

Mr. STONE. Mr. Chairman, we rely solely on the General Accounting Office for the audit of our records and accounts.

Mr. BROOKS. It is contracted out to the GAO? They do your accounting?

Mr. STONE. No sir, they do only the audit. We feel that the audits that are conducted by GAO are adequate for our purposes.

Mr. BROOKS. You find them useful and helpful to you as the Director?

Mr. STONE. Yes, sir.

Mr. BROOKS. You have found it sufficiently protected your agency from developments within which could be erroneous?

Mr. STONE. Yes, sir. Occasionally they will pick up an administrative error, where there has been an underpayment or something of that nature.

Mr. BROOKS. Do they change the auditors occasionally?

Mr. STONE. I don't believe we have ever had the same auditors 2 years in a row.

Mr. BROOKS. That is good. If they start drinking your coffee they might get to be pretty friendly.

F. AUTOMATIC DATA PROCESSING

On automatic data processing, do you have any?

Mr. HARTWIG. We do have an electric accounting machine, a 407, which maintains historical and financial data relating to contractors.

Mr. BROOKS. That is adequate for your purposes?

Mr. HARTWIG. That is adequate for our purposes.

Mr. BROOKS. You do know that you can have available to you some time from other computers if you have a requirement for it.

Mr. HARTWIG. Yes, sir. As a matter of fact, we tried that before we acquired this machine. It was very unsatisfactory.

Mr. BROOKS. It was?

Mr. HARTWIG. Because our operations are quite simple. We don't require the time of a very sophisticated computer.

Mr. BROOKS. Do you operate the system on tapes?

Mr. HARTWIG. Cards.

Mr. BROOKS. A card system?

Mr. HARTWIG. Yes, sir.

Mr. BROOKS. Have you found that sort of fundamental system to be pretty helpful in keeping your records?

Mr. HARTWIG. Yes, indeed. We acquired this machine secondhand last August. It has been very useful. We have our mailing list on cards. We have a master index of all contractors, giving historical data which we print out monthly. This printout is used by various offices in reviewing filings, and checking on the status of cases. In addition, the 407 is used to make statistical runs for annual report purposes as well as for special studies required in connection with legislation and questions asked by congressional committees.

Mr. BROOKS. As distinguished from most agencies, Mr. Chairman, I guess your basic problem with computers is just to continue to evaluate what is available in the technological development of them and see what would be applicable to your use, admitting that it might be somewhat limited.