

BUY AMERICAN ACT: LACK OF UNIFORMITY BETWEEN DOD AND GSA
A PARADOX

The problems resulting from lack of uniformity between DOD and GSA in applying the differentials under the Buy America Act continue to present a paradox in Government procurement practices.

The trend of procurement of foreign tools such as wrenches, screwdrivers, precision measuring tools, twist drills, taps and dies, and portable power tools is on the increase.

During fiscal year 1966 contracts awarded for foreign tools totaled \$1.9 million or 2.07 percent of the total of \$91.6 million expended by GSA for tools. During the first 9 months of fiscal year 1967 awards for foreign tools amounted to 2.31 percent of the total tool expenditure. We have a number of pending procurements that involve foreign procurement and the dollar volume is on the increase.

BOB STUDYING PROBLEM

On the basis of our recommendations that uniform percentage differentials under the Buy American Act be applied by both DOD and GSA, the matter is under the active study by BOB.

Although we regard the prevailing inconsistency between DOD and GSA in applying the Buy American Act differentials as a major problem because of its impact on specific industries, it should be recognized that GSA procurements from foreign sources in fiscal year 1966 totaled \$3.3 million or less than one-half of 1 percent of total GSA procurements during the year.

DATA PROCESSING PROGRAM

Summarizing our accomplishments in the Government-wide automatic data processing program, we have done the following:

Negotiated with equipment manufacturers improved Federal supply schedule contractual terms and prices.

Encouraged and/or arranged for the leasing of equipment from third party lessors on terms more favorable than available from the original equipment manufacturers. There is a saving here of about \$450,000 annually so far.

Studied the management of Government-owned computer magnetic tape. Over 10 million reels are either in use or in storage representing an investment of \$250 million. It now appears that specifications, testing, quality control, and storage of magnetic tape can be considerably improved.

Expanded and reemphasized the ADP sharing program which now consists of the operation of 18 sharing exchanges located in cities having major Government programs. GSA doesn't operate all of these. We delegate this responsibility to the predominant, interest agency. For example, in Huntsville, Ala., and Houston, Tex., the exchanges are operated by NASA; in Norfolk, by Navy, in Philadelphia, the VA. It depends on the predominant interest and availability of manpower, talent, human resources to operate the program.

Working with the Bureau of the Budget, developed a system of reporting current ADP data, including age, condition, configurations, utilization, and future use plans.