

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON 25, D. C.

October 14, 1961

CIRCULAR NO. A-54

TO THE HEADS OF EXECUTIVE DEPARTMENTS AND ESTABLISHMENTS

SUBJECT: Policies on selection and acquisition of automatic data processing (ADP) equipment

1. Purpose. This Circular prescribes policies on (a) making selections of equipment to be acquired for use in the automatic data processing (ADP) program of the executive branch, and (b) making determinations as to whether the ADP equipment to be acquired will be leased, purchased, or leased with an option to purchase.

2. Scope. The ADP equipment affected by the policies stated herein includes:

- a. Electronic digital computers, irrespective of use, size, capacity, or price;
- b. All peripheral or auxiliary equipment used in support of electronic computers, whether or not cable-connected and whether selected and acquired with the computer or separately;
- c. Punched-card equipment, whether used in conjunction with or independent of an electronic computer; and
- d. Data transmission or communications equipment that is selected and acquired solely or primarily for use with a configuration of ADP equipment which includes an electronic computer.

Analog computers are covered only when computers of this type are being used as equipment peripheral to a digital computer.

Items of ADP equipment that are (a) physically incorporated in a weapon, or (b) manufactured for the Government under a developmental contract, are not affected by the policies stated herein.

3. Applicability. The policies herein apply to ADP equipment acquired by the Government and to that ADP equipment which is acquired and operated by Government contractors solely to process Government data at Government expense (e.g., Government-owned, contractor-operated facilities). These policies do not apply to ADP equipment acquired by universities and similar institutions with financial assistance through grants-in-aid of Government funds.