



Highlights of [GAO-05-233](#), a report to the Chairman, Committee on Government Reform, House of Representatives

Why GAO Did This Study

In fiscal year 2004 federal spending on service contracts grew to over \$189 billion governmentwide. This growth, along with cuts in the acquisition workforce and increases in high-dollar procurement actions, creates a challenging environment.

In November 2003 the Services Acquisition Reform Act (SARA) was enacted to provide federal agencies with tools to optimize mission performance in this challenging environment. To implement the act, regulations and guidance must be developed, and other actions taken. GAO was asked to report on progress in implementing SARA's provisions.

FEDERAL ACQUISITION

Progress in Implementing the Services Acquisition Reform Act of 2003

What GAO Found

Just over a year after the enactment of SARA, progress made on regulations, guidance, and other implementing actions varies. While nearly all the key provisions of SARA are being implemented, some provisions are further along than others.

An Acquisition Workforce Training fund has been established. Efforts are ongoing to assess the skills and experience needed by the federal acquisition workforce, and to develop training to address those requirements.

The Chief Acquisition Officers (CAO) Council, established in May 2004, has met five times. The council's executive committee meets monthly; and working groups on human capital, competitive sourcing, electronic government and small business have been established.

Efforts to complete rulemaking on greater use of performance-based contracting are underway, with an interim rule issued and a final version being considered. An online acquisition center of excellence for services also has been created. Because of the complexities involved, rulemaking allowing the use of time-and-materials contracts to procure commercial services is proceeding at a more deliberate pace.

Rules allowing special emergency procurement authority have been finalized, but actions allowing agencies to use "other transactions" authority are incomplete.

Provisions of the Services Acquisition Reform Act of 2003

- Civilian acquisition workforce training fund
- Acquisition workforce recruitment flexibility
- Maintaining architectural and engineering acquisition workforce expertise
- Civilian Agency Chief Acquisition Officers (CAO)
- CAO Council
- Advisory panel on acquisition laws and regulations
- Extension of franchise fund programs
- Contracting for architectural/engineering services
- Telecommuting for federal contractors
- Incentives for performance-based contracts
- Time-and-materials contracts for commercial services
- Special "other transactions" acquisition authority
- Public disclosure of noncompetitive contracts for Iraq reconstruction
- Emergency procurement flexibilities

Source: GAO.

www.gao.gov/cgi-bin/getrpt?GAO-05-233.

To view the full product, including the scope and methodology, click on the link above. For more information, contact William T. Woods at (202) 512-4841 or woodsw@gao.gov.