

of supplies and equipment from time to time transferred to the Administrator, shall constitute the capital of the fund: *Provided*, That said fund shall be credited with (1) advances and reimbursements from available appropriations and funds of any agency (including the General Services Administration), organization, or contractor utilizing such equipment and services rendered them, at rates determined by the Administrator to approximate the costs thereof met by the fund (including depreciation of equipment, provision for accrued leave, and for amortization of installation costs, but excluding, in the determination of rates prior to the fiscal year 1967, such direct operating expenses as may be directly appropriated for, which expenses may be charged to the fund and covered by advances or reimbursements from such direct appropriations) and (2) refunds or recoveries resulting from operations of the fund, including the net proceeds of disposal of excess or surplus personal property and receipts from carriers and others for loss of or damage to property: *Provided further*, That following the close of each fiscal year any net income, after making provisions for prior year losses, if any, shall be transferred to the Treasury of the United States as miscellaneous receipts.

"(e) The proviso following paragraph (4) in section 201(a) of this Act and the provisions of section 602(d) of this Act shall have no application in the administration of this section. No other provision of this Act or any other Act which is inconsistent with the provisions of this section shall be applicable in the administration of this section.

"(f) The Secretary of Commerce is authorized (1) to provide agencies, and the Administrator of General Services in the exercise of the authority delegated in this section, with scientific and technological advisory services relating to automatic data processing and related systems, and (2) to make appropriate recommendations to the President relating to the establishment of uniform Federal automatic data processing standards. The Secretary of Commerce is authorized to undertake the necessary research in the sciences and technologies of automatic data processing computer and related systems, as may be required under provisions of this subsection.

"(g) The authority conferred upon the Administrator and the Secretary of Commerce by this section shall be exercised subject to direction by the President and to fiscal and policy control exercised by the Bureau of the Budget. Authority so conferred upon the Administrator shall not be so construed as to impair or interfere with the determination by agencies of their individual automatic data processing equipment requirements, including the development of specifications for and the selection of the types and configurations of equipment needed. The Administrator shall not interfere with, or attempt to control in any way, the use made of automatic data processing equipment or components thereof by any agency. The Administrator shall provide adequate notice to all agencies and other users concerned with respect to each proposed determination specifically affecting them or the automatic data processing equipment or components used by them. In the absence of mutual agreement between the Administrator and the agency or user concerned, such proposed determinations shall be subject to review and decision by the Bureau of the Budget unless the President otherwise directs."

Your letter includes a summary of actions which have been taken to date by the Bureau of the Budget and the General Services Administration in getting underway implementation of the concepts inherent in section 111. GSA has prepared draft regulations designed to achieve what are believed to be the objectives of that section—to establish a single purchaser for all general purpose ADPE used by Federal agencies. You point out that the draft of these Government-wide regulations is based upon the interpretation that section 111 provides GSA with exclusive authority to procure all general purpose ADPE for use by Federal agencies but that the regulations will not include procedures or controls which could be interpreted as interfering with determinations of requirements for or use of ADPE by Federal agencies.

With a view to expediting and facilitating the orderly functioning of the procurement processes in the acquisition of ADPE, you request a decision on the question of the extent to which other Federal agencies may have independent authority to procure ADPE. Specifically you ask:

"* * * whether, on the one hand, other agencies are legally required to obtain a delegation of procurement authority from GSA or use GSA as the agency to purchase their general-purpose ADPE, or whether, on the other hand, agencies may acquire ADPE without regard to any actions which might be taken by GSA pursuant to section 111."