therefore they could not make a price or cost analysis. The contractor submitted only a cost breakdown without supporting data. A preaward audit was made, however, the auditors stated that, because of the lack of time, they were unable to obtain adequate data on labor and overhead rates. The contract was later amended to cover additional work at a total contract price of \$143,495.

Case 2

FHWA awarded a contract to cover part of the parking area at the TRANSPO site with a stabilized sulfate sludge base and other materials. The research and development group of FHWA was testing this substance because it was made with various waste materials which, if acceptable, could be a convenient means of waste disposal.

FHWA officials told us that there had been no competition because only one of two companies which FHWA considered to have the necessary experience was willing to do the work. FHWA estimated that the job would require 520,000 square yards of the base at 80 cents a square yard--a total of \$416,000. The contractor proposed 98 cents a square yard, or \$93,600 more than FHWA had estimated.

FHWA did not make a cost analysis of the proposed price but awarded a contract totaling \$759,790 for the sludge base at 98 cents a square yard, other materials, labor, and overhead. When asked about the lack of cost or pricing data, FHWA procurement personnel told us that their construction personnel had adequate experience and knowledge in highway construction costs to determine the reasonableness of the proposed costs. They stated that, even though this contract

involved an experimental material, the material was to be mixed and placed by standard construction processes. They also stated that they knew of several prices received by the Virginia Department of Highways for similar work and that the contracting personnel were assured that the price negotiated was fair. They stated their belief that, as a result of a review of nine similar projects, they paid no more than the going market price for the item we questioned.

Because FHWA did not have cost experience with this new substance, it appears that the available data did not adequately insure the reasonableness of the proposed price without a detailed cost analysis, as called for by the Federal Procurement Regulations. Later contract modifications reduced the amount of the base to 357,000 square yards, which reduced the difference between the amounts computed at 80 cents a square yard and 98 cents a square yard to \$64,300.

CHAPTER 4

MANAGEMENT OF TRANSPO

During the preparation for TRANSPO, the Department realized that it did not have the experienced management personnel or sufficient operating staff to efficiently develop a transportation exposition of the size and complexity of TRANSPO. Late in the planning and preparation process, the Department changed the management and organization of TRANSPO so that it could open on time. Also, TRANSPO experienced difficulty in obtaining staff, funds, and services from the Federal departments and agencies on a timely basis. These factors, together with the short time in which the Department and TRANSPO officials were operating, were not conducive to an efficient operation, as was particularly evident in their procurement activities.

STAFFING

In June 1970 the Department detailed three people to TRANSPO. One, who was the Acting Managing Director and later Managing Director, had been doing preparatory work for a possible exposition for a number of years and had participated in the Government's involvement in the Paris Air Show.

In October 1970 the Department contracted for a study of TRANSPO's organizational needs. The contractor's report, dated October 28, 1970, discussed the organization of the Paris Air Show and, by comparing TRANSPO with that event and considering the short time available, recommended an organization plan for TRANSPO. The contractor stressed the need to begin immediately.

The TRANSPO staff began to increase during the early part of 1971. By March 1971, eight persons were on the TRANSPO payroll and a number of agency personnel had been detailed to TRANSPO. During March 1971 the Secretary designated heads of (1) the Technical Planning and Installations Division, which was responsible for the master plan and overall construction and operations, (2) the Marketing and Promotion Division, which was responsible for development, sales, concessions, and special events, and (3) the Facilities and Operations Management Division, which was responsible for administrative control and management support.

By June 1971, 14 persons were on the TRANSPO payroll and 16 were detailed to it, however, it was becoming apparent to the Department that TRANSPO would not open on time under the existing staffing level. The Managing Director had recommended a staff of 59 by June 1971.

TRANSPO's Second Quarterly Report, issued in June 1971, stated that progress had been slow due to lengthy delays in obtaining administrative approvals from the Office of the Secretary of Transportation for the day-to-day operations and the hiring of personnel

TRANSPO memorandums indicate that key vacancies sometimes existed. TRANSPO's Third Quarterly Report, issued in September 1971, stated that

"We still lack staffing in a few vital areas. We particularly need the services of two specialists in flight line operations. We are severely hurt by the long delay involved in securing * * * [the Secretary's] approval of our personnel actions, including these two. We frequently encounter delays or outright refusals for staff assistance we request from * * * [the Department] and operating administrations, with disastrous results to deadlines which cannot sustain further slippage "

On September 10, 1971, the Secretary appointed a Special Assistant for developing TRANSPO. The Special Assistant, who was a vice-president of a large industrial concern with considerable experience in business and public affairs, served the Secretary without compensation during TRANSPO

On January 6, 1972, the Secretary announced realignment of the top executive structure of TRANSPO to strengthen management. A Consulting Executive Director, an Exposition Consultant, and a Consulting Director for Entertainment and Special Events were engaged as part of the new management team under the Special Assistant. The Managing Director was reassigned to the position of Executive Secretary.

After analyzing the adequacy of the TRANSPO staff and management, the Consulting Executive Director reported to the Special Assistant in January 1972 that

- Few, if any, people in Government had the highly specialized talent needed to run an exposition of the magnitude of TRANSPO.
- Some bad judgment had been used in projecting costs caused by lack of experience

He concluded that, if the lack of experience had been recognized in the beginning, many of the difficulties could have been avoided.

The TRANSPO organization under the new management team was divided into 10 units

- Office of the Special Assistant to the Secretary
- Comptroller
- Design
- Public Affairs
- Visiting Dignitaries
- Construction and Building
- Marketing
- Concessions and Services
- Air and Ground Demonstrations
- Plant Operations

Staffing increased under the new management team. In February 1972, 33 persons were on the TRANSPO payroll and 30 were detailed from various agencies. Staffing peaked during the exposition in May 1972, when 47 persons were detailed to TRANSPO from within the Department and other agencies and 58 were on the payroll

After the exposition the staffing level dropped considerably, most of the initial reductions were from the TRANSPO payroll. As of February 1973, only one person remained on full-time detail to TRANSPO to do "wrap up" work and one person remained part time to close contracts.

FUNDS AND SUPPORT FROM FEDERAL AGENCIES

Interim funding of TRANSPPO

Funds were not appropriated to TRANSPPO until May 1971, but FAA officials recognized in the fall of 1970 that interim funding was needed to meet salary obligations and enter into key contracts which required significant lead time. These officials stressed their belief that, if funding was not made available at that time, TRANSPPO could not be held when planned. Therefore they authorized TRANSPPO to obligate and expend funds and charge such obligations and expenditures against FAA's facilities and equipment account, under the condition that such charges would be transferred to the TRANSPPO account after TRANSPPO received its appropriation.

FAA officials informed us that this authorization was based on a broad, informal interpretation of FAA's authorizing legislation (49 U S C. 1301), which states that

"The Secretary of Transportation is empowered and directed to encourage and foster the development of civil aeronautics and air commerce in the United States and abroad "

Department officials informed us in April 1973 that FAA officials had reconsidered this transfer and planned to return such obligations and expenditures from the TRANSPPO account to the FAA appropriations. This action will increase FAA's financial support to TRANSPPO by \$120,000.

Efforts to obtain supplemental support

To supplement the initial appropriation and estimated revenues, TRANSPPO officials anticipated that they would receive wide support from within the Department and from other Government agencies. Internal memorandums indicated that they did not receive this support as soon as anticipated.

For example, TRANSPPO's First Quarterly Report to the Secretary of Transportation for the period ended February 28, 1971, included this comment

"We continue to be hampered in our overall operations by the apparent lack of understanding by operating administrations and offices outside FAA that the Exposition is a Department-wide undertaking and as such, necessitates their contributing on a nonreimbursable basis certain in-house support and resources required to properly develop and stage the Exposition "

The Secretary of Transportation, in a May 1971 memorandum to heads of operating agencies and secretarial officers, directed them to assist and support TRANSPO, within reasonable bounds, on a nonreimbursable basis.

Federal support was apparently a continuing problem. For example, the Managing Director of TRANSPO, in a September 1971 letter to the Special Assistant, stated:

"Our major problem is really that few Federal agencies realize the significance of TRANSPO, or seem to be willing to participate even as exhibitors."

TRANSPO's Third Quarterly Report to the Secretary in September 1971 stated

"The single major problem we face is lack of adequate funding. Much of this disadvantage could be overcome by inputs of personnel and funds from other elements of the Department of Transportation and other Federal departments and agencies. Unfortunately, an understanding of our mission and the need for cooperation has been slow in coming or nonexistent in most cases, in spite of our persistent and earnest efforts to explain that we are merely the department assigned action by the President to produce and manage the Exposition for the entire Government. In too many areas, our requests are treated as matters of annoyance, rather than matters of high priority "

Although TRANSPO initially had difficulty in obtaining staff, funds, and services from Federal departments and agencies, it ultimately received total Federal support in excess of that initially reported to the Congress in

November 1971 during hearings on the need for a supplemental appropriation. At that time Department officials informed the Congress that the estimated cost of TRANSPO was about \$8.78 million. This amount did not include any estimates for support from other departments and agencies because TRANSPO officials did not know the total estimate. We noted, however, that certain support was being provided to TRANSPO at that time, such as personnel on detail and contracts funded by other agencies.

The actual cost will exceed the \$8.78 million estimate by a considerable amount. In addition to the \$1.25 million authorized by the Congress in December 1971 for defense contractors and the \$7.77 million furnished primarily by the Urban Mass Transportation Administration for people mover exhibits (see pp. 7 and 10), about \$11.16 million was spent or committed for TRANSPO. Possible additional liabilities (see p. 8) could increase that amount by several million dollars. It is difficult to determine what effect the problems with management, staff, and time have had on the overall cost of TRANSPO. However, it appears that these problems produced a situation which favored expediency rather than a carefully planned program. It seems reasonable to conclude that the cost of TRANSPO was likely affected by decisions concerning what activities and exhibits to include in the exposition.

The sources and cited authorities for support provided to TRANSPO are detailed in appendix II.

CHAPTER 5

OTHER MATTERS

We examined the (1) arrangements between National Capital Airports, FAA, and TRANSP0 for reimbursing TRANSP0 for certain permanent improvements to Dulles Airport and (2) Department claims of economic benefits from the exposition.

National Capital Airports analyzed the improvements and determined which were or could be of benefit to Dulles. These improvements--primarily a dual highway between the Dulles access road and the exposition site and development of the site--fit into the long-range plans for improvements at Dulles. Claims of economic benefits from the exposition are based primarily on a survey conducted by a Department contractor. The survey does not appear to be a reasonable basis for projecting economic benefits.

IMPROVEMENTS TO DULLES

On March 10, 1972, TRANSP0 and National Capital Airports agreed that National Capital Airports, which is responsible for Dulles, would reimburse TRANSP0 for improvements which could reasonably be expected to be useful in Dulles' future development.

As of September 1972 National Capital Airports was obligated to reimburse TRANSP0 a maximum of \$676,000. The breakdown of the estimated reimbursement due to TRANSP0 is shown below.

Road improvement		
Road from Dulles access		
highway to parking lot	\$432,500	
North-South Service road	<u>8,500</u>	<u>\$441,000</u>
Site development.		
Cleaning, grubbing, and		
grading	201,000	
Stabilization	16,000	
Design	10,000	
Soil test	<u>8,000</u>	<u>235,000</u>
Total		<u>\$676,000</u>

The Dulles 1964 master plan provided for future airport development at the exposition site and for a dual-lane highway between the site and the Dulles access road.

ECONOMIC IMPACT OF TRANSPPO

It was a Department goal for TRANSPPO to stimulate the economy through the sale of new transportation concepts and systems. The Department has not determined the economic impact of TRANSPPO, however, Department officials hired a consulting firm to measure the impact by surveying TRANSPPO exhibitors. The firm, under an \$11,000 contract, estimated that potential sales amounted to \$178.2 million.

Less than half of the exhibitors responded to the contractor's request for information, and the replies needed considerable interpretation. The contractor determined that less than 20 percent of the responses (31 exhibitors) could be used for projecting potential sales of all exhibitors and that some of these responses required adjustment. The contractor estimated that the usable replies, as adjusted, represented a potential for \$82 million in sales for all respondents and, by projection, \$96.2 million for exhibitors not responding, or a total of \$178.2 million.

We believe that the survey, its timing, and the methodology are not good bases for estimating the potential for sales. Exhibitors were invited to reply anonymously, and they did so, thus, there was no way to determine whether the replies used were from exhibitors who sufficiently represented all exhibitors.

Also, there was no way to determine whether the replies, which were requested within a month of TRANSPPO, were supported by expressions of serious interest by potential purchasers or merely guesses. Several replies stated that it was too early to estimate the impact. In addition, due to the anonymity of the respondents, it could not be determined whether the estimates represented the expectations of a sampling of domestic firms or a combination of domestic and foreign firms.

Finally, in reviewing the results of the survey with us, the contractor was unable to reconstruct the makeup of

the \$82 million in reported potential sales or to fully identify which replies were used.

The contractor also asked exhibitors to express their opinions on whether TRANSPO would favorably affect employment and the balance of payments. Most of the respondents thought that the exposition would have a favorable impact.

H R GROSS
3d Dist Iowa

HOME ADDRESS
WATERLOO IOWA

HOUSE OFFICE BUILDING

COMMITTEES
FOREIGN AFFAIRS
POST OFFICE AND CIVIL SERVICE

Congress of the United States
House of Representatives
Washington, D.C. 20515

COUNTIES
BLACK HAWK HAMILTON
BREMER HANCOCK
BUTLER HARDIN
CERRO GORDO HOWARD
CHICKASAW MITCHELL
FLOYD WINNEBAGO
FRANKLIN WORTH
GRUNDY WRIGHT

March 9, 1972

Honorable Elmer B Staats
Comptroller General of the United States
General Accounting Office
441 G Street
Washington, D. C. 20548

Dear Mr. Staats

I am sure you are aware of the fact that the Congress has appropriated a total of \$5 million to conduct a nine-day transportation exhibition at Dulles International Airport during May and June of this year.

The original cost estimate for this project was \$750,000.

The excuse for this huge cost increase, as presented to the House, is that the scope of the project was enlarged and that inflation also made its contribution.

It has been alleged to me, however, that indecision and inattention to the project inside the Department of Transportation resulted in its being almost entirely ignored until someone suddenly realized that the opening day was less than a year away.

I have also been advised that the director of this exhibition was not appointed until less than a year from the opening date and that the neglect of the project by top officials of the Department resulted in little or no staff being recruited on anything like a timely basis.

I will appreciate it if you endeavor to confirm or disprove the allegations of neglect and delay that have been made to me.

If they are true, it would appear that these factors have contributed to the increased cost of this exhibition.

Mr. Elmer B. Staats

-2-

March 9, 1972

It would also appear that the additional financing of this project is on what could be called a crash basis which, in the past, has often led not only to waste but to flagrant violations of government procurement and contracting regulations. I ask that you also investigate this possibility.

One of the selling points of this exhibition has been the claim that it will result in vast, but unstated amounts of business for American exhibitors. It has been claimed that "the exposition will make a considerable contribution to the domestic economy through stimulating the sale of new transportation concepts and systems within our own economy as well as internationally".

I request that you attempt to locate any memoranda, correspondence or other evidence in the files of the Department of Transportation that indicate the basis for such claims and to locate any evidence that information to the contrary was presented to the Department.

If such contrary evidence or information was presented, please attempt to learn what attention was paid to it. If it was ignored, who ignored it and why?

After the close of the exhibition, I request that you take whatever steps are possible to determine the accuracy of the claims of economic benefit that I am sure will be issued by the Department. If foreign governments or firms are among the exhibitors, I would like to know whether their products received more orders than those of American exhibitors, if this information is available.

It has been claimed that much of the money being spent on this project will result in permanent improvements to Dulles Airport. Please advise me what "permanent improvements" will result, what they cost and what use will be made of them after the exhibition. Will there be sufficient utility to justify the term "permanent improvement"?

Please determine the background of the director of this exhibition and advise me, if possible, how he came to the attention of Department officials and whether any official can be said to have served as his sponsor. Does the director have any background or expertise in organizing and conducting an exhibition of this nature or of any other nature?

Mr. Elmer B. Staats

-3-

March 9, 1972

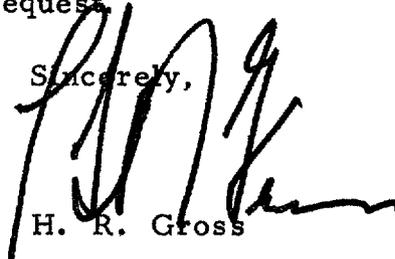
If the total cost of the exhibition exceeds the amount appropriated for it, please advise where the additional money was obtained and by what authority.

Did any of the cost of this exhibition include financial assistance of any nature to corporations or individuals to attend?

In the course of your investigation, and because of the apparent "crash" nature of this project, I ask that particular attention be paid to the possibility of conflict of interest being present.

Thank you for your attention to this request.

Sincerely,

A handwritten signature in black ink, appearing to read 'H. R. Gross', written over the typed name.

H. R. Gross

HRG/jg

APPENDIX II

SUPPORT PROVIDED TO TRANSPO
BY FEDERAL DEPARTMENTS AND AGENCIES

<u>Department</u>	<u>Support rendered</u>	<u>Exclusive cost</u>	<u>Other cost</u>	<u>Total department cost</u>	<u>Cited authority</u>
Department of Health Education and Welfare	Secretarial services	\$ 4 500	\$ -	\$ 4 500	Section 709 Public Law 91-142 (note a)
Department of the Interior	Park police services loan of park benches and loan of cleanup truck	17,157	-	17,157	Executive Order 11538 (note b)
Export Import Bank of the United States	Cost to provide information at TRANSPO	6,951	-	-	Title IV of the Foreign Assistance and Related Programs Appropriation Act (Public Law 92-242) (note c)
	Cost to demonstrate the various services that could be rendered to potential exporters	-	11 133	-	
Total		-	-	18,084	-
Department of Defense	Various air demonstration teams and space trade-off for military personnel temporarily assigned to TRANSPO	^d 115,185	-	-	Department of Defense Directive 5410-18, section IV, "Community Relations "(note e), Executive Order 11538 (note b), and section 709 Public Law 91-142 (note a)
	Funds available to assist defense contractors which exhibited products at TRANSPO	1 250 000	-	-	Section 734 Public Law 92-204 (note f)
Total		-	-	1,365 185	-
Government of the District of Columbia	Painted heliport station and standby fire and ambulance protection	6 873	-	6 873	Office of the Director, Department of Highways and Traffic, and section 4-401, District of Columbia Code (note g)
Environmental Protection Agency	Technical assistance in setting up a solid-waste collection system for TRANSPO	689	-	689	Solid Waste Disposal Act of 1965 as amended by the Resource Recovery Act of 1970 (note h)
Department of Justice	Provided deputy marshals	16,830	-	16 830	Provided at the request of the Department of Transportation
General Services Administration	Assignment of supply management representatives police service and onsite inspection of cleaning services	39 915	-	-	Executive Order 11538 (note b)
	Design and proposed model of the GSA exhibit area	-	500	-	-
Total		-	-	40,415	-
Department of Agriculture	Exhibit to demonstrate to shippers Agriculture's research and its effect on transporting agriculture commodities	-	18 000	18 000	Organic Act establishing the Department (May 15, 1862, 7 U S C 2201) and annual appropriation language (note i)
Department of State	Personnel cost for matters of protocol and a reception for visiting dignitaries	10 977	-	10 977	Services furnished were considered functions which routinely fall within the Department's responsibility
Department of Transportation	Office of the Secretary				
	Administrative and audiovisual services	97,275	-	-	Public Law 91-142 (note a)
	Funds for man-in-motion theme	-	84 000	-	Public Law 91-142 (note a)
United States Coast Guard	Administrative services	83 411	-	-	Public Law 91-142 (note a)
Federal Aviation Administration	Administrative services	814,239	-	-	

APPENDIX II

Department	Support provided	Exclusive cost	Other cost	Total department cost	Cited authority
Department of Transportation (continued)					
Federal Aviation Administration	Flight line navigation aid exhibit aeronautic display share of the Department's exhibit and funds for man-in-motion theme	\$	\$ 1,510,000	\$ -	Public Law 91-142 (note a)
National Capital Airports	Funds for permanent improvements to Dulles Airport	1,676,000	-	-	Appropriations for National Capital Airports (note k)
FHWA	Administrative services and road and parking facilities	1,136,624	-	-	Public Law 91-142 (note a) 23 U S C 307(a) and 23 U S C 104(a) (note m)
	Exhibit of role of FHWA and funds for man-in-motion theme	-	100,000	-	-
St. Lawrence Seaway Development Corporation	Administrative services	9,000	-	-	Public Law 91-142 (note a) and 23 U S C 104(a) (note m)
	Share of Department's exhibit	-	3,687	-	-
Federal Railroad Administration	Exhibit of high speed rail system share of the Department's exhibit Funds for man-in-motion theme	-	208,300	-	Public Law 89-220 (note n)
National Highway Traffic Safety Administration	Safety vehicle exhibit sponsor of an International Safety Conference and funds for man-in-motion theme	-	149,393	-	Public Laws 89-563 (note o) 89-564 (note p) and 91-142 (note a)
National Transportation Safety Board	Share of Department's exhibit	-	2,000	-	Public Law 91-142 (note a)
Urban Mass Transportation Administration	Exhibit of people movers and buses share of the Department's exhibit, and funds for man-in-motion theme	-	6,591,809	-	Urban Mass Transportation Act of 1964 as amended (note q)
Total		-	-	10,465,742	
Department of Commerce					
Bureau of Domestic Commerce	Planning and promotional assistance	11,781	-	-	Trade Fair Act of 1959 (19 U S C 1752) (note r)
Bureau of International Commerce	Service of staff designer and exhibit	27,100	37,791	-	15 U S C 1512 (note s) and appropriation act for fiscal year 1972 (Public Law 92-77) (note t)
United States Travel Service	Multilingual interpreters	4,250	-	-	International Travel Act of 1961 (22 U S C 2121) (note u)
National Oceanic and Atmospheric Administration	Weather data	950	-	-	15 U S C 313 (note v)
Maritime Administration	Exhibit	-	49,830	-	Merchant Marine Act of 1936 as amended (46 U S C 1101 1121(j), 1122(d) and 1122(f)) (note w) and 15 U S C 1512 (note s)
Total				131,702	
Department of the Treasury	Customs assistance and the trade-off of space for selling medals by the United States Mint	11,626	-	11,626	Executive Order 11538 (note b) and Public Law 92-266 (note x)
Smithsonian Institution	Delivery and installation of a display	207	-	207	20 U S C 41-57 (note y)
Government Printing Office	Sales of documents	2,600	-	2,600	44 U S C 1701-1716 (note z)
Total		\$4,346,140	\$7,766,447	\$12,110,587	

APPENDIX II

- ^aSection 709 of Public Law 91-142 the Military Construction Authorization Act of 1970 authorized the establishment of an International Aeronautical Exposition and authorized the head of each agency or department to detail personnel for such purpose with or without reimbursement This section also allowed the exposition to accept donations of money property or personal services
- ^bExecutive Order 11538 issued by the President on June 29 1970 delegated to the Secretary of Transportation the responsibilities and powers vested in the President by Public Law 91-142 This order also directs each Federal department and agency to cooperate with the Secretary and to the extent permitted by law and the availability of funds, to furnish him such assistance as he may request
- ^cTitle IV of Public Law 92-242 the Foreign Assistance and Related Programs Appropriation Act of 1972 provides the annual operating authority for the Export Import Bank
- ^dSupport includes sales value of exhibits space traded for services
- ^eSection IV of Department of Defense Directive 5410-18 "Community Relations" urges active participation of military units and personnel in civilian programs to maintain a state of mutual acceptance respect and cooperation between the Armed Forces and civilian communities
- ^fSection 734 of Public Law 92-204 Department of Defense Appropriation Act for fiscal year 1972 allows defense contractors which exhibited their products at TRANSCO to charge a portion of their exhibit costs to their defense contracts not to exceed an aggregate total for all contracts of \$1.25 million
- ^gThe District of Columbia Code 4-401 cites the establishment of a fire department by authority of the Congress The department is maintained for the general public in the District of Columbia
- ^hThe Solid Waste Disposal Act of 1965 as amended (42 U.S.C. 3251) authorizes the Secretary of Health Education and Welfare to provide technical and financial assistance in the planning and development of resource recovery and solid-waste disposal programs
- ⁱThe act establishing the Department of Agriculture stated that the general design and duties of the Department shall be to acquire and diffuse among the people of the United States useful information on subjects connected with agriculture
- ^jIncludes part of the \$1,766,100 in funds given to TRANSCO by the Department of Transportation and its agencies (See p. 8)
- ^kThe Appropriation for National Capital Airports for 1972 (85 Stat. 206) authorizes the use of appropriated funds for the development of Dulles International Airport and Washington National Airport
- ^lDirect support from FHWA includes \$972,517 in demonstration costs (See p. 10)
- ^m23 U.S.C. 307(a) authorizes the Secretary of Transportation to engage in research on all phases of highway construction and to test and develop any material or process 23 U.S.C. 104(a) authorizes the Secretary of Transportation to obligate 3-3/4 percent of the funds appropriated for Federal-aid systems for the purposes of 23 U.S.C. 307(a)
- ⁿPublic Law 89-220 (49 U.S.C. 1631) authorizes the Secretary of Transportation to contract for demonstrations to determine the contributions that high-speed ground transportation could make to more efficient and economical intercity transportation systems
- ^oThe National Traffic and Motor Vehicle Safety Act of 1966 Public Law 89-563 (15 U.S.C. 1381) authorizes the Secretary of Transportation to conduct research testing and development in the area of motor vehicle safety and to insure that all information obtained from this activity is made available to the public
- ^pThe Highway Safety Act of 1966 Public Law 89-564 (23 U.S.C. 403) authorizes the Secretary of Transportation to use appropriated funds to carry out safety research and demonstration projects
- ^qThe Urban Mass Transportation Act of 1964 as amended Public Law 88-365 (49 U.S.C. 1601) authorizes grants and loans to assist the development of improved mass transportation facilities It also authorizes the Secretary of Transportation to undertake research, development and demonstration projects in all phases of urban mass transit including the development testing and demonstration of new facilities and equipment
- ^rThe Trade Fair Act of 1959 (19 U.S.C. 1752) allows the Secretary of Commerce to designate events for duty-free entry privileges for participating foreign nations and firms
- ^s15 U.S.C. 1512 prescribes the general authority of the Secretary of Commerce to foster, promote and develop foreign and domestic commerce
- ^tPublic Law 92-77 (85 Stat. 245-271) contains the fiscal year 1972 appropriation for the Department of Commerce and appropriates money for expenses incurred for the promotion of domestic and foreign commerce
- ^uThe International Travel Act of 1961 (22 U.S.C. 2121) states that the Secretary of Commerce is responsible for promoting friendly understanding and appreciation of the United States by encouraging foreign residents to visit the United States and by generally facilitating international travel
- ^v15 U.S.C. 311 established the Weather Bureau 15 U.S.C. 313 authorizes the Chief of the Weather Bureau to take charge of forecasting the weather and distributing meteorological information
- ^wThe Merchant Marine Act of 1936, as amended authorizes the Secretary of Commerce to foster promote and develop domestic and international commerce, the shipping industry and U.S. transportation facilities
- ^xPublic Law 92-266 (86 Stat. 116) authorized the Secretary of the Treasury to strike medals in commemoration of TRANSCO
- ^yThe general provisions of the law regarding the Smithsonian Institution are set forth, in part in 20 U.S.C. 41-57 20 U.S.C. 50 authorizes the Smithsonian Board of Regents to deliver to such persons as it authorizes all objects of art and of foreign and curious research and all objects of natural history plants and geological and mineralogical specimens belonging to the United States
- ^zThe general authorization regarding the distribution and sale of public documents is contained in 44 U.S.C. 1701-1716 Under this authorization the Superintendent of Documents may order public documents required for sale subject to the approval of the Secretary of the department in which the public document originated