

negotiation and the submission and certification of cost or pricing data under Public Law 87-653, that is the "Truth in Negotiations" law, should, if properly applied, provide adequate assurance of reasonable fees. However, because the agencies concerned and the professional architectural and engineering societies do not agree with us that the competitive negotiation provisions of the statute are for application in the procurement of such services, we have suggested that the Congress clarify its intent in this regard.

AUTOMATIC DATA PROCESSING

As indicated in the hearings last year, we are conducting Governmentwide studies of present and planned uses of ADP systems in the Federal Government with particular emphasis on compatibility and standardization of such systems and equipment, including related communication facilities. These studies include further inquiry into the trend and development, use, and cost of ADP systems in relation to flow of data and information within Government systems and between Government and industry systems.

For example, we are looking into various possibilities for sharing through use of service centers or other arrangements which would provide for increased utilization of computer resources already acquired. Our studies are also directed at such questions as how to achieve greater interchange of data automatically between ADP systems and how to reduce duplication of effort in the development and use of ADP systems.

We intend to continue our efforts to review the need, application, and utilization of ADP equipment by Federal departments and agencies as well as the effects of Defense Procurement Circular No. 52, issued only on March 24, 1967, on the purchase of such equipment by Defense contractors. This subject is discussed more fully in Attachment No. 12. (See p. 404.) We will certainly keep the subcommittee advised of our studies in this area because we know of your interest in it.

INTERAGENCY COORDINATION TO IMPROVE ADMINISTRATION OF COMMON ACTIVITIES

Mr. Chairman, in your letter of April 27, 1967, you referred to "programs for the improved administration of common activities." You referred to timber sales under this category and this is indeed a good example of a common activity which can be improved by closer coordination between the Agencies involved.

In a review we made, we found significant differences in the appraisal practices followed by the Forest Service, Department of Agriculture, and the Bureaus of Indian Affairs and Land Management, Department of the Interior, to arrive at minimum selling prices for standing timber. Differences had continued to exist despite a statement of congressional intent in 1965 and a Bureau of the Budget request in 1959 for consistency in such practices.

While the timber management agencies had taken action to eliminate some of the differences in their appraisal practices, maximum uniformity in the best interests of the Government had not been achieved.