

When this was let, I don't know, or when this contract was made I don't know.

Secretary IGNATIUS. There is another point that I think ought to be in the record.

We have a position of Assistant Secretary of the Army for Research and Development. We do not now have that person sworn in in office.

Contracts of this type are not in my area. They are in the area of the R. & D. Secretary. He has been nominated—the individual has been selected and he has been nominated.

But this type of thing would come under his purview, from the standpoint of the Army secretariat.

And in our assignment of responsibilities, the R. & D. Secretary has procurement authority for R. & D. work.

I do not have responsibility for making determinations and findings and actually procuring research and development work. This is the purview of the R. & D. Secretary.

Mr. SANDWEG. May I run that out, then, General Bigelow.

When this is approved as a project in the Pentagon, at that time is there some notation made, or some justification made, or statement, that it can be accomplished inhouse or that it must be done partially outhouse and partially inhouse?

In other words, I think what we are looking for is some notification to higher authority that extra money, other than current operating expenses, are going to have to be put into this.

General BIGELOW. It does not as a rule require extra money.

It is the choice, and it may be subject to approval at a higher level. I just can't respond to that at the moment.

But it is a choice on the part of the commander of the installation charged with the mission, as to how he shall do it: whether he shall do it by contract, whether he shall do it inhouse, or whether he shall do it inhouse essentially with some supporting contracts.

Mr. SANDWEG. Then, up until this latest revision in procedure, he is completely autonomous in that field?

General BIGELOW. Within certain dollar limitations. And what they are I can't answer you.

Do you know?

Mr. WILSON. I am Stewart Wilson of the Office of the Chief of Ordnance.

Under the negotiating authorities, exception 1 is used in the R. & D. area, up to \$100,000.

We are required on anything over that, of course, to come in and get a secretarial approval, or an authority to negotiate, under exception 11, and all other areas.

But under the first exception, we can go up to \$100,000 on a contract, providing, of course, it has project, original project approval on it—where the contracting officer would not have to come in after that to get further approval.

Mr. SANDWEG. I don't understand this review, then, case by case. Is this some new directive that you have?

General ELY. I think we are confusing contract authority with the authority to undertake such a study.