

Representative CURTIS. Well, maybe we are getting into semantics. You use the word "management," and I am talking about "control," which is really sort of oversight over management. I don't expect this inventory I am talking about to be used for management. I would expect your management would go on. But I am talking of something that is a control item to see what management is doing, whether they are complying—and also that you have your basic data.

GAO REPORT SEEMS TO DIFFER FROM TESTIMONY

The reason I suspect this does not exist—it may exist from what you are saying—but I suspect it does not—I am talking about the control aspect, not management—lies in the fact of the GAO report which shows such a—really a lack of control over and lack of knowledge over this tremendous amount of equipment that is in the hands of private contractors. It could not exist, in my judgment, if you had the kind of control I am speaking about.

GAO ADDRESSED ITSELF TO 400,000 TOOLS VALUED AT \$4.3 BILLION

Mr. MORRIS. I believe it might be helpful to comment this way.

I think GAO has addressed this \$4.3 billion segment that consists of some 400,000 tools. This is what the DSA has full central knowledge of. I believe GAO is commenting on our lack of proper supervision and surveillance of the utilization of that equipment.

Representative CURTIS. Oh, sure. But part of the reason—and I am just guessing—it would have been so clear to any management that you had to have utilization with accuracy, or you would not be doing the job. And, I think that this was not called to top management's attention because you really did not have this kind of a control setup. Otherwise it would not have taken GAO so long to dig in and come up with such a kind of record. The management would automatically say "Good night, what about these figures of how these private contractors are using our equipment or not using it."

SECRETARY MORRIS CONSIDERS GAP TO BE IN KNOWLEDGE OF USE AND NOT OF THE EQUIPMENT

Mr. MORRIS. So the gap has been central knowledge of utilization, not central knowledge of the equipment and where it is located.

INVENTORY CONTROL SEEMS LACKING

Representative CURTIS. A gap of utilization suggests that you did not have the other. I am saying it just suggests it. And the more I try to interrogate to find out what you have got there in the way of inventory in the sense of control, I think I am probably hitting paydirt—I don't know.

Mr. MORRIS. Let me summarize, sir. DSA does have an actual physical record of each equipment and its location in this 400,000 IPE area. In respect to real property, we likewise have a full inventory. DSA does not keep it; however, we must make annual reports to Congress on this.