



# Department of Defense DIRECTIVE

NUMBER 7950.1

September 29, 1980

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ASD(C)

SUBJECT: Automated Data Processing Resources Management

References: (a) DoD Directive 5100.40, "Responsibility for the Administration of the DoD Automatic Data Processing Program," August 19, 1975  
(b) through (k), see enclosure 1

## 1. PURPOSE

1.1. This Directive supplements reference (a) to provide policy guidance on the management and reporting of automatic data processing (ADP) resources.

1.2. It authorizes publication of the "ADP Resources Management Manual," DoD 7950.1-M, under DoD Directive 5025.1 (reference (b)), that supersedes DoD 4160.19-M.

1.3. Report Control Symbols DD-COMP(AR)996 and DD-COMP(Q)1179 are hereby canceled.

## 2. APPLICABILITY AND SCOPE

2.1. The provisions of this Directive apply to the Office of the Secretary of Defense, the Military Departments, the Joint Chiefs of Staff, and the Defense Agencies (hereafter referred to as "DoD Components"). The applicable provisions of this Directive and DoD 7950.1-M shall be applied to defense contractors through the Defense Acquisition Regulation (reference (h)).

2.2. This Directive encompasses the management and data reporting for ADP resources covered by reference (a) and defined in the Federal Property Management Regulation (FPMR) (reference (i)).

2.3. This Directive does not apply to:

2.3.1. Computer resources managed under the provisions of DoD Directive 5000.29 (reference (j)) until such resources are released from dedicated operation for subsequent possible reutilization.

2.3.2. ADP resources that are acquired or managed utilizing nonappropriated funds.

3. OBJECTIVES

The objective of the DoD ADP program is the effective support of DoD functional requirements and operations through the economic and efficient use of ADP technology by:

3.1. Making use of existing Federal ADP support capability that meets the requirements for performance, reliability, security, survivability, and cost effectiveness.

3.2. Promoting cost-effective modernization of ADP support by planning for the timely replacement of obsolescent ADP resources.

3.3. Providing management visibility on in-use DoD ADP resources.

4. POLICY

4.1. The adequacy of ADP resources available to support DoD mission requirements shall be the subject of continuing management attention at all levels throughout the Department of Defense. This attention shall be directed at analysis of and planning for a wide range of concerns including modernization, productivity, mobilization readiness, survivability, economy and efficiency, and energy consumption.

4.2. To provide a consistent basis for planning and analysis, the DoD ADP Resources Management System (ARMS) shall be enhanced and maintained as the principal official source of ADP resource management information within the Department of Defense. Specific policies are contained in enclosure 2.

4.3. The useful life of in-place Automated Data Processing Equipment (ADPE) shall be reviewed on a regular basis to identify obsolescent conditions and to plan and budget for orderly equipment replacement. Useful life shall be considered to be the lifespan of an item of ADPE during which it is still practical and economical to continue to operate such ADPE. ADPE shall be considered obsolescent when:

4.3.1. The original equipment manufacturer announces that repair parts of maintenance services may no longer be provided after a stated date; or

4.3.2. A comparative analysis of all direct and indirect costs reveals that it shall be more costly to obtain parts and maintenance services from any source than to convert software and replace it with new equipment; or

4.3.3. Serviceability trends indicate a degradation in ADPE reliability sufficient to jeopardize the mission that the ADPE supports.

4.4. ADPE shall be acquired by contract only after it has first been determined that the ADP support requirements cannot be satisfied effectively through:

4.4.1. The sharing of ADP resources within the DoD Components, with other DoD Components or their contractors, and with other Government Agencies. Specific policies on sharing are prescribed in enclosure 3.

4.4.2. Reuse of excess ADPE with a remaining useful life when made available by other DoD Components or their contractors and other Government Agencies. Specific policies on reutilization are prescribed in enclosure 4.

## 5. RESPONSIBILITIES

5.1. The Assistant Secretary of Defense (Comptroller) (ASD(C)) shall:

5.1.1. Oversee the effective management of ADP resources throughout the Department of Defense.

5.1.2. Promote the implementation and effective operation of the ARMS.

5.1.3. Approve the content of DoD 7950.1-M.

5.1.4. Adjudicate any unresolved competing requirements for excess ADP equipment.

5.2. The Under Secretary of Defense for Research and Engineering shall, in coordination with the ASD(C), provide the DoD Components and defense contractors with appropriate guidance in the Defense Acquisition Regulation (reference (h)) that reflects the specialized management considerations required by law and included in the Federal Property Management Regulation (FPMR) (reference (i)) and DoD 7950.1-M.

5.3. The Director, Defense Logistics Agency, acting under the policy guidance of the ASD(C), shall invest the Defense ADP Resources Office (DARO) with authority and responsibility to:

5.3.1. Coordinate, publish, and maintain DoD 7950.1-M, to include terms and definitions for the DoD ADP program.

5.3.2. Develop, enhance, and administer the ARMS with the Defense Logistics Agency ADP support, and publish and maintain an ARMS users guide.

5.3.3. Identify available ADP sharing and reuse opportunities.

5.3.4. Furnish the Office of Management and Budget and General Services Administration (GSA) with the recurring reports required by the FPMR (reference (i)), and make ADP management information available to qualified recipients.

5.4. The Director, National Security Agency, shall:

5.4.1. On behalf of the Secretary of Defense and in accordance with policies issued by the ASD(C), operate an ADPE reutilization program for DoD-owned ADP cryptological assets, worldwide.

5.4.2. Require DoD cryptological activities to use excess ADPE and related supplies and equipment, when cost effective, instead of authorizing new procurement.

5.4.3. Comply with requirements for ADP sharing and inventory reporting within the constraints of applicable security regulations.

5.5. The Heads of the DoD Components shall:

5.5.1. Perform continuing analysis to evaluate existing and planned ADP support in concerns such as economy and efficiency, productivity, survivability, mobilization readiness requirements, and energy consumption.

5.5.2. Establish internal procedures to ensure timely validation of ADP requirements and to determine if reuse or sharing capabilities are available to satisfy such needs.

5.5.3. Review the useful life of in-place ADPE on a regular basis to identify actual or potential obsolescence, and plan and budget for either the sharing of more modern equipment or for technically and economically feasible replacements.

5.5.4. Establish a focal point for contact with the DARO to ensure the submission of accurate and timely data for the ARMS database; to assist in the effective and efficient administration and operation of the ARMS procedures; and to participate in the improvement of the ARMS to minimize duplicative DoD Component databases.

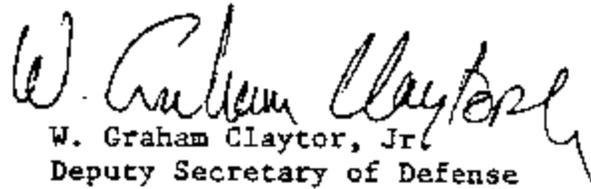
5.5.5. Provide for the distribution of DoD 7950.1-M to all activities and issue appropriate implementing instructions.

## 6. INFORMATION REQUIREMENTS

Interagency Report Control Numbers 1106-GSA-QU and 1108-GSA-AR have been assigned to cover the reporting requirements of FPMR 101-36.2 and 101-36.5 (reference (i)).

7. EFFECTIVE DATE AND IMPLEMENTATION

This Directive is effective immediately. Forward three copies of implementing documents to the Assistant Secretary of Defense (Comptroller) within 180 days.

  
W. Graham Claytor, Jr.  
Deputy Secretary of Defense

Enclosures - 4

- E1. References, continued
- E2. Defense ADP Resources Management System (ARMS)
- E3. Sharing of ADP Resources
- E4. Reutilization of ADPE

E1. ENCLOSURE 1

REFERENCES, continued

- (b) [DoD Directive 5025.1](#), Department of Defense Directives System," November 18, 1977
- (c) DoD Instruction 4140.38, "Automatic Data Processing Management Information System (ADP/MIS)," June 18, 1973 (hereby canceled)
- (d) DoD Directive 4160.19, "Department of Defense Automatic Data Processing Reutilization Program," April 5, 1973 (hereby canceled)
- (e) DoD Instruction 5030.40, "Government-wide ADP Sharing Program," March 27, 1969 (hereby canceled)
- (f) DASD(Management Systems) Memoranda, "Automatic Data Processing Management Information System (ADP/MIS)," September 14, 1977, and May 16, 1978 (hereby canceled)
- (g) DASD (Management Systems) Memorandum, "ADP Obsolescence," July 17, 1978 (hereby canceled)
- (h) Defense Acquisition Regulation, as amended
- (i) Federal Property Management Regulation (FPMR) 101-36.2, 101-36.3, and 101-36.5
- (j) DoD Directive 5000.29, "Management of Computer Resources in Major Defense Systems," April 26, 1976
- (k) DoD Directive 4000.19, "Basic Policies and Principles for Interservice, Interdepartmental, and Interagency Support," March 27, 1972

## E2. ENCLOSURE 2

### DEFENSE ADP RESOURCES MANAGEMENT SYSTEM (ARMS)

#### E2.1. BACKGROUND

E2.1.1. FPMR 101-36.5 (reference (i)) establishes the Federal Government's ADP Management Information System (ADP/MIS) administered by the GSA.

E2.1.2. The GSA ADP/MIS and the DoD ARMS are implemented by procedures in DoD 7950.1-M, which provides for recording of required information in the ARMS database. The ARMS is a centralized, online, terminal-accessed database containing both GSA ADP/MIS and DoD data concerning ADP inventory, personnel, cost, utilization, sharing, requirements, security, additional ADPE reutilization, obsolescence, and other related matters.

#### E2.2. SPECIFIC POLICIES

E2.2.1. The DARO in the Defense Logistics Agency shall establish and enhance the ARMS to serve as the focal point for DoD and GSA ADP/MIS data. The DARO is responsible for the following functions:

E2.2.1.1. Collecting, editing, validating, processing, and forwarding to activities outside the Department of Defense, all DoD Component ADP transactions affecting ARMS or GSA ADP/MIS.

E2.2.1.2. Coordinating and standardizing all coded table assignments necessary for the GSA ADP/MIS (such as manufacturers, systems, and materiel management).

E2.2.1.3. Coordinating with the DoD Components all changes to the GSA ADP/MIS procedures.

E2.2.1.4. Expanding and improving the ARMS, in collaboration and conjunction with the DoD Components, to accommodate DoD Component data requirements in order to minimize duplication of databases.

E2.2.2. All DoD transactions that affect the ARMS database shall be reported by the DoD Components to the DARO.

E2.2.3. An ARMS users guide, to be published and distributed by the Defense Logistics Agency, shall be followed by the DoD Components to access the ARMS via computer terminal hardware, when such access is arranged for by the DARO and the DoD Component.

### E3. ENCLOSURE 3

#### SHARING OF ADP RESOURCES

##### E3.1. BACKGROUND

E3.1.1. FPMR 101-36.2 (reference (i)) prescribes the Federal Government's ADP sharing program administered by the GSA.

E3.1.1.1. The sharing program functions through a complex of ADP sharing exchanges designed to provide assistance to Federal activities in the 50 States and the District of Columbia, in obtaining ADPE time, software, or services.

E3.1.1.2. ADP sharing exchanges are operated by Regional Interagency ADP Coordinators in the GSA regions. Additional ADP sharing exchanges are operated within GSA regions by other Federal activities under interagency agreements. Each ADP sharing exchange assists ADP units in obtaining ADP services through a nationwide referral system.

E3.1.2. Within the Department of Defense, DoD-wide and Federal Government-wide sharing is implemented in DoD 7950.1-M and supported by pertinent information in the DoD ARMS.

##### E3.2. SPECIFIC POLICIES

E3.2.1. The DoD Components shall furnish sharing status data to the DARO for all ADP systems, unless exempted by paragraph E3.2.5., below.

E3.2.2. The DoD Components shall attempt to satisfy their ADP requirements by using the sharing procedures coordinated and published in DoD 7950.1-M.

E3.2.3. Requirements justification for ADP acquisitions, except for designated ADP service centers, may not be based on either planned or anticipated sharing, or a reservation of ADP capacity for sharing.

E3.2.4. Reimbursement for sharing shall be accomplished in accordance with DoD Directive 4000.19 (reference (k)).

E3.2.5. All ADP units shall facilitate sharing of unutilized capacity on their ADP equipment. However, ADP units may require specific exemptions from sharing ADP equipment, due to the peculiarity or uniqueness of a particular program or mission or to the design of the equipment. Accordingly, the following ADPE is exempt from requirements for sharing:

E3.2.5.1. ADPE built or modified to special Government design specifications that has no general-purpose applicability and is integral to a weapon or space system;

E3.2.5.2. Analog computers; and

E3.2.5.3. Specific case-by-case exceptions. A DoD Component planning to exempt other ADP resources in order to avoid compromise of national security or defense or to ensure economy and efficiency shall submit requests for such exemptions with adequate justification to the Assistant Secretary of the Military Department or the comparable Defense Agency who will make a determination and inform the DARO. In turn, the DARO will inform the GSA, in accordance with FPMR 101-36.2 (reference i)).

E4. ENCLOSURE 4  
REUTILIZATION OF ADPE

E4.1. BACKGROUND

E4.1.1. FPMR 101-36.3 (reference (i)) prescribes the Federal ADPE reutilization program administered by the GSA. Reuse of excess ADPE shall be considered when it represents the least overall cost to the Federal Government and the equipment is not obsolescent.

E4.1.1.1. Acquisition of excess Government-owned ADPE is not a procurement action and is not subject to regulations governing new procurement.

E4.1.1.2. Acquisition of excess leased ADPE represents a noncompetitive procurement and is subject to the regulations governing new procurement.

E4.1.2. Within the Department of Defense, the Federal reutilization program is implemented in DoD 7950.1-M and supported by pertinent data in the DoD ARMS.

E4.2. SPECIFIC POLICIES

E4.2.1. The DoD Components shall furnish necessary reutilization data to the DARO.

E4.2.2. The ARMS shall be used by the DoD Components to register their ADP requirements, determine the availability of excess ADPE, and record their hold reservation for such ADPE within the Department of Defense or Federal Government-wide reutilization program.

E4.2.3. When the DoD Components place a hold reservation for excess ADPE recorded in the ARMS, allocation decisions shall be based on the following:

E4.2.3.1. If two or more DoD Components have placed hold reservations for the excess ADPE, the DARO shall contact all such DoD Components and request them to furnish complete cost savings or avoidances, the reutilization category applicable to the requirements, and justifiable reasons for making the allocation to each such DoD Component. Upon receipt of this information, the DARO shall make the appropriate allocation to the DoD Components based on the information furnished, notifying all others.

E4.2.3.2. If the DARO cannot resolve the allocation decision, the matter shall be referred to the ASD(C) with a recommendation. The ASD(C) shall also adjudicate any disputes between the DoD Components over allocations made by the DARO.

E4.2.4. The DoD Components shall take care to ensure that ADPE that has been utilized for processing or storing classified information has been sanitized prior to being reported as excess and available for reutilization.

E4.2.5. Consistent with DoD policy, DoD 7950.1-M shall provide guidance pertaining to the costs of packing, handling, and transporting of excess ADPE and guidance relative to reimbursement for transfer, exchange, or sale of ADP equipment.