

HIVAC program were instituted and released under SECNAV Instruction 4440.-29A of February 8, 1968. Some additional work remains to be done, particularly in the area of programing standard Navy-wide automatic data processing systems; however, corrective action has been completed on the great majority of the discrepancies pointed out by the GAO.

INACTIVE ITEM ELIMINATION

Mr. DAHLIN. Another recent GAO report of November 1967 dealt with the problem of eliminating low-cost, low-demand spare parts. This is related to the matter in your statement, Admiral, that you raised about your system having to contain large numbers of items which are in relatively infrequent demand but which you thought you had to still keep in the system. The GAO was dealing with items where it found there had been no requests for over 3 years. I suppose this is a matter of judgment as to just how long you have to keep things in the system in order to be able to respond. Could you tell us about that problem in a little more detail?

Admiral COSGROVE. We have eliminated in fiscal year 1967 and 1968 111,000 items. In other words, we have withdrawn interest on these items, and they will be dropped from the Navy and DSA system.

As you know, DSA requires each service to conduct what they term an inactive item review; items that have been inactive in their system are referred to the service which registers interest on those items, and we have dropped the total in the past 2 years of 111,000 items.

I think in our most recent item management coding we dropped 68,000 items between December and March.

Mr. DAHLIN. Are these substantial increases in number of items, the ones you cite for dropping out of the system? In the present high rate of turnover and obsolescence in both systems and individual items, does the Navy have the capability to really keep screening its own catalog or categories of items, or are you falling behind in that respect?

Admiral COSGROVE. No, we have this capability, and I think we are keeping up with this. The only problem here—and I will get back to this weapons system and I keep repeating it, there are many items in our system we do not know what the application is, and we are reluctant to dispose of items that have a long procurement leadtime. It may be very difficult to even find a vendor who can make it for us so unless we know exactly what equipment it is used in, how many of those equipments are in use—

Mr. DAHLIN. That was one of the defects—

Admiral COSGROVE. Right.

Mr. DAHLIN (continuing). Of the original conception of the catalog: It did not have an application file in it, unless it is one that is accessible only at extreme cost and time of the computer, is that the case?

Admiral COSGROVE. I do not think it should be in the cataloging system. I think it would create a massive—

Mr. DAHLIN. It will be in your weapons system file.

Admiral COSGROVE. Yes, sir.

Mr. DAHLIN. You think that is the only place even though in some cases you have to redo a lot of areas of equipment, if you keep it by weapons system; where you have common components, assemblies and