

While the proposed legislation provides that GSA at its discretion may delegate certain of its authority to other agencies, this is not satisfactory assurance that we will have the decisionmaking latitude which we believe is necessary to carry out our statutory responsibilities in the most efficient and economic manner possible. In order to continue improving the control of air traffic and other highly specialized functions, we must retain full responsibility and authority over the design, installation, and maintenance of these complex systems. It has been necessary for us to develop a highly trained staff with operational, programming, and technical skills who keep abreast of these constantly changing requirements and recommend the basic decisions necessary for the development of this system. We do not believe it would be feasible for GSA to develop the substantially duplicate staff required to perform or supervise the performance of this activity.

We certainly recognize the necessity for coordination and control of EDP programs and many agencies, including FAA, have established centralized control of the acquisition and application of EDP equipment within their own organizations. This is in recognition of the large amounts of money involved, the need for maximum utilization of the equipment, the scarcity of trained personnel, and the need to integrate data systems for overall management purposes. These reasons which exist within the agencies, also apply to the Government as a whole.

H.R. 5171 suggests, however, that no mechanism now exists for providing central coordination of EDP activities throughout the Government. This is not the case. As you know, the Bureau of the Budget presently provides Government-wide coordination and control through the normal budget processes and by prescribing basic policies and standards for acquisition and joint use of EDP facilities. Simply transferring this responsibility to GSA would result in no apparent advantage to the Government. To the contrary, we believe it would only result in the creation of an additional overhead group and additional delays in reaching decisions and implementing programs.

In transferring responsibility to GSA, the subject bill would also substantially expand, and alter the nature of the coordination and control mechanisms now existing. It would inject GSA into all matters relating to EDP, including operation, utilization, transfer, multiple use, and even agency organization. These are areas where the individual agencies must have considerable discretion and authority if they are effectively to carry out their statutory functions. We do not suggest that there should be no external review or evaluation of an agency's performance in this area. The General Accounting Office is currently carrying out this function and, we would assume, in a satisfactory manner.

There would appear to be an advantage in the establishment and operation of EDP equipment pools for joint use by Government agencies, although we do not know that additional legislative authority would be required for this purpose. Similarly, the establishment of an EDP capital fund would appear to have advantages if the agencies were in a position to charge acquisition costs against the fund with appropriate arrangements for GSA to bill agencies for the use of equipment in order to reimburse the fund. However, if to accomplish this, individual agencies must justify and obtain approval from GSA for acquisition of the equipment, any advantage would hardly be worth the additional burden and cost. The basic decisions as to acquisition and use should continue to be made within the framework of budgetary justifications and standards and policies established by the Bureau of the Budget.

There are further improvements in the EDP area which GSA could effect under existing authority. GSA is now negotiating Government-wide contracts with computer manufacturers. These negotiations have concentrated on the terms and conditions of use of the equipment and significant benefits to the Government have accrued. To date, however, GSA has not attempted to negotiate rental cost with manufacturers. For example, agencies are still generally required to pay approximately 40 percent of the basic shift rental for equipment use in excess of 176 hours per month. As a user, it is difficult for us to see the justification for this charge since the equipment is not subject to the same deterioration through use as is mechanical or electromechanical equipment. With GSA's present authority for contract negotiations, we feel they should take the initiative in negotiating equipment rental costs with manufacturers. In this connection, any significant reduction in rental for extra shift use would tend to reduce the cost advantages of purchase.