



Highlights of [GAO-08-515T](#), a testimony before the House Subcommittee on Government Management, Organization, and Procurement, Committee on Oversight and Government Reform, House of Representatives

Why GAO Did This Study

A growing portion of federal spending is related to buying services such as administrative, management, and information technology support. Services accounted for about 60 percent of total fiscal year 2006 procurement dollars. The Services Acquisition Reform Act (SARA) of 2003 established an Acquisition Advisory Panel to make recommendations for improving acquisition practices. In January 2007, the panel proposed 89 recommendations to improve federal acquisition practices.

GAO was asked to testify on how the panel recommendations compare to GAO's past work and identify how the Office of Federal Procurement Policy (OFPP) expects the recommendations to be addressed. This statement is based on GAO's analysis of the advisory panel's report. GAO's analysis is included in its December 2007 report titled, *Federal Acquisition: Oversight Plan Needed to Help Implement Acquisition Advisory Panel Recommendation*, (GAO-08-160).

What GAO Recommends

In its December 2007 report, GAO recommended that OFPP develop an oversight strategy or plan with milestones and reporting requirements to help it ensure the implementation of the SARA Panel recommendations and to gauge how they improve federal acquisition. OFPP agreed in principle with GAO's recommendation.

To view the full product, including the scope and methodology, click on [GAO-08-515T](#). For more information, contact John Hutton at (202) 512-7773 or huttonj@gao.gov.

FEDERAL ACQUISITION

Oversight Plan Needed to Help Implement Acquisition Advisory Panel's Recommendations

What GAO Found

The SARA Panel, like GAO, has made numerous recommendations to improve federal government acquisition—from encouraging competition and adopting commercial practices to improving the accuracy and usefulness of procurement data. The recommendations in the SARA Panel report are largely consistent with GAO's past work and recommendations. The panel and GAO have both pointed out

- the importance of a robust requirements definition process and the need for competition;
- the need to establish clear performance requirements, measurable performance standards, and a quality assurance plan to improve the use of performance-based contracting;
- the risks inherent in the use of interagency contracts because of their rapid growth and their improper management;
- stresses on the federal acquisition workforce and the need for a strategy to assess these workforce needs;
- concerns about the role of contractors engaged in managing acquisition and procurement activities performed by government employees and the proper roles of federal employees and contractor employees in a “blended” workforce; and
- the adverse effects of inaccurate and incomplete federal procurement data, such as not providing a sound basis for conducting procurement analyses.

The panel also made recommendations that would change the guidance for awarding contracts to small businesses. While GAO's work has addressed some small business policy issues, GAO has not made recommendations that would change the guidance to be used for awarding contracts to small businesses.

OFPP representatives told GAO that OFPP agrees with almost all of the panel recommendations and expected that most of the 89 panel recommendations would be implemented through one of the following means: congressional actions; changes to the Federal Acquisition Regulation; OFPP actions, such as issuing new or revised policy; and federal agency actions. OFPP has already acted on some SARA recommendations, while other actions are pending or under consideration. Milestones and reporting requirements are in place to help OFPP gauge the implementation status of some recommendations but not for others. Moreover, OFPP does not have a strategy or plan to allow it to exercise oversight and establish accountability for implementing all of the panel's recommendations and to gauge their effect on federal acquisitions.