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UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON, D C 20548

CIVIL DIVISION

APR 22 1969

Dear Mr. Lennartson.

The General Accounting Office has completed a survey of certain activities relating to the administration of the Delaware Valley Milk Marketing Order by the Consumer and Marketing Service, Department of Agriculture. Our survey was primarily directed toward examining into the propriety of administrative expenditures and reviewing the extent to which the Dairy Division of the Consumer and Marketing Service supervised and reviewed the Milk Market Administrator's activities in carrying out the provisions of the milk marketing order. Our survey did not include a review of the milk handlers' records because of restrictions on the availability of records provided in the Agricultural Marketing Agreement Act of 1937, (7 U.S.C. 608d).

Our survey did not disclose any deficiencies warranting further review by this office, however, we noted that the milk market administrator purchased an automobile with air-conditioning and other optional equipment which cost about \$4,000 excluding trade-in value. The extent to which similar procurements may have been made by other milk market administrators was not determined during our survey. Although we recognize that milk market administrators do not use appropriated funds and are not subject to the \$1,500 limitation imposed by 5 U.S.C. 78a-1 on passenger cars purchased by Federal agencies using appropriated funds, we believe that in the interest of economy and uniformity of application you should consider imposing a limitation on the amount milk market administrators could spend in their procurements of automobiles. We will appreciate your comments as to the action taken on this matter.

We wish to acknowledge the cooperation given to our representatives during the survey. Copies of this report are being furnished to the Inspector General, Department of Agriculture.

Sincerely yours,

Victor L. Lowe

Victor L. Lowe  
Associate Director

Mr. Roy W. Lennartson, Administrator  
Consumer and Marketing Service  
Department of Agriculture

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