professional accountants and auditors series. All internal audit work is done by professional auditors.

34. Is the scope of review by the internal audit staff limited in any way?

The scope of internal audit has been limited; not by management direction, but basically because of limited manpower resources. As a first step in the institution of the internal audit program, the audit work has been limited to a review of the agency's payroll system and procedures, including the application of ADP to payroll preparation and related output.

35. Are all reports and recommendations of the internal audit staff submitted in full directly to the head of the agency?

The initial report under the internal audit program is nearing completion. The audit report will be submitted to the Chairman of the Board.

36. Is the audit staff responsible to or subject to direction by any official who is also primarily responsible for an activity which might be audited?

The auditor assigned to do internal audit work will report directly to the Chairman of the Board.

37. Are the personnel assigned to the internal audit function adequately protected from recriminations and arbitrary personnel action that might result from an adverse effect of their reports upon other agency employees?

We believe the auditor is adequately protected from any recriminations and arbitrary personnel actions that might result from an adverse effect of his reports upon other agencies, employees or officials.

38. Are all reports and recommendations of the internal audit staff available to the Comptroller General and to appropriate congressional committees?

Yes. It is expected that the internal CAB audit reports will facilitate the work of the GAO auditors and others authorized to have access to such reports.

F. *Automatic Data Processing*

39. Do you have a central organization in your agency which is responsible for ADP management?

Yes. The Board's Bureau of Accounts and Statistics, which reports directly to the Executive Director.

40. Will you describe its functions?

The Bureau of Accounts and Statistics is the Board's fact-finding arm. It is responsible for the collection, validation and processing of bodies of information to be generally used in the performance of CAB mission-directed functions.

41. Who has the responsibility for deciding whether or not the use of a computer for a particular function within your agency is justified?

The Executive Director, in concert with the Director, Bureau of Accounts and Statistics, and ADP liaison staff of all operating Bureaus involved. The initial decision to install a computer was approved by the Chairman.

42. On what basis is the decision made? Are there documented systems studies available for review in all cases?

The CAB has only one computer installation. It was installed following a documented systems study. Where new applications are sufficiently material, or novel, a further documented study is made.

43. Can you cite instances in which a request for a computer system was disapproved for lack of adequate justification?

Prior to selecting equipment for the Board's present single installation, a number of staff suggestions for computer installation were turned down by the Director, Bureau of Accounts and Statistics, for lack of adequate justification. Disapproval of an IBM RAMAC system is one such specific example.

44. Assuming the use of a computer has been fully justified by a proper study, are there procedures for determining whether the requirement can be satisfied by using (sharing) equipment already installed in your agency? Will you describe the procedure?

All suggested computer applications are referred to the Bureau of Accounts and Statistics. A review is made as to the feasibility of application; the relative economy of alternative processing modes, either on the Board's central facility, facilities of another Government agency or new Board facilities; and a recommendation on a course of action is made to the Bureau concerned and Executive Director.

45. To what extent have you been successful in getting the users to share equipment instead of acquiring their own?

The Board has no multiple computer installations acquired by individual users. On the basis of a study, per item 44, a time-sharing terminal utilizing a commercial GE computer facility was acquired, as an alternative to a request for individual electronic calculator facilities and as a supplement to the Board's centralized