

regional plant.

Other Operations - Other Operations consist of revenues and expenses related to the sale of retired assets, the pay parking program, the Commerce Business Daily billing and collecting program, and other transactions. Other Operations generated net income of \$745,000 in fiscal year 1996, compared with net income of \$784,000 in 1995.

Information Dissemination

Sales of Publications Program - GPO's Sales of Publications Program generated a net loss of \$8.9 million in 1996, compared with fiscal year 1995 net income of \$3.2 million. Total revenues decreased to \$70.5 million, compared with \$80.1 million in fiscal year 1995, while expenses increased to \$79.4 million from \$76.9 million. Revenues from the sale of electronic government information were \$4.3 million in fiscal year 1996, compared with \$3.9 million in fiscal year 1995. Bookstore revenues decreased to \$13.2 million, compared with \$15.2 million in fiscal year 1995. The government-wide shutdowns contributed to the drop in program revenue.

Agency Distribution Services - Under contract with customer agencies, GPO distributes publications to recipients designated by those agencies and charges for the cost of services performed. This program had revenues of \$4.4 million and a loss of \$340,000 in fiscal year 1996, compared with revenues of \$5.3 million with net loss of \$36,000 in fiscal year 1995. The loss in fiscal year 1996 was due to the correction of overbillings to GSA for postage. These overbillings had occurred over the prior two years.

Appropriations

Salaries and Expenses - The Salaries and Expenses Appropriation is used to fund the Statutory Distribution Program, the Depository Library Program, the Cataloging and Indexing Program, and the International Exchange Program. These programs are administered and performed by Superintendent of Documents employees. The amount of expended appropriation was \$31.3 million in fiscal year 1996, compared with \$27.6 million in fiscal year 1995.

Congressional Printing and Binding - Printing and binding expenses for work performed for Congress are reimbursed to the Printing and Binding Operations Revolving Fund upon billing. For fiscal year 1996, reimbursements from the appropriation were \$82.4 million, compared with \$73.1 million in fiscal year 1995.

Eliminations

Financial statement eliminations consist of transactions for printing and binding, publications, and other services provided by GPO to operations funded within GPO. Eliminations of intra-office transactions increased to \$125.9 million in fiscal year 1996 from \$111.1 million in fiscal year 1995.

Fiscal Year 1997 Projections

The consolidated operating loss of \$3.0 million in fiscal year 1995 increased to a \$16.9 million underrecovery in fiscal year 1996. Despite this increase in the operating loss, management is hopeful of returning GPO to breakeven operations soon. Unsettled external issues, however, create some uncertainty regarding GPO's ability to fully recover its costs. The Department of Justice (DoJ) rendered a decision in fiscal year 1996 that GPO's "control" over Executive Branch printing was unconstitutional, and granted executive agencies the authority to bypass GPO to purchase printing. The effect of this decision was subsequently mitigated by a letter, signed by Office of Management and Budget Director Leon Panetta, which requested that Executive Agencies continue to use GPO services until the DoJ decision is reviewed. GPO is hopeful that prudence will prevail and that the long-standing, but too often bypassed, regulation that requires government printing to be ordered through GPO is strengthened, not removed.

GPO will continue to reduce the size of its workforce in fiscal year 1997. GPO will be at or below the Appropriation Committee's ceiling of 3,600 full-time equivalents at fiscal year end. An early-out retirement (without incentive) is being offered to employees. GPO has eliminated a \$2 million a year loss by closing all but one regional printing plant.

GPO will continue to improve operations and services. The Superintendent of Documents critically reviewed and downsized its inventory of publications during fiscal year 1996. As a result, inventory holding and handling expenses, as well as the surplus inventory cost, will be reduced in fiscal year 1997 and beyond. The Superintendent of Documents operation also expects to award a contract to acquire a fully integrated order processing system in fiscal year 1997. This system will vastly improve customer services by allowing more efficient and faster processing of orders, inquiries, and complaints. In all, 18 antiquated computer systems will be replaced by the new system.

GPO ACCESS continues to be a popular source for electronic government information. This award-winning system became free to users on December 1, 1995, and now averages 3 million documents retrieved from 72 databases each month! In fiscal year 1997, GPO will increase GPO ACCESS' utility further by distributing additional agency publications in electronic format, including the remaining volumes of the Code of Federal Regulations and the