Following the receipt of an action copy of a central office audit report, heads of services or staff offices reply to the Administrator through the Assistant Administrator for Administration. Replies include any additional comments considered necessary and, where appropriate, include a time-phased plan for corrective action. A copy of this reply is submitted also to the Director of Management Investigations and Review.

## F. AUTOMATIC DATA PROCESSING

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

Mr. Moody. We do.

Mr. Brooks. Would you describe its function?
Mr. Moody. The central GSA organization responsible for ADP management is the Federal Supply Service, and within that, the

Office of Automated Data Management Services.

Up until the middle of last month we had two separate organizations involved in ADP within GSA. One of them was the Government-wide group which was at that point in time located where the present centralized function is. They are responsible for the Government-wide management of ADP under the so-called Brooks bill.

We also had an organization in our Office of Administration responsible for operating GSA's in-house ADP system; and effective on the 16th of May, we consolidated these organizations into a single organization within the Office of Automated Data Management

Services.

We think this will have many advantages. It eliminates some duplication of effort within-house. It eliminates duplication of liaison with the industry. It reduces internal management of separate funds; provides a nationwide career ladder for ADP employees, which should reduce turnover and recruiting for scarce ADP skills; and provides opportunities to level ADP operations workload nationwide and attain maximum equipment utilization.

In fact, the study showed—and it would not have been approved otherwise—that the consolidation of these resources will enable us to handle growing workloads within existing resources. In fact, we have 900 employees in GSA assigned to ADP; 80 of them on a Governmentwide function, and 820 of them on an in-house operation of our own

system.

More important, I think, to me, Mr. Chairman, than anything else that has come out of this consolidation, is that it really amounts to the first step toward the establishment of ADP service centers on a nationwide basis. We are going to begin in-house with our own systems and demonstrate that it is perfectly possible for an agency of Government, GSA, to operate out of a central system. We are already providing services to other agencies, and these will become the nucleus, hopefully, for getting on with the show toward realizing some of the savings that we all know are available in the ADP field.

Mr. Brooks. That is commendable.

One thing I wanted to mention at this time is: I notice that Mr. Knott spoke of the recognition that you give a good many of your employees and associates for exceptionally fine work in public service, and I wanted to commend you and the agency for that. It seems to me that every incentive we can give Government employees in a big agency like GSA, where they do a lot of things for the Government,