

Second, it goes right to the heart of the Government's relationship to the private sector. So that it is important, in our opinion, that there be an overview of this area.

Now, as far as giving you a list here of specific committee actions, I would prefer not to attempt a detailed listing of specific actions by the various committees. Some of the points covered, in today's testimony are new and have not been brought to any other committee's attention before today. Also, we may not be aware of all committee actions because some of them may have been informal. It would not be fair, I believe, to list only formal hearings. Other less formal committee action sometimes is sufficient.

Representative CURTIS. I appreciate your further statement that no other committee is taking this comprehensive view. That is my judgment, too. Yet I find sometimes my colleagues say, "What is the Joint Economic Committee doing in this area?"

I try to point out that we are trying to keep this comprehensive approach and using the specifics, as Senator Percy so wisely observed, to set out what is being done in some of these areas of broad governmental policy to see whether it does need changes. There is nothing like a specific to get us right back to what we are talking about.

REPORT ON FINANCING AGENCY PROGRAM

I would like to refer to a report that you have just issued on various methods of financing agency programs, of May 1967. (See app. VI, p. 317.)

One of the items in this report talks about revolving funds, and if I may read just briefly:

As of June 30, 1966, the Treasury Department showed 117 such funds with cash and fund balances over \$11 billion, investments and securities of over \$2 billion, and budgetary authorizations of about \$23 billion."

APPLICATION OF COMMON ACCOUNTING PRINCIPLES

I want to ask a general question: Did you find common accounting principles in the various funds that you looked into?

Mr. STAATS. I wonder if I might ask Mr. Borth to comment on this question.

Mr. BORTH. I am Daniel Borth. I am Associate Director of the Defense Division.

The answer to your question, Congressman Curtis, is no, we did not, if you are speaking of systems throughout the executive branch.

Representative CURTIS. In other words, you are saying that—

Mr. BORTH. There was quite a variation in application of principles of accounting and reporting.

Representative CURTIS. Quite a variation.

Of course, one thing that has been worrying this committee is that we found two of the services—I think it was the Army and Navy—used the stock fund principle broadly, at least as far as inventory control was concerned, and the Air Force did not. We raised the question, "Well, if it is a good technique for inventory control of certain stocks why wouldn't there be uniformity?"³

I presume then that in looking into some of these revolving funds you did not see a uniformity of philosophy either or did you?

³ Hearings, 1960, p. 175.