

ing fund, with a systematic display of its profit or loss, discloses overpricing or underpricing in a manner which is impossible under the appropriation reimbursement method.

4. Flexibility in the time purchases are made is desirable. A revolving fund permits more economical procurement through use of the fund's working capital to purchase in volume and at a time when prices are favorable.

Question. In developing the National Supply System, we are advised that the procurement of certain items will be transferred from civilian procurement to the DOD and vice versa. When this is done will the differential policy under the Buy American Act of the transferor or transferee agency be utilized?

With respect to the use of differentials under the Buy American Act, is the Budget Bureau's primary concern about "balance of payments" or "balancing the budget"?

How much additional cost under the Buy American Act has each agency of the Government incurred over the last years?

Answer. Items that are transferred from one agency to another under the National Supply System will be purchased under the Buy American regulations and differential policy of the agency doing the purchasing.

With respect to the use of differentials under the Buy American Act, the Bureau of the Budget's primary concern is an attempt to balance off the budgetary costs, possible savings in the balance of payments, and the U.S. objective of promoting liberal trade policies throughout the world.

There is no information readily available to answer the question. We have asked the Defense Department and GSA for information on this subject. We will also be examining the other principal agencies involved. The results of this study will be available to the Committee.

Question. Has the BOB attempted to identify and analyze the many common-type activities in the Government? Do you have a listing of these? If so, supply.

Answer. The operation of the budgetary process is the Bureau of the Budget's principal means of identifying, analyzing, and providing for coordination of common-type activities in the Federal Government. Information on some of the more significant common activities of Federal agencies is published annually in the Special Analyses, Budget of the United States. Your attention is invited particularly to the following special analyses which identify and describe major Federal programs:

- Special Analysis E on Federal Credit Programs
- Special Analysis F on Federal Activities in Public Works
- Special Analysis H on Federal Health Programs
- Special Analysis I on Federal Research, Development, and Related Programs

- Special Analysis K on Federal Statistical Programs

The Bureau of the Budget's directive system includes Bureau Circulars which are employed to communicate various instructions of a continuing nature to executive departments and establishments. These Circulars provide agencies with specific direction in carrying out various aspects of the budgetary process and the Bureau's management improvement program. They are used also as a means of promulgating regulatory material derived from the Bureau's various statutory responsibilities. Of the 83 Circulars in effect currently the following provide policy guidance to agencies in areas of common activities:

- A-2. Utilization, retention, and acquisition of Federal real property
- A-7. Standardized Government Travel Regulations
- A-16. Coordination of surveying and mapping activities
- A-18. Policies on construction of family housing
- A-22. Limousines, heavy sedans, and medium sedans in agencies of the executive branch
- A-25. User charges
- A-27. Policies and responsibilities on the sharing of electronic computer time and services in the executive branch
- A-29. General policy covering the furnishing of quarters, subsistence, and laundry services to civilian employees of the Federal Government in Federal hospitals and domiciliary homes
- A-30. Federal Employees Uniform Allowance Act
- A-45. Policies governing charges for rental quarters and related facilities
- A-54. Policies on selection and acquisition of automatic data processing (ADP) equipment