

budget, as well as future budgets, to use this tool, this handle, if you will, to follow closely the actions by Defense to carry out the act. And, we will, as I have indicated here, maintain our interest and concern with it, and do what we can to see it is carried out.

Chairman PROXMIRE. One of the things that interested me was to find out how fully trained the procurement officials are, whether or not they have been tested and comprehensively tested so they understand the provisions of the law which requires the Truth in Negotiations Act to be fulfilled, and whether the auditing has been fully executed which is provided by the Nitze order—that kind of thing. And, it seems to me, if the Budget Bureau does not do this on a systematic basis—you have the staff and responsibility—it is unlikely to be done at all by anyone.

This committee has so many responsibilities, and so do the Government Operations Committees of the House and Senate—that we may spasmodically and occasionally get into this. But we have to rely on your steady and constant surveillance.

Mr. HUGHES. We will certainly try and do our part, Mr. Chairman. I think the GAO has given ample evidence of its own interest and continuing concern and will also be very important in following through on this.

Chairman PROXMIRE. OK. Go ahead.

IMPROVEMENTS IN SUPPLY MANAGEMENT

Mr. HUGHES. As we noted in our statement last May, the creation of a national supply system has continued to progress even though the Nation's military requirements have placed increasing demands on supply operations. As scheduled on July 1, 1967, GSA assumed Government-wide support responsibility for 52 Federal supply classes, which brings to 65 the total supply classes for which GSA will provide primary management. GSA also is considering assumption of responsibility for additional classes.

The assumption by Defense Supply Agency of Government-wide support responsibility for fuel has been delayed because of staff limitation in connection with fiscal year 1968 appropriations. The initiation of the first phase of its Government-wide responsibility for fuel, which was scheduled for January 1968, is now scheduled for July 1, 1968. This is also the date scheduled for DSA to assume Government-wide support for electronics which will be phased in over a 12-month period. We will work with the agencies concerned to effect the transfer of resources as required to carry out these plans.

The utilization of long supply items was strengthened by new GSA regulations which include guidelines for determining when items in long supply should be made available for utilization by other agencies in lieu of new procurement.

Chairman PROXMIRE. What was the date of that? You can supply it for the record.

Mr. HUGHES. I will, Mr. Chairman. I am sorry I do not have it. (The information to be furnished for the record follows:)