

check what is so-called excess, to go out and find the material and see to what extent the records were accurate, in many cases the material wasn't there. The records are so unreliable that this figure that I am giving you of 45,000 items out of 120,000 is to say the least suspect. I think you will find the Department of Defense officials will admit, however, that the amount of excess is sizable. I don't think they will be in a position to give you a figure either.

Chairman PROXMIRE. Unfortunately my time is up. I will be back. I have got some other questions.

Congressman CURTIS?

Representative CURTIS. Thank you, Mr. Chairman. Let me add my expressions of appreciation to your office, Mr. Comptroller General, for what I think is a very good progress report. I think that you view it in that nature more as a progress report.

Mr. STAATS. We do; yes.

REDETERMINATION CLAUSES IN CONTRACTS

Representative CURTIS. It is a never-ending area of work, of course. Let me ask some questions on specifics here.

You say in your statement—

It also requires as a further protection of the Government's interests that a defective pricing data clause be inserted in each such negotiated contract to provide a contractual basis for a price adjustment in the event the cost or pricing data submitted at the time of negotiations were inaccurate, incomplete or non-current, and as a result the contract price was increased.

I had thought from testimony that I had been receiving mainly when the Ways and Means Committee was looking into the question of extension of the Renegotiations Act that most contracts included these redetermination clauses; is that true?

Mr. STAATS. They do; yes.

Representative CURTIS. Have they not been utilized, these price adjustment clauses, or what is the—

Mr. STAATS. I think the basic point that we were making in our report, Congressman Curtis, was that absent the kind of record, absent the documentation of what information was available to the procurement officer at the time the price negotiations were taking place, there was no way to be sure that clause could be made effective.

Representative CURTIS. Yes.

Mr. STAATS. I think that is the basic point we make.

TRAINING A SUPPLY CORPS

Representative CURTIS. In other words, it does bear on the question of whether they were utilizing the clauses even if they were in there.

Mr. STAATS. That is about what it amounts to; yes.

Representative CURTIS. Maybe the way to get at this is to proceed to where you talk about training of procurement personnel to determine who are the procurement personnel we are talking about. Let me expand on this a bit, so you can answer my question a little better.

I have followed with a great deal of interest the development of what the administration or the Defense Department calls the Defense Contract Administration Service, which is to create a corps as I understand