

OFFICE OF LOGISTICS  
PROCUREMENT NOTE NO. 38

ACQUISITION OF AUTOMATIC DATA PROCESSING EQUIPMENT & SERVICES

REFERENCE: Procurement Note No. 29, dated 3 September 1969

1. The reference cautions Contracting Officers with respect to certain Government-wide limitations imposed on procurement of Automatic Data Processing Equipment (ADP).

2. This issuance brings to the attention of Contracting Officers additional Agency controls placed over not only the acquisition of equipment but of software and other ADP services as well.

3. By means of a memorandum dated 21 April 1970 addressed to each Deputy Director, the Executive Director-Comptroller directed that his approval be obtained prior to commitment of Agency funds for certain ADP-related acquisitions. A copy of the Executive Director-Comptroller's memorandum is attached for your guidance.



John F. Blake  
Director of Logistics

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Att

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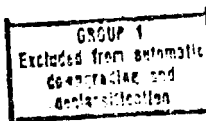
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21 APR 1970

MEMORANDUM FOR: Deputy Director for Intelligence  
Deputy Director for Plans  
Deputy Director for Science and Technology  
Deputy Director for Support

SUBJECT : Approvals Concerning Acquisition of ADP  
Equipment and Services

1. Restraints on available resources and the need to centralize Agency consideration of plans to acquire significant ADP equipment and services require that such plans be forwarded to me for approval even if such acquisitions have already been budgeted.

2. The following criteria are to be applied in determining those ADP acquisitions which require my approval before Agency funds are committed:

a. Any computer, whether used as a stand-alone processor or as an integral element of some larger, computer-controlled system and whether used on Agency premises or elsewhere. (Small desk calculators, whether or not of electronic design, are excluded.)

b. Any upgrading of a computer (e.g., additional core, I/O devices, etc.) which results in a net increase in cost of over \$4,000 per month in rental or \$150,000 for purchase.

c. Any contract the principal purpose of which is to acquire software or other ADP services costing over \$50,000.

3. Any component planning changes of the kind described in paragraph 2 should consult freely at an early stage in the planning with the Office of Computer Services or other components where technical skills and experience can be helpful in reaching a decision.

GROUP 1  
Excluded from automatic  
downgrading and  
declassification

4. In cases requiring my consideration, answers to the following questions will normally be needed:

a. What is the proposed acquisition and what needs and objectives are served by it?

b. Explicitly, what benefits are expected to stem from this acquisition?

c. What is the cost of the proposed acquisition? What costs (and savings) can be anticipated for future years as a result of this acquisition?

d. What alternatives are available and why is the recommended action preferred?

e. Does the proposed system change have consequences which will be of interest to or affect other components? If so, has the proposal been coordinated with the components concerned?

f. Is the acquisition contained in your program plan and budget? (If not, explain proposed manner of budgeting.)

5. Requests for approval covering the above information, together with any additional information deemed relevant, should be addressed to the Executive Director-Comptroller through the Chairman of the Information Processing Board.



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L. K. White  
Executive Director-Comptroller