

plex and technical fashion in order for them to function as a part of a complete whole.

This information system will provide the basic information necessary in our efforts to improve our contracting and procurement processes, increase the utilization of existing equipment, and extend the redistribution of excess equipment. It will also enable us to evaluate more closely the impact of our Government-wide policies, including those relating to the purchase versus lease of equipment.

GOVERNMENT OWNS ABOUT 50 PERCENT OF INSTALLED COMPUTERS

In this latter connection, the Government now owns outright about 50 percent of the more than 3,000 computers currently installed, compared to only about 21 percent in 1963.

We have also revised our applicable circular, A-54, to improve Government-wide policies on the acquisition of computers. June 1967 amendments to the circular specifically require Federal agencies to give full consideration to the sharing of computers installed within the Federal Government as well as to the use of excess equipment before taking any action to procure additional computers on the open market.

Conversely, agencies are prohibited from retaining displaced equipment for other purposes unless properly justified. Also, we have specified that the cost of money will be taken into account when considering the question of whether computers should be purchased or leased. Finally, we have clarified and reaffirmed the application of these policies to Government cost-reimbursement-type contractors.

AUTHORITIES OF BOB AND GSA

Chairman PROXMIRE. Can you take a minute to indicate to us the distinction between the Bureau of the Budget authority and the GSA authority over computers?

Mr. HUGHES. Essentially, Mr. Chairman—and again I would like to ask Mr. Cunningham to comment further—essentially the Bureau of the Budget is concerned with the division of responsibility as between the agency, the General Services Administration, the Bureau of Standards, and the Bureau of the Budget, all of which have roles in this. The Bureau of the Budget, with a general policy guidance responsibility, the General Services Administration, with a procurement responsibility in the computer area—and the Bureau of Standards, with a technical responsibility in terms of standards, programing and software, and the engineering of computer systems as the Government is involved in them.

Chairman PROXMIRE. Thank you.

PROGRESS IN COMPUTER STANDARDIZATION

Mr. HUGHES. Steady progress continues in the effort to achieve a greater measure of standardization among computers and related software. We expect to announce very soon the adoption of Federal standards for a coded character set and for magnetic tape and punched paper tape. These standards, initially approved for voluntary use by the USA Standards Institute, represent a significant step toward