

agency acquires new property the agency head must make a determination that the best economic use is being made of existing holdings and, in the first instance, attempt to fulfill the need by using property under the agency's jurisdiction. If the need cannot be met by using existing agency holdings, the possibility of utilizing other satisfactory existing Federal properties must be exhausted. Procedures are provided for notifying the General Services Administration and the Bureau of Land Management, Department of the Interior, as appropriate, to ascertain if excess, surplus, or unreserved public domain lands are available which might fill the need. When existing holdings are not available for transfer, agencies then are to consider the possibility of joint use of real property held by other agencies before action can be instituted to condemn, purchase, construct, or lease.

A major feature of the circular is that, beginning with fiscal year 1968, Federal agencies are required to submit an annual report summarizing the results of their implementation of all the provisions of the circular. This report based on annual reviews as required by the circular will indicate whether or not all properties under the custody of an agency are needed, the action which has been and is being taken to screen, report excess, or otherwise dispose of unneeded properties. It will also state the number of properties returned to the public domain. It will indicate properties made available to other agencies by permit. Copies of new and revised instructions of criteria developed and issued by the agency will also accompany the report.

The Bureau of the Budget will evaluate these reports and determine the extent to which follow-up action is required. This new requirement will keep the Bureau currently informed of the effectiveness of agencies' reviews and will alert us to the need for any revision of policies and procedures for further improving the management of real property. We believe that the combination of the program for evaluating the need for Government operated industrial and commercial type activities, together with the new program I have just described under circular A-2, will enable us to achieve effective and economical use of Federal real property in meeting program objectives and encourage the prompt return of real property to local tax rolls.

MANAGEMENT AND ACQUISITION OF AUTOMATIC DATA PROCESSING EQUIPMENT

Our efforts in the management of automatic data processing equipment continue to be helped by the provisions of Public Law 89-306 which strengthened the authorities of the General Services Administration and the Department of Commerce for improving the procurement and utilization of this equipment. (See app. VIII, p. 404.)

Under the provisions of this legislation, the Bureau of the Budget exercises fiscal and policy control over the administration of these authorities. Accordingly, within the past year we have provided policy guidance to both the General Services Administration and the Department of Commerce which outlines the specific action programs that are to be conducted and indicates areas for priority attention. The policy guidance was developed with full participation by these agencies and therefore represents a coordinated and unified approach to