

REPORT
OF THE
UNITED STATES
BUREAU OF EFFICIENCY

FOR THE PERIOD FROM
NOVEMBER 1, 1924
— TO —
OCTOBER 31, 1925



WASHINGTON
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1925

REPORT
OF THE
UNITED STATES
BUREAU OF EFFICIENCY

FOR THE FISCAL YEAR
ENDING SEPTEMBER 30, 1935
OCTOBER 31, 1935



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LETTER OF TRANSMITTAL

UNITED STATES BUREAU OF EFFICIENCY,
Washington, November 15, 1925.

To the PRESIDENT:

I submit herewith a report of the character and progress of the work of the Bureau of Efficiency during the period from November 1, 1924, to October 31, 1925.

Very respectfully,

HERBERT D. BROWN,
Chief, Bureau of Efficiency.

LETTER OF TRANSMITTAL

U. S. Senate, March 10, 1925.
Honorable William M. Wilson.

To the President:
I submit herewith a report of the character and progress of the work of the Bureau of Efficiency during the period from November 1, 1924, to October 31, 1925.
Very respectfully,

Herbert D. Brown,
Chief, Bureau of Efficiency.

ANNUAL REPORT OF BUREAU OF EFFICIENCY, 1925

INTRODUCTION

The appropriation for the United States Bureau of Efficiency for the fiscal year ended June 30, 1925, was \$156,150. The appropriation for the fiscal year ending June 30, 1926, is \$150,350.

The staff of the bureau on October 31, 1925, consisted of the chief, the assistant chief, 26 investigators and accountants, 1 scientist, 12 clerks, 3 messengers, and 1 laboratory assistant, making a total force of 45.

The duties of the Bureau of Efficiency as prescribed by statutory authority consist of the establishment and general supervision of a standard system of efficiency ratings for the classified service in the District of Columbia, the investigation of the needs of the several executive departments and independent establishments with respect to personnel, and the investigation of duplication of work and methods of business in the various branches of the Government service. The chief of the bureau, or an alternate designated by him, is required under the provisions of the act approved March 4, 1923, known as the classification act of 1923, to serve with the Director of the Bureau of the Budget and a member of the Civil Service Commission, or their alternates, as a personnel classification board. The bureau is also required by the classification act to render to the personnel classification board such cooperation and assistance as the board may require.

During the past year the bureau has continued work along the same general lines as mentioned in its annual report for 1924, namely:

- Duplication of work.

- Business methods.

- Personnel.

DUPPLICATION OF WORK

Under date of September 7, 1922, the Bureau of Efficiency submitted to the Speaker of the House of Representatives a report on the statistical work of the United States Government. The study covered by this report was conducted under authority of the acts of Congress approved March 1, 1919, and November 4, 1919. The report was printed as House Document No. 394, Sixty-seventh Congress, second session. It contained 33 recommendations. These rec-

ommendations contemplated the transferring to a single organization unit under the Department of Commerce the collection and dissemination of all nonadministrative statistics—that is, statistics that are collected primarily for the information they convey in themselves concerning economic and sociologic conditions and that have no connection with administrative functions; the discontinuance of certain statistical activities; the collection of more comprehensive statistics relating to internal commerce; and the discontinuance of the free distribution of statistical publications.

Eight of the recommendations embodied in the bureau's report have already been adopted in whole or in part. Other recommendations contained in this report are now receiving the earnest consideration of the proper officials. The adoption of all of the bureau's recommendations would result in the improvement of the Government's statistical product, the lessening of the burden upon private establishments in furnishing information to two or more Federal agencies, and in economy in the collection, compilation, and distribution of the Government's statistical reports.

INDEX OF GOVERNMENT ACTIVITIES

The bureau's Index of Government Activities, which was compiled in 1920, was kept current during the year. This index now consists of about 45,000 cards, covering all of the major activities of the Federal Government from 1913 to date. The index has not only served as a check against duplication of work in the Government service, but it has also been used as a means to answer many hundreds of inquiries coming to the bureau from Government officials and private citizens pertaining to the activities of the executive departments and independent establishments.

During the past year the Bureau of Efficiency reported to the Bureau of the Budget upon 24 new activities proposed to be undertaken by various branches of the Government service. A study of these proposed activities showed that none of them would constitute a duplication of work. The bureau, however, in its report on a particular activity referred to all similar work previously done by any branch of the Government service.

BUSINESS METHODS

TREASURY DEPARTMENT

Bureau of Engraving and Printing.—At the request of the Director of the Bureau of Engraving and Printing a survey of the business methods and manufacturing operations of that bureau is being made by members of the bureau's staff. Recommendations

are submitted from time to time as the work proceeds, and assistance is rendered in the installation of the improved methods.

Recommendations made and adopted to date have resulted in the simplification of the accounting for security paper in process of printing, the elimination of several unnecessary counting and examining operations, the revision of the job-order system in connection with the production of national bank notes, and the elimination of the Treasury number from the national bank note. Numerous minor changes have also been made. Material reductions in operating costs have accompanied these improvements.

Public Debt Service.—In May, 1924, the Commissioner of the Public Debt requested the bureau to make a survey of the accounting methods of the Treasury Department in connection with the movements of currency, securities, and miscellaneous accountable paper. This study was completed during the past year. As a result of this survey, a centralized control was established in the division of public debt accounts and audit, the auditing office of the Public Debt Service, over all transactions in security paper from the point of manufacture or place of shipment to the delivery of all paper either as imperfect sheets or as a finished product. This centralized control embraces all security paper whether it contains distinctive features or not. The plan recommended and adopted provides for a continuous audit by the division of public debt accounts and audit of the books of account and records of the several offices handling security paper, which includes an occasional count of all paper held by any division or subdivision of such offices.

Assistance was also rendered to the office of the Assistant Secretary of the Treasury in the establishment of an administrative control over currency operations. The plan introduced provides for the collection and analysis of information pertaining to requirements, to production, and to supply and distribution of currency for use as an aid in determining the currency policy and in the general supervision of currency supply and distribution.

Currency inquiry.—At the request of the Treasury Department a study is being made of the paper currency of the Government with a view to (1) increasing the strength and wearing qualities of the paper used for currency and (2) determining whether our currency is as efficient in circulation and as economical in manufacture as it might be. This study has been in progress for the past six months.

The study relating to the strength and wearing qualities of the paper used in the manufacture of currency is being made in cooperation with the paper section of the United States Bureau of Standards. The purpose of this study is to devise means for increasing the strength and wearing qualities of currency by giving the finished

bills an after treatment that will protect them against wear, by providing a paper intrinsically stronger and more resistant to wear than the paper now in use, and by modifying or controlling the processes in which the strength of the paper is affected adversely during printing. Enough progress has been made to demonstrate the feasibility of lengthening the life of our currency by producing a better paper, by creating a reserve which will permit the paper to season after each process of manufacture in the Bureau of Engraving and Printing, and by suitably surface treating the bills before they are issued.

The Bureau of Efficiency is assisting the Treasury in a study of money in circulation. The existence of five types of money and the advisability of maintaining them is being given particular attention. The size of paper money and the advisability of changing that size is being thoroughly surveyed. Redesigning of paper money in the interest of security, simplification, and economy in manufacture is also being studied.

Bureau of Internal Revenue.—At the request of the Commissioner of Internal Revenue, a study of the correspondence conducted by the miscellaneous tax unit of that bureau was made to determine its adaptability to dictating machines. A report covering this survey was submitted which resulted in the installation of dictating machines. The introduction of these machines has effected a material reduction in the stenographic and typing force of this section. Other branches of the Government service, following the action of the Bureau of Internal Revenue, have also installed dictating machines.

Federal Farm Loan Bureau.—At the instance of the Bureau of the Budget a survey is being made of the Federal Farm Loan Bureau with a view to determining its personnel requirements.

WAR DEPARTMENT

Militia Bureau.—At the request of the Secretary of War a survey of the organization and business methods of the Militia Bureau was made to determine if there existed a need for additional personnel. The bureau reported in the negative and recommended that certain duplicative functions be eliminated.

DEPARTMENT OF STATE

At the instance of the Secretary of State a member of the bureau's staff was designated to serve on a departmental committee organized to make a survey of the business methods and personnel needs of that department.

As a result of the committee's survey recommendations have been made and approved during the past three months that have re-

sulted (1) in assisting the departmental budget officer in the preparation of estimates for a much smaller appropriation than at first appeared necessary, (2) in the preparation of financial statements which permit the determination of definite policies relative to salary adjustments, (3) in the effective reorganization of a bureau which had not been functioning to the entire satisfaction of the department, and (4) in the adoption of improved and economical methods of doing business.

POST OFFICE DEPARTMENT

In January, 1925, the Postmaster General requested that a survey be made of the organization and business methods of the division of topography, the division of equipment and supplies, and the division of rural mails of the Bureau of the Fourth Assistant Postmaster General. The surveys relative to the work of the division of topography and the division of equipment and supplies have been completed. The report on the division of topography contained recommendations relative to the method of correcting and redrawing of post-route maps, the control of issues of post-route maps, and certain other minor matters, all of which were adopted. Reports dealing with the organization and work of the division of equipment and supplies and the division of rural mails will shortly be completed.

DEPARTMENT OF AGRICULTURE

Office of the Secretary.—Three members of the bureau's staff have been assigned since last April to aid the director of personnel and business administration in the reorganization of the office of the Secretary of Agriculture. The bureau's survey has dealt with such problems as personnel administration, the installation of machine bookkeeping, methods of preparing and handling pay rolls, supply organization and methods of issuing supplies, and other similar problems. The survey is still in progress.

Bureau of Public Roads.—The survey of the accounting and office methods of the Bureau of Public Roads, which was undertaken at the request of the chief of that bureau, was completed during the year. The report recommended several changes in organization and a revision of the systems of accounts of the Washington office and of the several field offices of the bureau. These recommendations have uniformly been put into effect.

Bureau of Plant Industry.—In February, 1925, the Chief of the Bureau of Plant Industry requested that a survey of the organization and business methods of that bureau be made. The work to date has dealt largely with the accounting procedure of the bureau, which is being standardized and simplified. The survey is still in progress.

DEPARTMENT OF COMMERCE

Bureau of Foreign and Domestic Commerce.—The Assistant Secretary of Commerce, under date of January 23, 1925, requested that a survey be made relative to the efficiency of the organization and accuracy of the work performed by the New York section of Customs Statistics of the Bureau of Foreign and Domestic Commerce.

A report covering this survey was recently submitted to the Department of Commerce containing recommendations looking to an improvement in organization and in methods. It is estimated that the adoption of the bureau's recommendations will result in a material reduction in operating costs.

Patent Office.—A member of the bureau's staff has recently been appointed a member of a departmental committee organized by the Secretary of Commerce for the purpose of making a continuous study of the operations of the Patent Office. This committee is to recommend from time to time as the survey proceeds such changes in organization and methods of operation as will in its opinion simplify and improve the work of this office.

Miscellaneous.—Assistance was rendered by a member of the bureau's staff to the administrative assistant to the Secretary of Commerce in charting duplicative activities in the Government service and in performing miscellaneous research work. He also assisted the Bureau of the Census in compiling the new form of official register of the United States.

DEPARTMENT OF THE INTERIOR

Freedmen's Hospital.—A survey was made during the past year of the filing needs of Freedmen's Hospital. Plans for reorganizing the filing methods were submitted and approved. The new system of filing administrative correspondence, patients' charts, and the records of the hospital's training school for nurses was installed on July 1, 1925. A member of the bureau's staff assisted in the installation of these files.

THE PUBLIC LIBRARY

At the request of the librarian of the District of Columbia Public Library a study was undertaken to determine whether the charge in and out of books could be accomplished by means of machinery. A machine was designed for this purpose by a member of the bureau's staff and drawings are now being made of it by a manufacturer. If the machine effects a material improvement in existing charge methods it will no doubt be adopted by other libraries.

MISCELLANEOUS

A number of minor investigations and studies were made during the year at the request of the various departmental offices and committees and Members of Congress.

A member of the bureau's staff served until September 1 last as chairman of the Federal Purchasing Board. This board is composed of the chief purchasing officers of the Government in Washington and operates under the office of the Chief Coordinator.

PERSONNEL

UNIFORM EFFICIENCY RATINGS

Practically all employees in the classified departmental service have received two semiannual efficiency ratings under the new system devised and installed by the Bureau of Efficiency. The bureau has continued to serve the executive departments and independent establishments in an advisory capacity on questions of rating and procedure.

RECLASSIFICATION OF SALARIES

During the past year eight members of the bureau's staff devoted their entire time to the work of the Personnel Classification Board. Other members of the bureau's staff have also been detailed to this work from time to time, the number of details depending largely upon the number of appeals from allocations. Altogether, 40 per cent of the time of the staff was given over to the activities of the Personnel Classification Board.



