Office of
INSPECTOR GENERAL

Audit Report

Evaluation of the Commission's Role
In Preparing Recurring Reports

Report No. IG-01-93

March 1993

Date Issued

INSPECTOR GENERAL

UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, D.C. 20436

March 15, 1993

EVALUATION OF COMMISSION'S ROLE IN PREPARING RECURRING REPORTS

The Office of Inspector General has completed a review evaluating the Commission's role in preparing recurring reports. The objectives of this review, which was in the Fiscal Year (FY) 1992 Audit Work Plan, were to evaluate the Commission's role in order to identify ways to improve the process or products and to determine whether steps have been or should be taken to revalidate the continued need for recurring reports.

We identified 14 topics for which the Commission was preparing reports on a recurring basis in FY 1992. The Office of Industries (ID) is responsible for 9 of the topics and the Office of Economics (EC) is responsible for 5 topics. The studies were initiated in response to statutory mandates (4), requests from Congress (6), or were self-initiated (4). Reports were originated as long ago as 1917, but most (9) were initiated in the 1980s. The reports are prepared on a monthly, quarterly, semi-annual or annual basis. Most of the studies (9) were conducted under the authority given to the Commission in section 332 of the Tariff Act of 1930. Note: In response to the draft report, the Director of Operations identified two additional reports issued on a recurring basis. We did not amend the statistics throughout the audit report because the findings and recommendations would not have been affected.

Since 1987, 11 recurring reports have been deleted or the scopes or frequency reduced. We do not think that comparable reductions will occur in the future because most of the reports terminated had sunset dates and only two of the recurring report studies currently being performed have sunset dates. Even though only a small percentage of Commission resources are now spent on preparing recurring reports, we believe that it is important to develop a system to systematically address requests for and validation of these reports so that the Commission can try to prevent a situation where this workload affects accomplishment of other duties. We believe that procedures addressing the entire life cycle of recurring reports need to be established that would influence the method in which requests were made, the inclusion of sunset dates for termination or review, and consideration of more information in deciding whether or not to continue reports.

We found that the administrative action processes for recurring reports provided varying treatment in classifying recurring reports as section 332 studies and in initiating the studies and approving the reports for issuance. We believe that all recurring reports distributed outside of the Commission should be classified as 332 studies. Furthermore, the process could be improved by revising the Commission policies on initiating studies and/or issuing reports.

We found that multiple program offices maintained mailing lists either instead of or in addition to the mailing list maintained by the Office of the Secretary. We believe that this is inefficient in terms of maintenance, consistent distribution of reports, preventing duplication, and validation efforts. We also found that a few program offices packaged the reports for mailing which we do not believe is an appropriate function for those offices. The multiplicity in distribution functions is due at least in part to the absence of a Commission policy on a centralized mailing list and the procedures for mailing reports and/or publications.

We believe that one way to achieve a cost reduction goal and still provide reports to the public would be to increase the Commission's use of the Government Printing Office (GPO) to sell recurring reports. Currently, only the Harmonized Tariff Schedule is sold by GPO. The primary objections that we heard to using GPO were problems experienced in the past with printing quality and timeliness. However, the Commission could print the reports in order to provide copies to Congress, the Executive Branch, and other agencies and then either give GPO copies to distribute or allow GPO to make a second printing. If the Commission used GPO, the mailing and associated costs for recurring reports could be significantly reduced.

Recommendations to address the above findings are made to the Director of Operations on pages 5, 8, 13, and 17 of the report. Even though many of the recommendations require coordination with other offices, we have addressed all recommendations to the Director of Operations because he has overall responsibility for the conduct of the recurring reports. Furthermore, the Director must initiate policy and procedural changes affecting the recurring reports before other offices can take action making him the most appropriate action officer.

The Director of Operations agreed with the findings and recommendations. In addition to agreeing to establish policies as recommended, the response usually included language on the position to be taken by the Office of Operations. Even though we do not fully agree with all of the proposed policies, I would like to acknowledge this as a positive step by the Director of Operations because it facilitates the development of policies. My comments on the proposed policies are included in the Commission Comments sections of the report for consideration in drafting or revising applicable directives. A summary of the Director's comments on the findings and our responses are presented on pages 5, 8, 14, and 17 of the report. The Director's comments are presented in their entirety as an appendix to the report.

Jane E. Altenhofen

Jane E. Altenhofen
Inspector General

TABLE OF CONTENTS

INTRODUCTION AND SCOPE 1

BACKGROUND 2

FINDINGS AND RECOMMENDATIONS 3

REVALIDATING NEED FOR RECURRING REPORTS 3

- Recommendations 5
- Commission Comments 5

PROCEDURAL DIFFERENCES 6

- 332 Classification 6
- Review Process 7
- Recommendations 8
- Commission Comments 8

DISTRIBUTION 9

- Mailing Lists 9
- Designating Report Recipients 11
- Duplication 12
- Validation 12
- Packaging 13
- Recommendations 13
- Commission Comments 14

USE OF THE GOVERNMENT PRINTING OFFICE 14

- Recommendations 17
- Commission Comments 17

ATTACHMENTS

1. List of Recurring Report Topics
2. Summary of Recurring Reports
3. Comparison of the Review Process
4. Comparison of the Mailing Process
5. Reductions in Recurring Reports Since 1987
6. Form To Be Placed on Mailing List
7. Excerpt: Government Periodicals and Subscription Services

APPENDIX - Memorandum from the Director of Operations, dated February 22, 1993, on Draft Report

INTRODUCTION AND SCOPE

The Office of Inspector General has completed a review evaluating the Commission's role in preparing recurring reports. The objectives of this review, which was in the Fiscal Year (FY) 1992 Audit Work Plan, were to evaluate the Commission's role in order to identify ways to improve the process or products and to determine whether steps have been or should be taken to revalidate the continued need for recurring reports.

Our review was conducted in September through November 1992. The fieldwork was performed at the Commission offices in Washington, D.C. We began by compiling a list of topics for which recurring reports were required in FY 1992. We identified 14 topics for reports that were issued on a recurring basis (see Attachment 1 for a list of topics, short titles, and acronyms used throughout this report).

The Office of Industries (ID) is responsible for 9 of the topics and the Office of Economics (EC) is responsible for 5 topics. We interviewed staff in these offices who were responsible for conducting the studies and preparing the reports. We obtained information on the authority for conducting the studies, the content of the reports, practices for maintaining the mailing list and distributing the report, and time recording. Our review included examination of final reports, administrative action documents, communications with congressional committees and reports from the Activity Reporting System.

We also interviewed other Commission offices that have responsibilities related to the preparation of recurring reports. We discussed the role of the Director of Congressional Liaison (CL) in receiving requests to conduct studies and periodically revalidating the continued need for the reports. The Acting Director of Public Affairs (PA) described the policy and procedures for issuing announcements and press releases. The Acting Secretary was interviewed concerning the Commission's mailing lists, assignment of publication numbers, and printing requests. In the Office of Management Services (OMS), we discussed mailing costs with staff in the Operations Branch, Administrative Services Division and printing and mail preparation procedures with staff in the Printing Branch, Publishing Division.

We met with the Documents Marketing staff from the Government Printing Office (GPO) to discuss the possibility of using their system to sell the recurring reports. GPO representatives described their policy for accepting documents for distribution and their system for advertising, taking orders, mailing and pricing documents.

We reviewed the Federal Managers' Financial Integrity Act report for the recurring services and reports assessable unit for FYs 1991 and 1992. No weaknesses relevant to the preparation of recurring reports were identified.

This review was performed in accordance with applicable generally accepted government auditing standards. Accordingly, the review included an examination of internal controls and other auditing procedures that were considered necessary under the circumstances.

BACKGROUND

We identified 14 topics for which the Commission was preparing reports on a periodic basis in FY 1992. These studies were initiated in response to statutory mandates (4), congressional requests from the Senate Finance Committee (SFC) and/or the House Ways and Means Committee (HW&M) (6), or were self-initiated (4). Reports were originated as long ago as 1917, but most (9) were initiated in the 1980s. The reports were prepared on a monthly, quarterly, semi-annual or annual basis. Most of the studies (9) were conducted under the mandate given to the Commission under section 332(g) of the Tariff Act of 1930. (See Attachment 2 for a summary of the reports.)

The direct cost to prepare the recurring reports in FY 1992 was approximately $1.56 million. According to the Activity Reporting System, 67,150 hours were expended on recurring reports in FY 1992 with an estimated cost of $1.4 million. Using the cost estimated by OMS as $1.64 per copy to print one report which they considered to be typical and approximately 37,634 copies of recurring reports printed in FY 1992, we calculated a rough estimate of $61,720 for printing costs. We estimated the postage for mailing recurring reports in FY 1992 as $58,000 excluding packaging materials and time. Travel, which was only required on two studies, was reported at $24,159.

There are a multitude of variations on how the studies are initiated within the Commission and the reports issued and distributed. A general description of the process is as follows:

-- Except for two studies which were self-initiated, the studies for recurring reports were initiated by action jacket either when the study was initiated on a recurring basis (8 - such as quarterly statistical reports) or at the beginning of each cycle (4 - all annual studies of an analytical nature).

-- Most of the reports (10) were processed through senior review and approved by the Commission via an action jacket. Reports of a statistical (2) or opinion (2) nature were issued after a review limited to the lead office.

-- Printing requests for nine reports were initiated by the program office and sent to the Secretary who assigned the publication number and completed the request for mailing. For four reports, the request went directly from the program office to the Printing Branch. One report did not require a print request.

-- For most reports, the Printing Branch printed and assembled the publication, printed the mailing labels and packaged the reports for mailing. For a few reports, the program office assembled the report, printed mailing labels, and/or packaged reports for mailing.

Variations in the above process that we considered significant are discussed in the body of this report. Summaries comparing the review and mailing processes are presented in Attachments 3 and 4.

FINDINGS AND RECOMMENDATIONS

As a result of this review, we identified several areas that we think need to be improved in order to be more effective. We found that the Commission had not formally established procedures to regularly revalidate the continued need for recurring reports; the reports varied in how they were classified as section 332 studies, initiated, and/or approved for issuance; and multiple program offices maintained mailing lists either instead of or in addition to the mailing list maintained by the Office of the Secretary and a few packaged the reports for mailing. In addition, the Commission currently prints and distributes all recurring reports and we believe that GPO should be used for these functions to the extent possible in order to reduce mailing and associated costs.

REVALIDATING NEED FOR RECURRING REPORTS

We found that the Commission has not formally established procedures for regularly revalidating the continued need for recurring reports. Sporadic efforts were made to revalidate and consolidate reports which resulted in several changes in frequency and format of the reports since 1987. We believe that established procedures addressing the entire life cycle of recurring reports would provide a better validation.

In a report issued in 1987 (Observations on the Operations of the International Trade Commission, February 1987), the General Accounting Office (GAO) observed that the Commission issues a number of recurring monthly, quarterly and yearly reports but had not established procedures for periodically revalidating the continued need for them. The Chairman responded by stating that the legislative liaison had begun working with the Commission staff in an effort to identify instances where consolidation or less frequent reporting might be appropriate.

Since 1987, 11 recurring reports have been deleted or the scopes or frequency reduced, as shown in Attachment 5. Six of the seven reports that were terminated had sunset dates in the legislation or request. In two cases, a congressional request was revoked or changed. The Commission attempted to eliminate two reports (SOC & Nonrubber Footwear), but were unable to obtain concurrence from the committees that had made the requests. The Commission made changes to three self-initiated studies.

The efforts to revalidate the recurring reports have been done on an ad hoc basis by the Directors of Industries, Economics and Congressional Liaison. We believe that the adoption of several policies and procedures would contribute to the ability of the Commission to manage the recurring reports workload.

> **Influence potential legislation.** Four of the recurring reports are required by statute. Three of the requirements were enacted fairly recently: East-West Trade in 1974, CBERA in 1983, and Ethyl Alcohol in 1989. We did not find specific comments submitted by the Commission on the legislative proposals, but staff said that if comments were submitted,

they usually address the content or timing of the proposed request. The staff do not try to influence the legislation to delete the request or to include a sunset date.

A major disadvantage of statutory requirements is the inability to adapt easily to changes in the trade arena. For example, the Trade Act of 1974 required that the Commission prepare a quarterly report of trade between the United States and the nonmarket economy countries, the East-West Trade report. Since 1984, the composition of the nonmarket economy countries has changed significantly. The Commission has responded by including countries in the report that were formerly nonmarket economies, on the basis that this is more useful information.

The Commission attempted to have the legislation amended in FY 1992. The Office of General Counsel drafted proposed legislation to amend section 410 of the Trade Act of 1974, to require an annual report on nonmarket and former nonmarket economies, which was submitted to appropriate committees for consideration (bills with different language to amend the law were introduced but not passed). We believe that amending the Act as proposed would solve the immediate problem, but is not the best long-term strategy as future changes in world economies could again make the requirement obsolete.

We believe the Commission should try to influence proposed legislation that contains requirements for studies to delete these requirements. The Commission could increase receptivity to letter requests rather than statutory mandates for studies by making the sponsors of bills aware that the Commission treats letter requests as though they were statutory requirements. The Commission could further emphasize the advantages of a request, primarily that changes can be much more easily accomplished which can benefit the sponsor as much as the Commission in making future adjustments to the content or timing of the report in response to current events.

Incorporate sunset dates. Most of the reductions in recurring reports since 1987 occurred because sunset dates were included in the legislation or request. Currently, none of the four statutory reports and only two of the congressionally requested reports have sunset dates (one established by the Commission). According to Commission officials, comments on draft legislation or request letters usually address the content of the report being requested but not the inclusion of sunset dates. Unless the intent is to create an ongoing function, we believe the Commission should attempt to have each law or letter request include language that provides for a sunset date. This could be a specific date, a reporting period, completion of an agreement, or even the words "as necessary".

Expand information given to congressional staff. The Commission discussed changes to recurring reports, even those self-initiated, with congressional staff. We concur that this is an appropriate and necessary step. However, we believe those contacts should present more information for the committee staff in a manner that enhances their ability to provide guidance and make decisions.

For example, on March 24, 1992, Commission staff met with staff from the House Ways and Means and Senate Finance Committees to discuss the necessity for and frequency of certain reports. The discussion covered 12 reports, mostly in general terms.

We believe the contacts with committee staff would be more meaningful if fewer reports were addressed at a time, and detailed cost information was provided as well as the Commission's suggestions for changes. In this manner, the committee staff could better evaluate whether the request should be continued and if any changes are needed. Unless the Committee staff wanted more frequent information, the contacts could coincide with the sunset date incorporated into every request or a reasonable period of time such as every three years.

The past Director of Congressional Liaison said that Congress is very much aware of the need to limit recurring reports as is evidenced by the lack of requests the last two years. She agreed that it would be appropriate to raise the question of deleting statutory requirements, although it may not always be successful as these provisions are usually bargaining chips used in obtaining support for the entire bill and nonstatutory requests would not be viewed as satisfactory. The inclusion of sunset dates in both legislation and requests would be more readily accepted. She did not think the committee staff would be interested in excessively detailed information but have expressed interest in printing costs and mailing lists.

Recommendations

We recommend that the Director of Operations:

1. Coordinate with the Director of Congressional Liaison to establish procedures to review and comment on proposed legislation and provide input into proposed letter requests for studies. Comments should attempt to influence Congress to request studies in letter requests rather than mandate studies by law and to incorporate sunset dates in all mandated and requested studies.

2. Establish a schedule to communicate with committee staff, either in letters or meetings, on recurring reports. Develop policies on what information should be provided and how many reports should be discussed simultaneously.

Commission Comments

The Director of Operations agreed with both recommendations. The past Director of Congressional Liaison agreed to examine all proposed legislation to identify mandated studies and recommend that these studies be requested instead by letter and include sunset dates. The Director of Operations will instruct his staff to review all proposed letter requests for studies and to recommend incorporation

of sunset dates in the requests. The Director also agreed to establish an annual review of recurring reports that would provide information to and solicit opinions from appropriate sources, including the congressional committees and Commissioners.

PROCEDURAL DIFFERENCES

We found varying treatment in classifying recurring reports as section 332 studies and in initiating the studies and approving the reports for issuance. We believe that all recurring reports distributed outside of the Commission should be classified as 332 studies. Furthermore, the process could be improved by revising the Commission policies on initiating studies and approving reports.

332 Classification

332 studies can be initiated in response to statutory mandates, requests received from the President, the House Committee on Ways and Means, and the Senate Finance Committee, or upon the Commission's own initiative. Whenever a congressional request is received, a 332 study is initiated. For mandated and self-initiated studies, the program office (ID or EC) recommends whether the Commission should initiate a study. Once the initiation of a study has been approved, the program office contacts the Docket Section for the next available 332 number.

Nine of the recurring report topics were conducted as section 332 studies. We found that 332 studies were initiated for all congressional and Presidential requests but the decisions for mandated and self-initiated studies varied as discussed below:

-- Of the four reports mandated by law, two are 332 studies (Ethyl Alcohol and CBERA) and two are not (OTAP and East-West Trade). According to EC officials, a 332 study was not initiated for OTAP or the East-West Trade report because these studies are required by law and there is no special request to do the report.

-- Of the four self-initiated reports, only one - Production Sharing - was initiated as a 332 study. The Branch Chief said that a study was initiated for Production Sharing because of strong congressional interest. A 332 study was not initiated for Trade Shifts because it is not a request and is mostly summary data. 332 studies were not initiated for IER and ITTR because these are self-initiated reports expressing staff opinions, not those of the Commission.

The authority provided the Commission under section 332 is quite broad and we believe applicable to all reports distributed outside of the Commission. The reasons given for not initiating a 332 study were not consistent with 332 studies that were initiated, e.g., 332 studies were initiated for some mandated and non-request reports and several 332 studies were statistical or summary reports rather than analysis. In addition, initiating studies under the section 332 authority has certain advantages in obtaining data.

Review Process

We found that twelve of the studies, all but the self-initiated IER and ITTR studies, were initiated by action jackets and the reports for ten of the topics were issued with action jackets. We believe the review process could be improved by revising the policies to initiate studies and approve reports. The revised policies should provide that all studies be initiated by action jackets which set forth the period covered by the authorization and whether the report requires Commission approval to be issued.

Initiation. As stated in USITC Directive 1201, proposals which require Commission approval under law, regulation or agency policy are to be presented to the Commission for approval in action jackets. We found that twelve of the recurring studies were initiated by action jacket, four of them on an annual basis and eight on a one-time basis covering all future reports. The two studies not initiated by an action jacket were for reports not representing the views of the Commission and had been authorized via memoranda to the Commission.

We believe that all of the recurring report studies should be initiated by an action jacket. Furthermore, we believe each approval should be for a set period, either annual or coinciding with the length of the request or a maximum period such as every three years. A similar idea was previously expressed by the then Vice Chairman in a 1986 memorandum approving preparation of an annual Production Sharing report. The Vice Chairman stated that it is difficult to predict future demand for reports and may not be appropriate for the Commission to publish them on an open-ended basis; she suggested reviewing the authorization to publish the reports every three years. A periodic renewal would also allow new members of the Commission to be part of the decision process in continuing to prepare recurring reports. While the Vice Chairman's comments specifically pertained to the Production Sharing report, we believe they are applicable to all recurring reports.

We think that a method for the Commission to revalidate the need for recurring reports is important and this is best accomplished through the action jacket process. The action jacket initiating a recurring report study could include the standard information on scope, format, schedule and costs. Additional information such as market changes, data usefulness or availability, and historical cost should also be included in order to fully evaluate what action should be taken concerning the report. Five of the eight action jackets that initiated studies in perpetuity are over three years old (East-West Trade, Rum, Nonrubber Footwear, Auto and SOC) and would need to be reinitiated under this new policy.

We believe that all self-initiated studies should be initiated by action jackets, even those not expressing the views of the Commission. The Commission's approval constitutes authorization for time to be spent on that activity, not an agreement with the opinions. The IER and ITTR are similar to staff studies which do not express opinions of the Commission but require the Commission's approval to be initiated.

Conversely, the Commission may want to consider periodic rather than annual initiation of studies for reports that have no change in the requirements, such as OTAP, CBERA, EC-92 and Production Sharing. Unless the Commission particularly wants to review the resources and time schedule annually, we believe a review every few years addressing broader policy issues would be sufficient for initiation.

Approval. Ten of the recurring reports were issued after being approved by the Commission on an action jacket. The quarterly Nonrubber Footwear, monthly Auto and quarterly SOC reports were given blanket authorization on the initiating action jacket for the reports to be issued based on office approval. The initiating action jacket for the monthly Steel (which expired in March 1992) also had a provision for the report to be issued with office approval. These 332 reports all have in common that they are repetitive statistical reports issued more frequently than annually.

We concur that all reports do not need to be approved by an action jacket. One reason given for not requesting a blanket approval was the belief that nothing goes out of the Commission without an action jacket, which is not true. Establishing criteria on when blanket approval is appropriate would allow for objective consideration of this issue.

Recommendations

We recommend that the Director of Operations:

3. Establish criteria in coordination with the Office of General Counsel for determining which studies should be initiated under section 332 and assign or delete 332 numbers to the recurring studies consistent with that criteria.

4. Formulate policies applicable to the initiation and report issuance of recurring reports via the action jacket process and coordinate with the Acting Secretary to incorporate these policies in USITC Directive 1201.

Commission Comments

The Director of Operations agreed that criteria should be established for determining when studies should be initiated under section 332(b). Several conditions that could be used as criteria were presented; we particularly agree that a 332 study should be initiated whenever the effort is likely to result in a report that will be released to the President, Congress and/or the public. The response concurred with our findings concerning studies mandated by statutes other than section 332 but did not propose a policy; we believe this issue should be clarified in the criteria developed for a policy directive.

The Director's response identified two additional reports that appear to merit 332 status and should have been included in this review. One is the annual statistical report on U.S. imports of textiles and apparel under the Multifiber Arrangement. The second is the Commission's annual report, which is statutorily

required in section 332(g). We did not amend the statistics throughout the audit report because the recommendations would not have been affected. However, we do think that the fact that these two reports were not identified during the review, even though we did extensive interviewing and document review, supports the need to define the criteria for initiating 332 studies.

The Director of Operations also agreed with the recommendation to formulate policies applicable to the initiation and report issuance of recurring reports. The policies proposed in the response for action jackets addressed the report findings although clarification will be needed in the revised directive on applicability to current studies.

DISTRIBUTION

We found that multiple program offices maintained mailing lists either instead of or in addition to the mailing list maintained by the Office of the Secretary. We believe that this is inefficient in terms of maintenance, consistent distribution of reports, duplication, and validation efforts. We also found that a few program offices packaged the reports for mailing which we do not believe is an appropriate function for those offices.

The multiplicity in distribution functions is due at least in part to the absence of a Commission policy on a centralized mailing list and procedures for mailing reports and/or publications. As set forth in USITC Directive 1005.1, a function of the Office of the Secretary is to maintain or update mailing lists of interested parties, but a policy directive has never been developed to establish Commission policies relevant to this function. The Commission has a directive on the use of different types of mail services (ITC Directive 3350 Mail Standards and Procedures, dated February 28, 1978). Officials in the Office of Administration said that Directive 3350 was never intended to establish comprehensive policy guidance on mailing.

Mailing Lists

The primary mailing list for the Commission is maintained on a software system called ArcList that is physically located in the Secretary's office. The ArcList system was activated in July 1992 to replace the Cheshire system. A major difference between the systems is that ArcList allows for remote maintenance. The program offices, which have responsibility for maintaining parts of the mailing list (adding, deleting and correcting names), can update ArcList from their offices rather than having to go to the Secretary's office. This change was perceived as a significant improvement by the program offices which did not like to use the Cheshire system because of the limited access for maintenance.

The primary mailing list has developed over many years and is mostly based on completion of a form, see Attachment 6. The form includes 24 options for the master mailing list, including such categories as: All reports, General Studies (Sec. 332, Tariff Act of 1930), and Agricultural products. Separate lists are maintained for three economic (EC) reports and six statistical (IND) reports,

all of which are issued on a recurring basis. Although not reflected on the form, the statistical reports now include Trade Shifts, ITTR and Production Sharing and a distinct list has been established for Autos.

Mailing lists for only six of the fourteen recurring reports were located solely on ArcList. Four reports had mailing lists on the ArcList and separate lists maintained by the program office. Three reports had mailing lists exclusively controlled by the program offices. There was no mailing list for the report on Ethyl Alcohol which consisted of a notice in the Federal Register.

The three reports for which the mailing lists were not on ArcList but on a system controlled by the program offices were:

> ID/AG maintained a mailing list with 10 names to whom they mailed the rum report. A list with 17 names for the Rum report, which is a 332 study, was also on ArcList but was not used.
>
> ID/CH had responsibility for the mailing lists for the SOC report which was on the mainframe computer at the National Institutes of Health (NIH). The list for the annual report had 1800 names; the list for the quarterly and preliminary reports had about 1200 names. ID/CH also maintained a list of 36 names to whom the quarterly reports were faxed.
>
> EC/TRD maintained a mailing list of 500 names to whom the monthly IER report was mailed.

The four reports for which the program office maintained a mailing list in addition to the ArcList were:

> EC/TRD maintained a list of 260 names to whom the EC-92 report was mailed. Based on the Secretary's instructions, the Printing Branch mailed the report to names on the master list who requested all reports and all 332 general studies.
>
> ID/GM maintained a list with 600 names to whom the Production Sharing report was mailed. Based on the Secretary's instructions, the Printing Branch mailed the report to names on the master list who requested all reports and all 332 general studies. Since the FY 1992 report was issued, a code for Production Sharing was added to the statistical list on ArcList. The ID/GM list, which was expanded to 2000 names, was transferred to the ArcList.
>
> ID/GM maintained a list with 79 names to whom the Nonrubber Footwear report was mailed. Copies were also mailed to names on the ArcList system who had requested all 332 reports and the Nonrubber Footwear report.
>
> ID/MM maintained a list with names of 200 producers to whom the semiannual Steel report was mailed. On prior annual Steel Reports, copies had been mailed to up to 420 names of outsiders, producers and purchasers.

The Printing Branch also in effect maintained the following "mailing list" of six names which received multiple copies of each report that they printed.

Library of Congress	105
GPO-Federal Depository Library	2
Canadian Embassy	2
British Embassy	5
Belgian Embassy	4
European Communities	4

This list was developed approximately 30 years ago to accommodate requests for multiple copies of the reports. We contacted two recipients: the GPO said that only one report was needed and the addressee was incorrect; the Library of Congress said that the address and number of reports was correct and that these copies are distributed to colleges and universities. The Office of the Secretary found two names on the master list for the British Embassy but none for the Canadian or Belgian Embassies. The Office of the Secretary knew that the Printing Branch had this list but did not know the specifics of who or why. Although not currently set up to do so, ArcList can handle requests for multiple copies so this list in the Printing Branch is no longer necessary.

In addition to the ArcList and program office mailing lists, individual Commission employees also had personal mailing lists and the program offices mailed a considerable number of reports after the initial distribution. We compared the amount of print stock requested by the program offices in excess of that needed for immediate mailing on the nine reports with print requests. The requests varied from 25 copies for Production Sharing, less than 100 copies for three reports, 100 to 450 copies for four reports, to 2000 copies for the EC-92 report. Staff members said that these additional copies were to send in response to future requests for the reports and copies were sometimes given to the Office of the Secretary when their stock was depleted. In comparison, the Secretary never asked for more than 250 reports for stock and usually only requested 100 or 200 copies.

Designating Report Recipients

We found that there is not an official policy on who is to receive copies of reports. The general policy espoused by the Office of the Secretary was to send all reports to names on the master list who had requested all reports and to other names as appropriate, e.g., all 332 reports and specific industry and economic reports. The practice in following the policy was inconsistent.

> Four reports were not sent to the names requesting all reports. These reports were Auto and Nonrubber Footwear, which are 332 reports; OTAP, which is an official Commission publication; and the ITTR.
>
> One 332 report, Production Sharing, was not sent to names requesting all 332 reports.

Copies of the reports whose mailing lists were not on the ArcList and the printing requests did not go through the Secretary's office were not mailed to names on the master list that had requested all reports or all 332 studies.

We think that it is unnecessary and excessive distribution to send all reports to names on the master list. Even though the form implies that the requestor will receive all publications that fall within the areas requested, we believe the requests should not apply to the recurring reports which have, or could have, specific mailing lists.

Duplication

A concern of nearly everyone that we spoke with was whether duplicate reports were being mailed to the same recipient. The ArcList system is designed to prevent this from happening. Each name is assigned codes based on the request. The applicable codes from the master and other lists are entered on the printing request. One label is printed for a name even though there are multiple codes. The Office of the Secretary also spends one or two days per pay period conducting a "merge/purge" of the file based on near matches (rather than exact matches which does not identify as many possible duplications). The program offices can also check for whether a name is already on the system before adding it and the Secretary conducts a merge/purge of these program office additions before they are added to the official list.

The controls against duplicate mailings do not work if other lists are used in addition to the ArcList. Duplicates would be most likely to occur on the EC-92, Production Sharing and Nonrubber Footwear reports which used both a program office list and the ArcList. Program officials said that they did not think there would be duplication because the names on their lists were not likely to be on the ArcList, but an actual comparison had not been done.

Validation

As a policy, the names and addresses on the master mailing list are verified annually by sending out a copy of the mailing label and asking for confirmation. Verifications were done in June 1991 and December 1992. The verification does not ask whether the recipient wants to add or delete any requested document categories. The recipients solely on the IND and EC lists are not included in the verification.

Several program offices validated mailing lists for six recurring reports in FY 1992. A postcard was inserted into the CBERA, OTAP, Trade Shifts, Production Sharing, and ITTR reports asking if the recipient wanted to continue receiving the report and for comments. A similar self-mailer was wrapped around the IER reports in March 1992 and again in April 1992 with a notice that this was a final notice to renew the subscription. Although not considered a validation, EC conducted a phone survey of the recipients of the East-West Trade report in FY 1992.

The impact of the validation efforts on the mailing lists was difficult to summarize. Concurrent with validating the lists, several program offices were trying to identify additional names that should be added to the mailing lists. For example, Production Sharing had a list of 600 names which was expanded to about 2000 names which are currently being entered onto ArcList. Program officials said that any reductions in names may not be permanent either. About

half of the names were dropped from the IER mailing list, but program officials attributed this to an oversight in not returning the card; now people are calling to be placed back on the list after discovering that they have been dropped.

Once the mailing lists are centralized, the validation process should also be handled by one office so that a coordinated approach is taken for all lists on ArcList and efforts are not duplicated.

Packaging

We identified a few instances in which the program office not only maintained the mailing list and prepared the labels, but also packaged the documents for mailing.

> ID/AG had report covers printed for the Rum report, assembled the report and packaged it for mailing to the 10 names on their mailing list.
>
> EC/TRD packaged the EC-92 report sent to the 260 names on their mailing list.
>
> ID/GM packaged the Production Sharing reports to mail to the 600 names on their mailing list.
>
> ID/GM and EC/TRD packaged reports in 1992 containing the validation cards.

Officials said that they did the packaging because it could not be done when requested, the packaging was too complicated for the Printing Branch to handle or they wanted to make sure the validation card was correctly inserted in the report.

There may be emergency cases when it is necessary for the program offices to package reports for mailing, but on the whole, we believe that program offices should not be performing this function.

Recommendations

We recommend that the Director of Operations:

5. Transfer all mailing lists for recurring reports to the ArcList.

6. Notify the Acting Secretary that recurring reports should not be sent to names on the master list and coordinate in revising the form so that recurring reports must be specifically requested in order to receive them.

7. Develop a coordinated approach with the Acting Secretary to periodically validate mailing lists for recurring reports.

8. Require the Directors of Industries and Economics to approve any packaging to be performed by program staff.

Commission Comments

The Director of Operations agreed with these recommendations. He will request that the Acting Secretary not send recurring reports to names on the master list or the 332 general list. The Director will also instruct his staff that any packaging to be performed by program staff must be approved by the Directors of Industries and Economics.

The Director agreed with the recommendation to develop a coordinated approach with the Acting Secretary to periodically validate mailing lists for recurring reports. However, the response continued with a caveat that due to resource considerations in the Office of the Secretary, the program offices will continue to be responsible for the actual validation of their mailing lists. This arrangement sounds very much like the status quo and is not the coordinated approach that we envisioned.

We think that the Office of the Secretary, which has responsibility for the mailing list, should be determining the validation approach (e.g., card design, question format) and arranging the process based on input from the Office of Operations. From a Commission viewpoint, it is more efficient to have one office perform these functions rather than multiple project leaders. Furthermore, the major resource consideration would be the actual adding and deleting of names which would be done by the program offices.

USE OF THE GOVERNMENT PRINTING OFFICE

The issue of costs as it relates to the mailing of reports to the public has long been a concern of the Commission. In 1980, a Commissioner requested that alternatives to the Commission's paying for the printing and distribution of the new Commission reports, such as GPO or the National Technical Information Service, be considered. The 1987 GAO report stated that the recurring reports principally represent an information service for a specific industry rather than the government and the Commission may wish to eliminate them or curb their frequency and examine the appropriateness of charging for copies of such reports. Most recently, at the Commission's FY 1994 budget hearing, the Chairman tasked the Acting Secretary and the Director of Administration to review the printing and mailing costs and recommend procedures and controls to reduce substantially those costs.

A very direct method to reduce these costs would be to limit availability of the reports to the public. However, we concur with an opinion expressed by multiple Commission staff that reports should be made available to the public. Commission staff said that virtually all of the recurring reports should be made available because of their unique content; for example, the OTAP report was referred to as an encyclopedia for trade agreements and the SOC as the "industry's bible of chemical production and sales statistics since 1917". Distribution of the reports was also viewed as bringing visibility to the Commission and recognition to the staff. On the other hand, we also concur with a statement made by a prior Commissioner that if this data is truly of value to the business community, they will be willing to pay for these publications.

We believe that one way to achieve a cost reduction goal and still provide reports to the public would be to increase the Commission's use of GPO. This would be possible if the Commission only distributed reports to the minimum extent necessary to meet statutory requirements (e.g., Congress, the Executive Branch, and limited other agencies). The Commission could then give copies of the report to GPO to sell to the public which would significantly reduce the Commission's postage and associated costs for mailing recurring reports. Furthermore, if the Commission chose to only print the number of reports needed for the minimum distribution and had GPO do the second printing for sale to the public, printing and overtime costs would be reduced. Costs for storage and handling of reports would also be reduced.

The Commission makes limited use of the GPO at least in part due to past problems encountered in the timely and accurate printing of reports. We share the concern expressed by various officials that reports must be printed accurately and in a timely manner and therefore are not recommending that GPO necessarily be used to print the recurring reports. However, GPO representatives said that it is not required that GPO do the printing in order for them to sell the reports. GPO has authority to accept printed documents as "gifts", sell them in the same manner as the documents which they print, and handle any additional printings that are needed.

The GPO distribution system is extensive and varied. Documents can be ordered by mail, phone, fax or the DIALOG Information Retrieval System. Documents can be purchased in person at 23 bookstores throughout the country, an option which is very popular in the Washington D.C. area where firms often send couriers to pick up documents. GPO accepts checks, charge cards and has deposit accounts. Documents can be ordered individually or a subscription can be purchased for periodicals. Special shipping and international mail is available for mailing, which is routinely done third class or bulk. Publications produced in electronic format are available for sale in magnetic tape form.

The GPO system also provides automatic access to the Federal Depository Library Program, a major means by which the Federal Government fulfills its information dissemination responsibilities to the citizenry. Unclassified publications of public interest are provided to the 50 regional depository libraries and selected publications to the approximately 1,350 other participating libraries.

GPO advertises extensively which could increase the visibility of some reports. Sales brochures are periodically published entitled "Government Periodicals and Subscription Services, U.S. Government Books for Business Professionals, New Books, and Subject Bibliography". GPO also uses flyers and sales letters to promote selected publications to specific audiences. Some of these documents include brief descriptions of the publication, which Commission staff could write if they so desired.

At one time, the Commission did have GPO print and distribute one recurring report -- the annual SOC. The Commission tried to discontinue this report in 1988 but was unsuccessful. The last edition that GPO printed and distributed was the 1988 annual SOC report of which 554 copies were sold for $15.00 each (an unknown number were distributed free of charge by the Commission). In 1989, the Commission began printing and distributing the report. The current mailing list has 1800 names. The Commission incurred over $8,000 in direct costs to

produce the annual SOC report in FY 1992 ($5,220 to mail, $2,952 to print, plus handling and overhead). If 554 copies of the report were sold by GPO at the 1988 price, the Commission would have reduced their costs by $8,000 and GPO would have earned income of approximately $8,310.

The Nonrubber Footwear monthly report is another example of a report suitable for distribution by GPO. The report is based primarily on data from the Footwear Industries of America's report. The Commission has tried several times to scale back the requirement and/or the frequency of this report. However, the footwear industry wants the Commission to continue issuing the report which they like to reference during congressional hearings. Even if only half of the 79 names on GM's mailing list purchased the report, GPO would earn more than the $200 minimum that they have established.

We believe that recurring report recipients would have minimal objections to paying reasonable prices for the reports. This attitude was expressed in a 1987 Chemical Marketing Research Association publication which stated that the SOC required seven work years costing $400,000 to produce and suggested charging higher subscription fees for companies and individuals interested in receiving the reports as an alternative to cancelling the report.

GPO provided price estimates for several reports with the caveat that actual rates would vary based on the specifics of the sales agreement. As shown in the following chart, the estimated annual subscription prices are reasonable; the approximate amounts of domestic postage paid by the Commission annually for these reports are provided as a comparison of the minimum amount that the Commission could save by using GPO.

Report Topic	**Approx. pages**	**Annual Subscription Price**	**Commission Postage**
Quarterly Nonrubber Footwear (4 issues)	7	$ 6.50	.52 x 4 = $2.08
Monthly Auto (12 issues)	8	$19.00	.52 x 12 = $6.24
Annual Trade Shifts (1 issue)	147	$ 9.50	$2.90

We believe that GPO is capable and the content of Commission recurring reports is appropriate for sale by GPO. The Commission has one report printed and distributed by GPO, the Tariff Schedule, and has received a few complaints but we think that is to be expected in any system. The number of agencies and publications that are distributed by GPO is evidence that their system is operating with some degree of efficiency. The data in Commission reports is comparable to that in documents prepared by other agencies and sold by GPO. A page from the GPO list of Government Periodicals and Subscription Services, see Attachment 7, includes multiple reports on products, trends and statistics.

The GPO representatives were very eager to work with the Commission in selling reports. They understand that the Commission would have to provide copies of reports to some recipients, although this needs to be limited in order for them

to be able to sell copies. Their experience with the SOC was favorable and based on the recurring report topics that we discussed, they thought these reports would be good candidates for sale also.

The past Director of Congressional Liaison said that, in her opinion, Congress would not object to using GPO to sell the recurring reports as charging for services has become an accepted method of containing the costs of government operations.

Recommendations

We recommend that the Director of Operations:

9. Determine what is the minimum distribution of each recurring report that the Commission must make in order to meet the requirements of section 332.

10. In coordination with the Director of Administration, meet with the GPO Superintendent of Documents to identify which recurring reports GPO is willing to sell.

11. For reports accepted by GPO, reduce the Commission's mailing lists to the minimum level identified and coordinate with the Office of Public Affairs to revise the press release to include instructions on how to procure the report from GPO.

Commission Comments

The Director of Operations agreed with the above recommendations. The response states support for minimizing the lists for report distribution, but the components of the minimum list give a different impression. We believe that the policy, when formally established, will need to be worded with a different emphasis if the lists are truly to be minimized. Any exceptions to the policy, such as those proposed for Trade Shifts, IER, and ITTR, should be approved in the initiating action jacket.

The Director of Operations concurred that at least eight recurring reports could potentially be sold by GPO. His staff is currently working with the Office of Administration to present information on these and the reports with less certain interest to GPO for consideration. We will continue to monitor the process through the decision phase for each recurring report.

Attachment 1

LIST OF RECURRING REPORT TOPICS

OFFICE	332 No.	Report Topic	Short Title
ID	332-288	Ethyl Alcohol	Ethyl Alcohol
EC	332-227	Report on the Impact of the Caribbean Basin Economic Recovery Act on U.S. Industries and Consumers	CBERA
EC		THE YEAR IN TRADE Operation of the Trade Agreements Program	OTAP
EC		Trade Between the U.S. and China, the Former Soviet Union, Eastern Europe, the Baltic Nations, and Other Selected Countries	East-West Trade
ID	332-175	Rum: Annual report on Selected Economic Indicators	Rum
ID	332-191	Nonrubber Footwear Quarterly Statistical Report	Nonrubber Footwear
EC	332-267	The Effects of Greater Economic Integration within the European Community on the U.S. 1/	EC-92
ID	332-207	The U.S. Automobile Industry Monthly Report on Selected Economic Indicators	Auto
ID	332-327	Steel: Semiannual Monitoring Report	Steel
ID	332-135	Synthetic Organic Chemicals U.S. Production and Sales	SOC
ID		U.S. Trade Shifts in Selected Commodity Areas	Trade Shifts
EC		International Economic Review	IER
ID	332-237	Production Sharing: U.S. Imports Under Harmonized Tariff Schedule Subheadings 9802.00.60 and 9802.00.80	Production Sharing
ID		Industry, Trade and Technology Review	ITTR

1/ The Office of Economics disagreed with our classification of EC-92 as a recurring report on the basis that it was one study being done in phases. We believe the annual nature of the EC-92 report is more comparable to studies issued on an annual basis, such as CBERA and Trade Shifts than reports that are issued in phases which address different aspects of the issue being studied.

Attachment 2

SUMMARY OF RECURRING REPORTS

Report Topic	Period	Citation	Initiated	Year Originated	Sunset Date
Ethyl Alcohol	Annual	19 USC 2703 Sec. 7(b)	12/12/89	1989	none 1/
CBERA	Annual	19 USC 2704(a) Sec. 215(a)	08/05/83	1983	none 2/
OTAP	Annual	19 USC 2213 Sec. 163(b)	01/03/75	1930 3/	none
East-West Trade	Quarterly	19 USC 2440 Sec. 410	01/03/75	1975	none
Rum	Annual	SFC	12/21/83	1983	none 4/
Nonrubber Footwear	Quarterly	SFC	08/08/84	1984	none
EC-92	Annual 5/	SFC & HW&M	10/11/88	1988	April 1993 5/
Auto	Monthly	HW&M	02/12/85	1980 6/	none
SOC	Quarterly Prel./Annual	HW&M	04/27/88	1917 7/	none
Steel	Semi-Annual	HW&M	06/11/92	1983 8/	April 1995
Trade Shifts	Annual 9/	ITC	03/24/92	1980 9/	none
IER	Monthly	ITC	05/06/80	1980	none
Production Sharing	Annual	ITC	05/11/89	1970 10/	none
ITTR	Quarterly	ITC	07/30/92	1974 11/	none

Bold type for titles indicate those recurring reports that are not section 332 investigations.

1/ The legislation enacted in 1989 provided for this study to be conducted annually for two years, 1990 and 1991. PL 101-382, 8/20/90, amended the legislation to delete the sunset date.

2/ The legislation enacted in 1983 stated the report would be conducted through 1995, coinciding with the CBERA program. The Caribbean Basin Economic Recovery Expansion Act of 1990 amended the legislation to extend the CBERA program and therefore, the study, indefinitely.

3/ This report was originally mandated by the Tariff Act of 1930, and was subsequently conducted in response to Congressional or Commission needs until the Trade Act of 1974 instituted the current requirement.

4/ Required on a calendar-year basis as long as rum is accorded duty-free treatment pursuant to the CBERA program, which has been extended indefinitely, see footnote 2/.

5/ The request did not specify the frequency of reporting. Semi-annual reporting was established in 1989 and changed to an annual basis in 1991. The request stated that reports should be provided "as necessary" to which the Commission has established a sunset date of April 1993.

6/ HW&M submitted an annual request until 1985 when the request contained no sunset date.

7/ The report was initiated in 1917 in response to a provision in the Revenue Act and was subsequently conducted in response to various legal, congressional or Commission needs until HW&M made a request in 1988 for the report to be conducted for an indefinite period.

8/ In February 1983, HW&M requested monthly reports through December 1985. In March 1986, HW&M requested monthly reports coinciding with the Voluntary Restraint Agreements originally expiring in September 1989 and extended until March 1992. In November 1990, HW&M agreed to change the monthly report to a quarterly format through June 1992. Elements of the monthly and quarterly reports, as well as the annual steel reports that expired in 1991, were incorporated into the current request.

9/ In October 1980, the Commission approved the issuance of four quarterly and an annual report. The format was changed to a semi-annual report in December 1990. After meeting with staff from HW&M and SFC in March 1992, the report was changed to an annual format.

10/ SFC requested a report in 1970. The Commission has continued this effort as a self-initiated study since then except for 1987 when a request was received from HW&M.

11/ From 1974 to 1977, the Commission issued a report called Monthly Highlights. In May 1977, the Commission began issuing the Monthly Import/Business Review. Based on the discussion with HW&M and SFC in July 1992, the monthly reports were dropped and the quarterly ITTR reports initiated.

COMPARISON OF THE REVIEW PROCESS

332 No.	Report Topic	Period	Initiated by Action Jacket	Issued with Action Jacket
332-288	Ethyl Alcohol	Annual	03/09/90	yes
332-227	CBERA	Annual	each year	yes
	OTAP	Annual	each year	yes
	East-West Trade	Quarterly	01/03/75	yes
332-175	Rum	Annual	01/13/84	yes
332-191	Nonrubber Footwear	Quarterly	08/08/84	no 1/
332-267	EC-92	Annual	each year	yes
332-207	Auto	Monthly	02/22/85	no 2/
332-135	SOC	Qtrly/Prel. Annual	05/13/88	no 3/ yes
332-327	Steel	Semi-Annual	07/09/92	yes
	Trade Shifts	Annual	03/24/92	yes
	IER	Monthly	no 4/	no
332-237	Production Sharing	Annual	each year	yes
	ITTR	Quarterly	no 5/	no

Bold type for titles indicate those recurring reports that are not section 332 investigations.

1/ Does not require approval by the Commission, as stated in the Action Jacket ID-91-039, 10/09/91

2/ Does not require approval by the Commission, as stated in the Action Jacket ID-85-11, 03/06/85.

3/ Does not require approval by the Commission, policy established over 30 years ago, according to program office.

4/ The Commission approved the institution of a system of reporting on international economic conditions at a meeting in May 1990, which resulted in the initiation of the IER report. According to the Offices of Economics and the Secretary, an action jacket probably did exist but a copy could not be found.

5/ The prior publication, the Monthly Import/Business Review, was initiated via an action jacket in May 1977.

Attachment 4

COMPARISON OF THE MAILING PROCESS

Report Topic	Location of List	Validation	Packages Documents	Size of List	Est. Domestic Mailing Cost $	Est. Cost $
Ethyl Alcohol	N/A	N/A	N/A	N/A	N/A	N/A
CBERA	SE	9/92	OMS	1,436	1.90	2,728
OTAP	SE	8/92	OMS 1/	1,193	2.90	3,460
East-West Trade	SE	none	OMS	1,783	2.59 (X 4)	18,472
Rum	AG	none	AG	10	.52	5
Nonrubber Footwear	SE	none	OMS	228	.52 (X 4)	474
	GM		GM 2/	79	.52 (X 4)	164
EC-92	SE	none	OMS	950	2.90	2,755
	TRD	none	TRD	260	2.90	754
Auto	SE	none	OMS	303	.52 (X 12)	1,891
SOC - Annual	CH 3/	none	CH/OMS	1,800	2.90	5,220
- Qtrly/Prel.	CH 3/	none	CH/OMS	1,167 4/	.29 (X 5)	1,692
Steel	SE	none	OMS	943	2.36 5/	2,225
	M&M		M&M	200	2.36 5/	472
Trade Shifts	SE	6/92	OMS 6/	2,800	2.90	8,120
IER	TRD	3 & 4/92	TRD/OMS	500	.75 (X 12)	4,500
Production Sharing	SE	1/91	OMS	875	1.67	1,461
	GM	1/91	GM	575	1.67	960
ITTR	SE	11/91	OMS	2,613	.98 7/	2,561

Bold type for titles indicate those recurring reports that are not section 332 investigations.

1/ The reports were packaged by TRD once in 8/92 to ensure that the validation cards were properly enclosed.

2/ GM assumed responsibility for this report from TX around June 1992.

3/ Two separate mailing lists were maintained on the NIH mainframe for the annual and quarterly reports. NIH prepared mailing labels upon request.

4/ CH also has a list of about 36 names to whom the quarterly reports are faxed.

5/ Only one semi-annual report was issued in FY 1992 so the mailing costs have not been doubled.

6/ GM assisted in packaging the reports once to enclose the validation cards.

7/ Only one ITTR report was issued in FY 1992 so the mailing costs have not been quadrupled.

Attachment 5

REDUCTIONS IN RECURRING REPORTS SINCE 1987

Report	Action	Cause
Brooms	terminated 1987	Presidential request revoked
Mushrooms	terminated 1987	Sunset date in Presidential request
Motorcycles	terminated 1988	Sunset date in Presidential Proclamation
Specialty Steel	terminated 1989	Sunset date in Presidential Proclamation
Annual Steel	terminated 1991	Sunset date in request
Lamb Meat	terminated 1991	Sunset date in law
Tungsten Compounds	terminated 1991	Sunset date in Presidential Proclamation
Production Sharing	scope reduction 1991	ITC decision
Quarterly Steel	changed to semi-annual 1992	Congressional request changed
Monthly Import/ Business Review	changed to quarterly 1992	ITC decision
Trade Shifts (semiannual)	changed to annual 1992	ITC decision

OFFICE OF THE SECRETARY

Attachment 6

UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, D.C. 20436

_____

_____

_____

_____

You have requested to be placed on the Secretary's Office mailing list to receive USITC publications. So that we may serve your needs, and at the same time keep printing and postage costs low, we are asking that you answer the questions below and return this form to us.

1.) Is the address correct as shown above? If not, please make necessary corrections, including the addition of your suite or room number and attention line, if applicable.

2.) From comments and inquiries we have received in the past, we know that many recipients do not want or need a copy of all of our publications. Therefore, we are only able to send those publications marked.

If you wish to receive any of the general publications below, check the appropriate boxes.

____ (1) All reports

____ (2) Press Releases

____ (3) Summaries

____ (4) Notices of Investigations

____ (5) Agendas

____ (6) Monthly Calendars

____ (7) Announcements regarding the publication of the Harmonized Tariff Schedules of the United States (Annotated)

____ (8) Annual Reports

If you are interested in receiving ONLY reports of investigations and studies conducted under specific laws, or relating to specific subject areas, please check the appropriate boxes:

____ (9) Dumping and reviews (Title VII, Tariff Act of 1930)

____ (10) Countervailing duty and reviews (Title VII & Sec. 203, Tariff Act of 1930, Sec. 204, Trade Agreements Act of 1979)

____ (11) Escape clause and reviews (Sec. 201 & 203, Trade Act of 1974)

____ (12) Unfair import practices (Sec. 337, Tariff Act of 1930 & SEC. 603, Trade Act of 1974)

____ (13) General Studies (Sec. 332, Tariff Act of 1930)

____ (14) Market Disruption (Sec. 406, Trade Act of 1974)

____ (15) Probable effect of trade agreement concessions, GSP (Sec. 131 & 503, Trade Act of 1974)

____ (16) Interference with agricultural programs (Sec. 22, Agricultural Adjustment Act)

____ (17) Miscellaneous

____ (18) Agricultural products (except fibers)

____ (19) Lumber and forest products, including paper and its manufacturers

____ (20) Fibers, textiles and clothing

____ (21) Chemicals, petroleum

____ (22) Non-metallic minerals and their manufacturers

____ (23) Metals and their manufacturers, including machinery and electronic products

____ (24) Miscellaneous products (including footwear, leather, leather goods, optical and scientific instruments, musical instruments, furniture, sporting goods, jewelry, plastic articles)

Economic Reports:

____ (EC) East-West Trade Reports

____ (EC) Operations of the Trade Agreements Program (OTAP)

____ (EC) Caribbean Basin Initiative

Statistical Reports:

____ (IND) Automobiles

____ (IND) Steel

____ (IND) Rum

____ (IND) Non-rubber footwear

Kenneth R. Mason
Secretary

Please return to:

Lisa M. Maddox
Office of the Secretary
U.S. International Trade Commission
500 E Street SW.
Washington, DC 20436

Attachment 7

EXCERPT: GOVERNMENT PERIODICALS AND SUBSCRIPTION SERVICES

AGENCY INDEX

AGRICULTURE DEPARTMENT Page

- Accepted Meat and Poultry Equipment ... 1
- AgExporter ... 1
- Agricultural Outlook ... 1
- Agricultural Research ... 1
- Agricultural Statistics Board Reports:
  - Agricultural Prices ... 2
  - Catfish and Catfish Production ... 2
  - Cattle ... 2
  - Celery ... 2
  - Cold Storage ... 2
  - Crop Production ... 2
  - Dairy Products ... 2
  - Egg Products ... 2
  - Eggs, Chickens and Turkeys ... 2
  - Grain Stocks ... 2
  - Hogs and Pigs ... 2
  - Livestock Slaughter ... 2
  - Milk Production ... 2
  - Non-Citrus Fruits and Nuts ... 2
  - Peanut Stocks and Processing ... 2
  - Potatoes ... 2
  - Poultry Slaughter ... 2
  - Rice Stocks ... 2
  - Vegetables ... 2
- Analytical Chemistry Laboratory Guidebook, Residue Chemistry (Formerly *Residue Chemistry Guidebook.*) ... 4
- Economic Indicators of the Farm Sector ... 17
- Family Economics Review ... 19
- Farmer Cooperatives ... 19
- Farmline ... 19
- Fire Management Notes ... 23
- Food News for Consumers ... 24
- Food Review ... 24
- Foreign Agricultural Trade of the United States ... 24
- Journal of Agricultural Economics Research ... 28
- List of Materials Acceptable for Use on Systems of REA Electrification Borrowers ... 29
- List of Materials Acceptable for Use on Telephone Systems of REA Borrowers ... 29
- List of Proprietary Substances and Nonfood Compounds ... 29

AGRICULTURE DEPARTMENT—Continued Page

- Meat and Poultry Inspection Directory ... 31
- Meat and Poultry Inspection Manual and Compilation of Meat and Poultry Inspection Issuances ... 31
- Meat and Poultry Inspection Regulations ... 31
- Residue Chemistry Guidebook (See *Analytical Chemistry Laboratory Guidebook, Residue Chemistry.*)
- Rural Development Perspectives ... 40
- Situation and Outlook Reports:
  - Agricultural Resources ... 41
  - Agriculture and Trade Report ... 41
  - Cotton and Wool ... 41
  - Dairy ... 41
  - Feed ... 41
  - Fruit and Tree Nuts ... 41
  - Livestock and Poultry ... 41
  - Oil Crops ... 42
  - Outlook for United States Agricultural Exports ... 42
  - Rice ... 42
  - Sugar and Sweetener ... 42
  - Tobacco ... 42
  - Vegetables and Specialties ... 42
  - Wheat ... 42
  - World Agriculture ... 42
- Soil and Water Conservation News ... 42
- Standards and Labeling Policy Book ... 43
- Tree Planters' Notes ... 44
- World Agricultural Supply and Demand Estimates ... 47

COMMERCE

- Business America ... 5
- Census and You ... 8
- Census Final Reports ... 8
- Census of Agriculture, Advance Reports, 1987 ... 8
- Census Preliminary Reports ... 9
- Classification Definitions (Patents) ... 9
- Commerce Business Daily ... 10
- Commerce Publications Update ... 10
- Construction Reports ... 11
- Construction Review ... 12

COMMERCE—Continued Page

- County Business Patterns, 1990 ... 12
- Current Business Reports ... 12
- Current Business Reports: Monthly Wholesale Trade, Sales, and Inventories ... 12
- Current Housing Reports, H-111, Housing Vacancies ... 13
- Current Housing Reports, H-130, Market Absorption of Apartments ... 13
- Current Industrial Reports ... 13
- Current Population Reports ... 15
- Export Administration Regulations ... 18
- Fishery Bulletin ... 23
- Foreign Economic Trends and Their Implications for the United States ... 24
- Governments Quarterly Report ... 25
- Journal of Research of the National Institute of Standards and Technology ... 28
- Manual of Classification [Patent and Trademark Office] ... 29
- Manual of Patent Examining Procedure ... 30
- Manual of Regulations and Procedures for Federal Radio Frequency Management ... 30
- Marine Fisheries Review ... 30
- Mariners Weather Log ... 31
- Monthly and Seasonal Weather Outlook ... 32
- NOAA Diving Manual ... 35
- Oceanographic Monthly Summary ... 36
- Official Gazette of the United States Patent and Trademark Office: Patents ... 36
- Official Gazette of the United States Patent and Trademark Office: Trademarks ... 36
- Overseas Business Reports ... 37
- Patent and Trademark Office Notices ... 37
- Quarterly Financial Report for Manufacturing, Mining and Trade Corporations ... 39
- Report on Cotton Ginnings by Counties ... 39
- Report on Cotton Ginnings by States ... 39
- Schedule B ... 41
- Stable Implementation Agreements for Open Systems Interconnection Protocols Version 5, Edition 1 ... 42
- Survey of Current Business ... 44
- Trade and Employment ... 44
- Trademark Manual of Examining Procedure ... 44

COMMERCE—Continued Page

- United States Merchandise Trade: Exports, General Imports, and Imports for Consumption ... 46

CONGRESS OF THE U.S.

- Calendars of the U.S. House of Representatives and History of Legislation ... 5
- Congressional Record ... 11
- Congressional Record, Microfiche ... 11
- Economic Indicators ... 17
- Government Paper Specification Standards No. 9 ... 25
- Private Bills ... 38
- Public Bills, Resolutions, and Amendments ... 38
- Reports on Public Bills ... 40
- United States Code, Title 38, Veterans' Benefits ... 45

DEFENSE

- Air Force Comptroller ... 3
- Air Force Federal Acquisition Regulations Supplement ... 3
- Air Force Journal of Logistics ... 3
- Air Force Law Review ... 3
- Airman ... 3
- Airpower Journal ... 3
- All Hands ... 3
- Approach ... 4
- Army Communicator ... 4
- Army Lawyer ... 4
- Army Logistician ... 4
- Army RD&A Bulletin ... 4
- Army Reserve Magazine ... 5
- Army Trainer ... 5
- Cataloging Handbook H4/H8 ... 7
- Citizen Airman ... 9
- Civilian Manpower Statistics ... 9
- CML, Army Chemical Review ... 9
- Combat Crew ... 10
- Combat Edge (Formerly *TAC Attack*) ... 10
- Companies Participating in the Department of Defense Subcontracting Program ... 10
- DCAA Contract Audit Manual (Formerly *Defense Contract Audit Manual.*) ... 15
- Defense Contract Audit Manual (See *DCAA Contract Audit Manual.*)
- Defense 92 ... 16
- Department of Defense Index of Specifications and Standards ... 16
- Department of Defense Telephone Directory ... 16
- The Detective ... 16
- Directory of DCAA Offices ... 17
- DoD FAR Supplement ... 17

Source: Edition 226 Summer 1992

Appendix

UNITED STATES INTERNATIONAL TRADE COMMISSION

WASHINGTON, DC 20436

February 22, 1993 OP-Q-022

MEMORANDUM

TO: Inspector General

FROM: Robert A. Rogowsky Robert A. Rogowsky
Director, Office of Operations

SUBJECT: Draft Report: Evaluation of Commission's Role in Preparing Recurring Reports

As requested by your memorandum dated January 22, 1993 (IG-Q-002), submitted herewith is the Office of Operation's response to the subject draft audit report issued January 22, 1993. In accordance with Section 12 of USITC Directive 1701.1, the Commissioners have had an opportunity to comment on the response and the Chairman has approved it with a modification.

The Office of Operations agrees with all the audit recommendations. The attached response includes actions to be taken and target completion dates. Also attached are technical comments with regard to the draft audit report.

Please call me at 205-2230 or Vern Simpson at 205-3296 if you have any questions.

ATTACHMENTS

cc: Director, Office of Administration
Director, Office of Industries
Director, Office of Executive Liaison
General Counsel
Acting Director, Office of Economics
Acting Director, Office of Congressional Liaison
Acting Secretary

EVALUATION OF COMMISSION'S ROLE IN PREPARING RECURRING REPORTS

RECOMMENDATION 1.

Coordinate with the Director of Congressional Liaison to establish procedures to review and comment on proposed legislation and provide input into proposed letter requests for studies. Comments should attempt to influence Congress to request studies in letter requests rather than mandate studies by law and to incorporate sunset dates in all mandated and requested studies.

RESPONSE: Agree. Effective immediately, the Office of Congressional Liaison (CL) will examine all proposed legislation where recurring Commission studies are mandated and will recommend that such studies be requested instead by letter so that they may more easily be adjusted to changing conditions. CL will also recommend that sunset dates be set.

Effective immediately, staff of the Office of Operations will recommend incorporation of sunset dates in all discussions and/or draft request letters concerning recurring studies, whether from the Congress or the U.S. Trade Representative (USTR).

The Director, Office of Operations, will by memorandum instruct his subordinate managers to implement this policy.

TARGET COMPLETION DATE: Effective immediately.

RECOMMENDATION 2.

Establish a schedule to communicate with committee staff, either in letters or meetings, on recurring reports. Develop policies on what information should be provided and how many reports should be discussed simultaneously.

RESPONSE: Agree. CL will advise the House Ways and Means Committee (W&M) and the Senate Finance Committee (SFC), and the Office of Executive Liaison (XL) will advise the USTR that as part of an annual (October 1) Commission review of recurring studies, the Commission will provide these committees and USTR with a list of all such studies, including dates and authorities regarding initiation, their periodicity, mailing list size, printing cost, and suggestions for change, if any. The committees and USTR will be requested, in turn, to indicate their desire to have the study continued, changed, or discontinued.

Staff would in turn notify the Commission by memorandum of the committees' and USTR's decisions, and initiate any action jackets required to amend or terminate the studies.

TARGET COMPLETION DATE: October 1 of each year.

RECOMMENDATION 3.

Establish criteria in coordination with Office of General Counsel for determining which studies should be initiated under section 332 and assign or delete 332 numbers to the recurring studies consistent with that criteria.

RESPONSE: It is assumed that the recommendation applies only to situations in which institution of a general factfinding investigation is discretionary rather than mandatory (e.g., required as a result of a request from the President or the Congress under section 332(g) or required under other authority). The Commission, based on recent Commission practice, may want to self-initiate under section 332(b), as opposed to not initiating an investigation at all, when one or more of the following conditions are present:

(a) A substantial number of staff work hours are likely to be involved (generally a work-month or more). For accounting purposes, work hours can be charged to the investigation.

(b) The effort is likely to result in the preparation of a report that will be released to the public and/or transmitted to the President or the Congress, and which the Commission will want to become part of the Commission's permanent records. Virtually all section 332 investigations result in the preparation of a report and such reports become part of the Commission's permanent records.

(c) The Commission will issue a public notice to solicit public input through written comments and/or a public hearing. Institution of a formal investigation facilitates docketing of comments and handling of inquiries.

(d) The Commission plans to collect industry data through questionnaires, and through having instituted a formal proceeding wants to ensure that it has clear access to its subpoena authority for data collection purposes.

With respect to conversion of the current East-West Trade and OTAP reports into section 332 investigations, there is no legal reason why the East-West Trade and OTAP reports could not be done under section 332. However, the General Counsel indicates that it has been longstanding Commission practice to conduct investigations and prepare reports under the authority that provides for the investigations or reports. The East-West Trade and OTAP reports are required by statute (a statute other than section 332) and have well-established formats and numbering systems. The GC is unaware of any reason for changing this practice and issuing the reports as part of a self-initiated section 332.[1]

---

[1]It should be noted that the Commission's annual report is also a recurring report required by statute (by section 332(g)), but is not labelled as a section 332 investigation. On the other hand, the CBERA reports, which are required under section 215 of the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701), have since their inception been conducted as section 332 investigations. CBERA among other things requires the Commission, in preparing those reports, to seek public input, either in oral or written form (see sec. 215(c)(2)). For filing and records maintenance purposes, this is more easily accomplished through institution of a section 332 investigation and establishment of a section 332 docket file in the Secretary's Office. No such requirement to seek public input in East-West Trade or OTAP report preparation exists, few if any public submissions are received in conjunction with preparation of those reports, and the Secretary's Office does not maintain a docket file in conjunction with those reports.

On the other hand, it would appear appropriate to incorporate the Trade-Shifts Reports, which are not currently prepared pursuant to a particular statutory authority, into the 332 process, largely for reasons related to (a) and (b) above. Also, the Commission may want to solicit public input for the trade-shifts reports.[2]

TARGET COMPLETION DATE: May 28, 1993.

RECOMMENDATION 4.

Formulate policies applicable to the initiation and report issuance of recurring reports via the action jacket process and coordinate with the Acting Secretary to incorporate these policies in USITC Directive 1201.

RESPONSE: Agree. All future recurring reports will be initiated by action jacket. The action jacket will include, among other things, recommendations as to the following:

(a) Whether the recurring report should be given 332 status;

(b) Whether the staff should be given blanket approval to release the report without Commission review (such as in the case of the footwear and auto reports where staff now has such blanket approval in the interest of timeliness and paperwork reduction); and

(c) The frequency of Commission review regarding report continuation (at least once every 3 years).

All recurring reports should be reauthorized by the Commission at least every 3 years. This includes reports for which the Commission has provided blanket approval for release (such as the monthly auto report, footwear, the quarterly SOC report, and IER). The action jacket regarding report continuation should include information to assist the Commission in its decisions regarding continuation, format changes, and report distribution. Such information might include situation changes, data usefulness or availability, historical costs, and current report distribution. The staff will use the vehicle of the normal report approval action jacket to obtain a Commission decision on report continuation, as appropriate. In reauthorizing studies, staff will also make recommendations to the Commission regarding whether the staff should be given blanket approval to release the report without Commission review.

Operations will coordinate with the Acting Secretary to incorporate these policies in USITC Directive 1201.

TARGET COMPLETION DATE: May 28, 1993 for Directive 1201 revision. Next AJ cycle for reauthorization of each report.

---

[2]Likewise, it is recommended that the Commission designate as a section 332 investigation the annual statistical report on U.S. imports of textiles and apparel under the Multifiber Arrangement. While this report was not mentioned in the IGs report, it nevertheless appears to merit 332 status under the outlined criteria.

RECOMMENDATION 5.

Transfer all mailing lists for recurring reports to the Arclist.

RESPONSE: Agree. Since the Secretary's Office does not have the resources to transfer all mailing lists to the Arclist, this recommendation depends on installation of the "Enter Only" version of Arclist software in program offices. This software allows the addition, deletion, or editing of Arclist data by the program offices and the downloading of this information to the Secretary. Placement of this software has begun in program offices.

TARGET COMPLETION DATE: May 28, 1993.

RECOMMENDATION 6.

Notify the Acting Secretary that recurring reports should not be sent to names on the master list and coordinate in revising the form so that recurring reports must be specifically requested in order to receive them.

RESPONSE: Agree. Operations will recommend to the Acting Secretary that recurring reports not be sent to names on the master list or the 332 general list. Operations will also coordinate with the Office of the Secretary in revising the request form, taking into account any decision made regarding the distribution of Commission reports by the GPO.

TARGET COMPLETION DATE: May 28, 1993.

RECOMMENDATION 7.

Develop a coordinated approach with the Acting Secretary to periodically validate mailing lists for recurring reports.

RESPONSE: Agree. The Acting Secretary will take responsibility for coordination and monitoring of the validation process. However, the Acting Secretary indicates that, because of resource considerations, the Office of the Secretary can only directly validate the master mailing list; other program offices will be responsible for the actual validation of their mailing lists, keeping the Secretary apprised of their actions. An annual validation will be implemented by Operations for recurring reports.

TARGET COMPLETION DATE: May 28, 1993.

RECOMMENDATION 8.

Require the Directors of Industries and Economics to approve any packaging to be performed by program staff.

RESPONSE: Agree. The Director of Operations will by memorandum instruct managers to follow this policy.

TARGET COMPLETION DATE: Effective immediately.

RECOMMENDATION 9.

Determine what is the minimum distribution of each recurring report that the Commission must make in order to meet the requirements of section 332.

RESPONSE: Agree. Each program office will develop for each recurring study a list of the minimum required number of recipients and/or copies required for each study. It is recommended that reports for this list continue to be printed in-house to maintain the maximum flexibility and timeliness. The minimum list for each recurring report will vary depending on the nature of the report, how it is prepared, and the subject being addressed. Staff will endeavor to keep this list to the lowest number possible. Generally, the minimum list will be made up of the following:

a) Copies for requestor.--The requestor (i.e., SFC, W&M, or USTR) establishes the number of copies they require.

b) File/staff copies.--A limited number of reports are required for record keeping and staff reference. This will vary with the topic of the recurring report--the OTAP for example having much broader reference by the staff than the footwear report.

c) Copies to persons providing input to the report.--The Commission is vitally dependent on outside sources for input in its investigative work. To help ensure the continued cooperation of the trade/business community, the Commission has traditionally provided complimentary reports to persons that assisted the staff through questionnaire responses and in other ways. This practice should continue. In the case of the SOC report, for example, this will mean that hundreds of complimentary copies will be required.

d) Courtesy copies.--Depending on the nature of the report it may be appropriate to send copies of the report to key industry or trade associations or firms. Such distribution, however, would be kept to a minimum.

e) "Barter" copies.--Operations staff maintains contact with an extensive network of counterparts in other agencies, other governments, and the trade community in order to stay informed. These contacts involve the two-way flow of information, and part of such relationships is the exchange of relevant documents of interest to each. It is essential to the Commission's mission that the staff maintain the ability to provide reports to counterparts. Staff recommends that the minimum list must include these copies.

In the case of the Trade Shifts, IER, and ITTR, which are essentially staff opinions but contain information believed to be useful to the public, it is recommended that these reports continue to be issued free to a wide range of persons in the trade/business community. The mailing lists for these documents would of course be validated periodically as outlined in item 7 above.

TARGET COMPLETION DATE: May 28, 1993.

RECOMMENDATION 10.

In coordination with the Director of Administration, meet with the GPO Superintendent of Documents to identify which recurring reports GPO is willing to sell.

RESPONSE: Agree. Representatives of the Office of Administration and IG had an initial meeting with GPO officials in this regard on January 29, 1993. Representatives of Operations will join Administration staff in future discussions with GPO.

Administration will attempt to arrange a meeting in March in which the Commission will present background information on our recurring reports to the GPO to see which they might be interested in selling. Staff will report the results of that meeting and any subsequent followup meetings to the Chairman as appropriate.

Regarding reports in which GPO might have an interest, we do not think that GPO will be interested in reports such as rum, footwear, and autos, where the mailing list is small even when the report is free. In addition, the ethyl alcohol report consists of only a letter and a Federal Register notice; GPO would not be interested in it. The EC 92 report to be issued in March 1993 is likely to be the last such report and is more in the nature of a general 332 report; it is not likely that the GPO would be interested in this. In the interest of timely report publication and distribution we do not recommend that the monthly IER report be sold through GPO. This leaves eight reports (CBERA, OTAP, East-West, SOC, Steel, Production Sharing, Trade Shifts, and ITTR) in which staff anticipates possible GPO interest. Beyond the current set of 14 recurring reports, staff will contact GPO when new recurring reports are initiated to determine their interest.

In the event that GPO is not interested in our reports, we recommend that the Commission maintain its current system of free distribution. Separately, Administration is exploring whether using GPO's Reimbursable Mailing Service can lower mailing costs on all reports.

TARGET COMPLETION DATE: Dependent on GPO decisions regarding Commission reports.

RECOMMENDATION 11.

For reports accepted by GPO, reduce the Commission's mailing lists to the minimum level identified and coordinate with the Office of Public Affairs to revise the press release to include instructions on how to procure the report from GPO.

RESPONSE: Agree. Public Affairs indicates that the press releases can be easily modified once the reports are identified.

TARGET COMPLETION DATE: See recommendation 10.