

**DETERMINATION OF UNNECESSARY
DUPLICATION WITHIN THE OFFICE OF
GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006
SEPTEMBER 30, 2009**



U.S. GENERAL SERVICES ADMINISTRATION
Office of the Inspector General

Date: September 30, 2009

Reply to
Attn of: Deputy Assistant Inspector General for Acquisition Audits (JA-A)

Subject: **FINAL REPORT:**
Determination of Unnecessary Duplication within the Office of General
Supplies and Services, Federal Acquisition Service
Report Number A080226/Q/A/P09006

To: James A. Williams
Commissioner, Federal Acquisition Service (Q)

This report presents the results of the General Services Administration (GSA) Office of Inspector General's (OIG's) review of unnecessary duplication within the Federal Acquisition Service (FAS) Office of General Supplies and Services (GSS).

Our review was initiated primarily at the request of GSS management to address duplication issues identified in the Office of Management and Budget's (OMB's) 2007 Program Assessment Rating Tool's (PART) analysis of GSS.

Based on the scope of our review, we determined that duplication of products and systems existed between GSA Global Supply and the Multiple Award Schedule (MAS) program, but that this type of duplication was appropriate. In addition, our review did not identify unnecessary duplication of products within GSA Global Supply. However, we concluded that unnecessary duplication did exist within MAS. FAS has commissioned studies and undertaken initiatives related to the MAS duplication. However, FAS had not implemented all of the recommendations related to two of the studies and had not optimized two of the initiatives. Furthermore, we noted weaknesses with one of the studies that lessened its usefulness in eliminating duplication. Finally, our review also identified a systems issue that resulted in 270 duplicative contracts. By implementing the studies' recommendations, optimizing the initiatives, and resolving the systems issue, FAS could reduce confusion and costs for not only the organization but also for its customers and vendors.

FAS' formal response to the draft report, dated September 28, 2009, is included as Appendix A of the report.

A handwritten signature in blue ink that reads "Perla Corpus".

PERLA CORPUS
Audit Manager
Acquisition Programs Audit Office (JA-A)

**DETERMINATION OF UNNECESSARY DUPLICATION WITHIN
THE OFFICE OF GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006**

TABLE OF CONTENTS

	<u>Page</u>
EXECUTIVE SUMMARY	i
INTRODUCTION	1
Background	1
Objective, Scope and Methodology	2
RESULTS OF REVIEW	5
Brief	5
Finding 1 – Unnecessary Duplication within MAS	5
FAS Commissioned Studies on GSS Duplication	5
Recommendations	10
FAS Initiatives to Reduce Unnecessary Duplication in MAS	10
Recommendations	17
System Issues Related to Small Business Set-Asides	17
Recommendation	18
Finding 2 – No Unnecessary Duplication of Products and Systems between MAS and GSA Global Supply	18
Finding 3 – No Unnecessary Duplication of Products within GSA Global Supply	20
Overall Report Conclusion	20
Management Controls	20
Management Comments	21
APPENDICES	
Management Response to the Draft Report	A-1
Report Distribution	B-1

**DETERMINATION OF UNNECESSARY DUPLICATION WITHIN
THE OFFICE OF GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006**

EXECUTIVE SUMMARY

PURPOSE

The objective of our review was to determine: Does unnecessary duplication exist within the Office of General Supplies and Services (GSS)? If yes, what initiatives has GSS taken to address duplication, and what, if any, further actions are needed to eliminate unnecessary duplication?

BACKGROUND

Our review was initiated primarily at the request of GSS management to address issues identified in the Office of Management and Budget's (OMB's) 2007 Program Assessment Rating Tool's analysis of GSS, which stated that unnecessary duplication existed within GSS.

GSS officials requested that our review focus on determining whether unnecessary duplication exists between GSA Global Supply and MAS, based on OMB's assertion. During the course of validating OMB's statement, we subsequently expanded the scope of the review to include whether unnecessary duplication occurred within the GSA Global Supply and MAS business lines.

RESULTS IN BRIEF

Based on the scope of our review, we determined that duplication of products and systems existed between GSA Global Supply and MAS, but that this type of duplication was appropriate. Additionally, our review did not identify unnecessary duplication of products within GSA Global Supply. However, unnecessary duplication did exist within MAS. While GSS had undertaken studies and initiatives to address the duplication, we determined that more could be done to reduce confusion and costs for FAS, vendors, and customers.

RECOMMENDATIONS

We recommended the Commissioner of the Federal Acquisition Service:

1. Create an accurate and complete inventory of GSS MAS duplication, while taking in to account the deficiencies of the Booz Allen Hamilton (BAH) rationalization study.

2. Develop and implement a plan to determine whether recommendations in BAH's September 2008 report regarding the 1649 process should be acted upon.
3. Implement the following operational and educational improvements to the Consolidated Schedule (CS):
 - a) Centrally determine which Schedules should participate in the CS, when they may be allowed to cease participation, and what documentation, review, and approval are required for such a change.
 - b) Determine whether acquisition centers that assist with CS contracts should be allocated a portion of CS revenue.
 - c) Synchronize updates of the CS and their participating Schedules.
 - d) Determine the feasibility of improving the accuracy of CS vendor offerings displayed in FAS systems.
 - e) Increase vendor awareness of the CS.
4. Issue updated guidance on the 1649 process, after determining the most suitable procedures.
5. Submit a formal Federal Procurement Data System change request to GSA's Office of the Chief Acquisition Officer to resolve the issue that requires GSS to award separate MAS contracts for small business set-asides.

MANAGEMENT COMMENTS TO THE DRAFT REPORT

The Commissioner concurred with our recommendations. However, he requested two minor wording changes in the body of the report, which we incorporated. His comments are included in their entirety as pages A-1 and A-2. Attachment A of his comments, which involved 1649 criteria, is summarized on page A-3. Attachment B of his comments, which showed that the FAR Part 51 deviation was finalized, is included as page A-4.

**DETERMINATION OF UNNECESSARY DUPLICATION WITHIN
THE OFFICE OF GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006**

INTRODUCTION

Background

The Office of General Supplies and Services (GSS) of the Federal Acquisition Service (FAS) is responsible for comprehensive supply chain management and acquisition services under its four business lines. We focused on the Supply Operations and Acquisition Operations business lines in this report, since we determined that they had the most potential for duplication.

The Supply Operations business line, which will be referred to in this report as General Services Administration (GSA) Global Supply, manages worldwide supply acquisition and distribution functions. It is a vital component of the National Supply System, supporting military and civilian requirements, as well as some state/local supply requirements. GSA Global Supply provides support via two distribution centers, 26 retail stores, and three call centers.

The Acquisition Operations business line manages a large portion of the GSA Multiple Award Schedule (MAS) program. For purposes of this report, MAS will refer only to GSS Schedules. Product offerings include furniture, office supplies, clothes, law enforcement equipment, and (non-computer) hardware. Service offerings include a broad range of business and professional items, such as supply chain and distribution services, energy and environmental services, language services, administrative services, training, (non-computer) hardware services, and facilities maintenance. The GSS portfolio does not include information technology, automotive, or travel and transportation Schedules.

For GSA Global Supply items, FAS receives and processes customer orders. In addition, FAS is responsible for paying vendors, billing customers, and resolving any sales-related disputes. On the other hand, the MAS program operates quite differently. Customers place orders with MAS vendors directly, pay the vendors, and generally resolve any disputes with the vendor without FAS involvement.

As of August 2009, GSA Global Supply had responsibility for 83,743 National Stock Numbers (NSN)¹, approximately 300,000 Expanded Direct Delivery (EDD) items², and

¹An NSN is a 13-digit numeric code used to identify products sold by GSA Global Supply. The Defense Logistics Information Service is the only organization authorized to assign NSNs.

²EDD items are GSA Global Supply items that FAS has decided to ship directly from vendors to customers. Currently, only office supplies, tools, and information technology products are included.

Non-Stock Listing items.³ For Fiscal Year (FY) 2008, GSA Global Supply sales were \$1.2 billion, with a net operating profit of \$41.3 million.

Statistics for MAS show that since 2004, sales and the number of contracts have increased, and the number of Schedules has decreased, as shown below:

Table I – GSS MAS Statistics by FY						
	2004	2005	2006	2007	2008	2009⁴
Sales (Billions)	\$13.6	\$15.9	\$16.9	\$18.0	\$19.3	\$15.4
Schedules	37	37	37	33	33	32
Contracts	11,260	12,308	12,550	12,513	12,150	12,315

Our review was initiated primarily at the request of GSS management to address issues identified in the Office of Management and Budget’s (OMB’s) 2007 Program Assessment Rating Tool’s (PART) analysis of GSS. The OMB report cited certain actions taken by GSA that created the opportunity to reduce unnecessary duplication, such as: creation of the FAS organization, consolidation of responsibility for GSA Global Supply and many of FAS’ Schedules in GSS, and establishment of the Office of Strategic Business Planning and Process Improvement. However, the OMB report stated that “vendors were asked to do business with GSA and customers in a confusing and costly variety of ways.” Specifically, the report noted areas of concern related to duplication as noted in the following two examples. First, regional management of FAS’ acquisition centers had led to Schedule contracts for the same or similar products and services and competition between the centers for customers. Second, for similar products that were available under both GSA Global Supply and MAS, customer agencies could order through multiple websites that did not allow them to compare items or prices.

Objective, Scope and Methodology

The objective of our review was to determine: Does unnecessary duplication exist within GSS? If yes, what initiatives has GSS taken to address duplication, and what, if any, further actions are needed to eliminate unnecessary duplication?

³Non-Stock Listing (NSL) items are bought by GSA Global Supply on behalf of customers. They do not have an assigned NSN and are not stocked in GSA warehouses. The number of NSLs is not recorded by the acquisition center and is therefore not quantified in this report.

⁴Period of Coverage for FY 2009 sales and schedule figures was through May 2009. The number of contracts in 2009 was current through July 2009.

GSS officials requested that our review focus on determining whether unnecessary duplication exists between GSA Global Supply and MAS, based on OMB's assertion. During the course of validating OMB's statement, we subsequently expanded the scope of the review to include whether unnecessary duplication occurred within the GSA Global Supply and MAS business lines.

To accomplish the objective of the review, we performed the following steps:

- Conducted interviews with Central Office officials including Office of Acquisition Operations, Office of the Controller, Office of Strategic Business Planning & Process Improvement, Office of Acquisition Management, and Office of Customer Accounts & Research;
- Discussed overlap with contracting personnel and management officials in the Management Services Center in Auburn, Washington, as well as the Heartland GSA Global Supply Center and the Facilities Maintenance and Hardware Acquisition Center in Kansas City, Missouri;
- Interviewed management for the Western Distribution Center in French Camp, California, and the Eastern Logistics Division in Philadelphia, Pennsylvania;
- Analyzed the following reports related to duplication of services within GSA: Accenture's April 30, 2002, report, GSA Delivery of Best Value Information Technology Services to Federal Agencies and SiloSmashers' September 30, 2005, report, Final Report: Multiple Award Schedule Program Research and Analysis. We obtained cost information where available and determined whether actions were taken by FAS to address the issues identified in the reports;
- Evaluated the Booz Allen Hamilton (BAH) rationalization study, which was presented to FAS in July 2008 and determined the actions FAS has taken to address the study's findings;
- Reviewed the September 2008 BAH assessment of processes and procedures related to GSA Form 1649, "Notification of Federal Supply Schedule Improvement," and ascertained the status of the study's recommendations;
- Interviewed FAS officials knowledgeable in the following areas: FAS' ongoing initiative to standardize MAS contract clauses for services and FAS' Communities of Interest (COI) initiative in the areas of security, financial information, facilities, and human resources; and FAS' processes and procedures related to GSA Form 1649 (the 1649 process), as well as their actions and plans regarding the form;

- Conducted a judgmental selection of customer agencies and interviewed their representatives to understand how they order from GSA Global Supply and MAS and whether they have any issues with overlap. Our meetings included contracting personnel and/or management from the following agencies: Department of the Treasury, Federal Emergency Management Agency, and Department of Homeland Security;
- Obtained feedback regarding unnecessary service duplication within GSS from the following procurement/acquisition national associations: Professional Services Council and the Coalition for Government Procurement; and
- Conducted a judgmental selection of several Schedule vendors to understand the implications of overlap and possible solutions: Delta Research Associates Incorporated, Logistics Management Institute, Science Applications International Corporation, L3 MPRI, Management Support Technology Incorporated, Tetra Tech EM, ATD-American Co., Manufacturing Technical Solution, Epsilon Systems Solution Incorporated, Accenture, and a large MAS vendor in Virginia with numerous MAS contracts and no Consolidated Schedule (CS) contract.

We conducted this review from September 2008 through July 2009 in accordance with the generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

RESULTS OF REVIEW

Brief

Based on the scope of our review, we determined that duplication of products and systems existed between GSA Global Supply and MAS, but that this type of duplication was appropriate. In addition, our review did not identify unnecessary duplication of products within GSA Global Supply. However, we concluded that unnecessary duplication did exist within MAS.

Since 1999, FAS has commissioned four studies and developed three initiatives related to identifying and minimizing duplication. However, FAS had not implemented all of the recommendations related to two of the four studies and had not optimized two of the three initiatives. In addition, we found weaknesses with one of the studies that reduced its usefulness in eliminating duplication, and a systems issue that resulted in 270 duplicative contracts.

By implementing the studies' recommendations, optimizing the initiatives, and resolving the systems issue, FAS could reduce confusion and costs inherent within MAS.

FINDING 1 – UNNECESSARY DUPLICATION WITHIN MAS

Unnecessary duplication exists within GSS MAS. FAS has taken a number of steps to address duplication, including commissioning studies and undertaking initiatives. However, GSS needs to improve and expand the inventory of duplication, implement recommendations of the 1649 study, optimize the CS, and enhance the GSA Form 1649 process. By taking these actions, FAS can reduce confusion and costs for its stakeholders.

FAS Commissioned Studies on GSS Duplication

Over the past seven years, FAS has commissioned four studies that addressed unnecessary duplication within the schedules program. These studies included the Accenture study conducted in 2002; the SiloSmashers study completed in 2005; the BAH rationalization study issued in 2008; and the 2008 BAH 1649 assessment. FAS was responsive to the issues related to unnecessary duplication within GSS mentioned in the Accenture and SiloSmashers studies. However, FAS has not implemented all of the recommendations in the two BAH reports.

BAH Rationalization Study - The rationalization study's inventory of duplication was unreliable, because it was neither complete nor accurate. This may have contributed to GSS management being unaware of the full extent of unnecessary duplication. In addition, GSS was unable to implement the recommendations made in BAH's report because of the study's limitations.

On July 7, 2008, the rationalization report⁵ was presented by BAH, a leading strategy and technology consulting firm. Their study sought to identify overlap within FAS' offerings and analyze what FAS could do to address the duplication that was found. BAH's report recommended establishing COI and realigning Special Item Numbers (SINs)⁶ to reduce duplication. GSS is in the process of developing COI for its Schedules, but has not realigned SINs.

In the Charter for the rationalization study, FAS stated that they needed to rationalize (justify) the services they offer. It stated that duplication of contract vehicles existed, and the vast number of offerings had resulted in confusion for FAS customers and industry partners. The Charter noted that FAS needed to integrate and clarify their offerings, make them more user-friendly for customers and more cost effective for FAS, while discontinuing the practice of being reactive rather than proactive. The goals of the rationalization initiative were to clearly define all FAS offerings, develop an evaluation program, and create a solid message for customers.

As part of the study, BAH developed an inventory of duplicative offerings for three commodity groups: security products and services; integrated technology products and services; and facilities maintenance and management. BAH used this inventory to select security as the primary area of interest for the study. If the inventory was improved and expanded, FAS could use it to determine what duplication should be eliminated.

The rationalization study's inventory of duplication was incomplete because it included only 9 of the 33 (27 percent) GSS MAS Schedules that were in effect at the time of BAH's study.⁷ BAH did not include in its inventory some of GSS' largest Schedules, such as 874 (Mission Oriented Business Integrated Solutions (MOBIS), with \$3.6 billion in sales for FY 2007) and 75 (office products, with \$573 million in sales for FY 2007). Therefore, they were unable to identify the full extent of duplication, such as the presence of water filters on both Schedules 75 and 66 (scientific equipment).

In addition, we determined that BAH's inventory of duplication was inaccurate, in that it did not correctly identify all instances of duplication. Examples of inaccuracies include:

- BAH indicated that "Hoses, Valves, Fittings, Nozzles, Couplings and Related Accessories" were duplicated on Schedules 84 (security) and 51V (Hardware Superstore). However, the types of equipment on these two Schedules are very

⁵The title of this July 7, 2008 PowerPoint briefing was "FAS Product and Service Offering Rationalization Task: Final Deliverable Briefing - Executive Summary."

⁶SINs are alphanumeric codes used to define the products and services vendors may provide pursuant to a specific Schedule.

⁷At the time of the report, there were 33 GSS Schedules, but currently, there are only 32, including the CS.

different. For example, Schedule 51V has garden hoses, whereas Schedule 84 has fire hoses;

- BAH's inventory identified Schedules 03FAC (facilities maintenance), 51V and 56 (buildings and building materials) as having duplicate "applicators." We agree that duplication is present between some application tools on Schedules 51V and 56; however, we disagree with the inclusion of 03FAC. Schedule 03FAC only has application services, which does not overlap with any services on Schedule 56 and are not offered on Schedule 51 V; and
- "Burning equipment" is shown by BAH as duplicated on Schedules 84 and 51V. However, the types of burning equipment on these two Schedules are different. On Schedule 84, the equipment is for fire fighting, while the equipment on Schedule 51V is used for other purposes, such as soldering.

Because duplication can have negative implications for FAS, its customers, and its vendors, we believe FAS should create an accurate and complete inventory of duplication within the MAS program. However, FAS should take into account the flaws of the rationalization study.

BAH 1649 Assessment - Management has not implemented the four recommendations noted in BAH's final report for their study of GSA's 1649 process. Until the process is improved, issues regarding coordination, confusion, quality, consistency, timeliness, and resource requirements will continue to exist.

GSA Form 1649, "Notification of Federal Supply Schedule Improvement," is used to implement a wide range of Schedule changes, including but not limited to the following:

- Establish, cancel, or merge existing Schedules
- Add or delete a SIN or change SIN characteristics
- Convert items within a SIN from MAS to another method of supply or Schedule type
- Change the contract period

The process includes a preliminary 1649 that is used to obtain concurrence from the acquisition centers and minimize overlap of products and services. A subsequent final 1649 is required after market research to obtain final approval for changes.

BAH's September 2008 report recommended that FAS:

- i. Revise and widely communicate 1649 requirements to guarantee uniform requests, reviews, and implementation throughout FAS entities.
- ii. Transfer ownership of the 1649 process to one FAS central office, and clearly define roles and responsibilities among key stakeholders in order to streamline management practices and reduce confusion.

- iii. Categorize 1649 requests complexity depending on type of change being requested (simple changes=basic form; complex changes=basic form + additional section(s) particular to request).
- iv. Automate 1649 process by incorporating into existing systems such as Solicitation Writing System (SWS) in order to streamline processing, reduce implementation time, and develop better tracking capabilities.

Personnel from FAS' Office of Acquisition Management and Office of Strategic Business and Process Improvement indicated that FAS did not yet implement these recommendations due to competing priorities for limited staffing and funding, but they hope to address the recommendations in FY 2010. Due to the importance of the 1649 process in minimizing unnecessary duplication within the Schedules program, we support improvement of the process.

Accenture Study - In January 2002, GSA set out to determine if its offerings, processes, and organizational structure were focused on providing best value. It hired Accenture, a management and technology consulting firm, to help GSA assess potential overlaps, improve internal efficiencies, and strengthen its focus on customer service. We determined that FAS took appropriate action to address recommendations related to duplication. Accordingly, we made no recommendations related to the study.

The Accenture report⁸, issued on April 30, 2002, noted in part that overlaps existed at GSA in the areas of sales and marketing and contract offerings. In addition, the report stated that many vendors were vocal in their concerns regarding the cost caused by GSA overlaps. Furthermore, the report disclosed an opportunity to increase efficiency by eliminating overlaps and redundancies and improving coordination and concluded overlap might cause a customer to not receive the best solution for their requirements.

Subsequent to the Accenture report⁹, GSA created the FAS organization to better support customer requirements by combining the operations of the Federal Technology Service (FTS) and the Federal Supply Service (FSS). In addition, FAS commissioned the rationalization study discussed above. Accordingly, we make no recommendations regarding the Accenture study.

SiloSmashers Study - SiloSmashers, a management and IT consulting firm, conducted a study of methods to improve the MAS program in 2005. We determined that FAS took appropriate actions to address SiloSmashers' recommendations related to duplication. Accordingly, we made no recommendations related to the study.

⁸The Accenture report was titled, "GSA Delivery of Best Value Information Technology Services to Federal Agencies."

⁹FAS was officially launched on May 1, 2007, following: GSA Order ADM 5440.591 dated September 9, 2005, Public Law Number 109-313, dated October 6, 2006.

The purpose of the SiloSmashers project was to assist FAS in their investigation of innovative strategies for improving the MAS program. The SiloSmasher's report¹⁰, which was issued on September 30, 2005, determined, in part that overlap and competition in the MAS program had led to a proliferation of Schedules in the acquisition centers, as well as non-standardized policies and procedures. The report indicated that this made it difficult for customers and vendors to work with the program. Further, it noted that customers no longer knew which Schedule to use, or how to find, compare, and select the products and services they needed. As a result, the report concluded that FAS should reduce the number of Schedules, enhance IT systems, and clean up and rationalize SINs and clauses to a logical and more manageable number.

FAS has taken several actions in accordance with the SiloSmashers recommendations, including the following:

- FAS reduced the number of GSS Schedules from 37 at the time of the SiloSmashers report to 32, and is evaluating these additional changes:
 - Consolidating the five furniture Schedules (Schedule 71's) to one,
 - Consolidating the two furnishing Schedules (72 I A and 72 II) to one, and
 - Eliminating the Schedule for photographic equipment (Schedule 67).
- FAS has implemented several system enhancements and initiated a five-year \$59.8 million systems modernization effort.
- FAS has nearly completed standardizing contract clauses for the services Schedules, and plans to standardize clauses for the products Schedules next.
- FAS works continually to revise SINs through its 1649 process, which was discussed above and will be discussed in greater detail later in the report.

Since FAS has taken action in line with the recommendations of the SiloSmashers' study, we make no recommendations in this report related to the study.

Overall Conclusion on Studies - FAS has taken action following the recommendations of the studies. For example, FAS is standardizing contract clauses in accordance with the recommendations of the SiloSmashers study, and the rationalization study we discuss above was undertaken in line with recommendations of the Accenture study. However, we noted recommendations, as presented above, related to BAH's study of the 1649 process and BAH's rationalization study to further assist FAS in addressing unnecessary duplication.

¹⁰SiloSmashers report was titled, "Final report: Multiple Award Schedule (MAS) Program Research & Analysis."

Recommendations

We recommend that the Commissioner of the Federal Acquisition Service:

1. Create an accurate and complete inventory of GSS MAS duplication, while taking in to account the deficiencies of the BAH rationalization study.
2. Develop and implement a plan to determine whether recommendations in BAH's September 2008 report regarding the 1649 process should be acted upon.

Management Comments

The Commissioner concurred with our recommendations.

FAS Initiatives to Reduce Unnecessary Duplication in MAS

FAS initiatives to address unnecessary duplication within MAS include establishment of the CS, the GSA Form 1649 process, and COI. Two of the initiatives (CS and the 1649 process) have been in existence for several years, but FAS has not optimized them to alleviate unnecessary duplication within the Schedules program. COI was developed in 2009, in accordance with the rationalization study discussed in this report.

Consolidated Schedule - The CS has not reduced duplication to the maximum extent possible due to numerous operational issues and insufficient educational efforts related to the Schedule. If FAS resolves these issues and is successful in increasing usage of the CS through improved vendor awareness, FAS could eliminate a maximum of 1,670 duplicative MAS contracts.

The CS, which is a voluntary GSA program available to vendors, is controlled by the Management Services Center in Auburn, Washington. This program is designed to enable vendors to conduct business with only one Schedule contract, even if they offer very disparate products and services that normally would be contracted for under different FAS Schedules. Although the CS might not be a viable option for all vendors, it has the potential to assist many vendors and thereby reduce duplication for vendors and GSS.

The March 2000 Acquisition Plan for the CS included the following description of the Schedule's benefits to customers and vendors:

"This...offers both small and large businesses the opportunity to provide their entire business lines – no more hunting for the right schedule fit – eliminating redundancy in preparing bids, publishing price lists and reporting sales, thus reducing costs to do business. Offers may be submitted in a consolidated fashion saving time and money. From a customer perspective, corporate contracting will provide a single entryway

to the commercial marketplace – no more searching through various schedules to find needed items – and will reduce administrative work.”

Operational issues that are reducing the effectiveness of the CS include: Schedule participation, revenue allocation, timeliness of updates, system accuracy, and educational resources.

Schedule Participation and Revenue Allocation - A factor that has reduced the effectiveness of the CS is incomplete Schedule participation. In addition, some within FAS believe revenue allocations may play a part in the level of support given by the acquisition centers to the CS.

As of August 2009, the following 20 GSS Schedules did not participate in the CS:

No.	Schedule Number	Schedule Description	No.	Schedule Number	Schedule Description
1	51 V	Hardware Superstore	11	71 III E	Miscellaneous Furniture
2	56	Building Materials	12	72 II	Furnishings
3	58 I	Audio/Visual	13	72 I A	Floor Coverings
4	66	Scientific Equipment	14	73	Food Service
5	67	Photography	15	736	Temporary Administrative and Professional Staffing
6	71 I	Office Furniture and Services	16	75	Office Products
7	71 II	Household Furniture	17	78	Sports and Signs
8	71 II H	Packaged Furniture	18	81 I B	Shipping
9	71 II K	Furniture Management	19	84	Security
10	71 III	Special use Furniture	20	00JWOD	AbilityOne

Some Schedules were formerly included in the CS, but were removed by their respective acquisition center management. For example, the acquisition centers deleted product Schedules circa 2003. FAS officials stated that this was due to a lack of contractor participation; however, a significant CS improvement had just been made. Other Schedules, such as 736, have never participated at the discretion of acquisition center management. In order to ensure maximum effectiveness for the CS, we believe decisions regarding Schedule inclusion should be made at higher management level, and the issue should be revisited.

In addition, the Management Services Center receives all the revenue related to the CS contracts they manage¹², even when they solicit the expertise of contracting personnel

¹¹Schedule 70 participates in the CS, but the Office of Integrated Technology Services is responsible for Schedule 70.

in other acquisition centers. The Management Services Center is the lead for the majority of the CS contracts and therefore receives the most revenue, as shown in Table III:

Table III – CS Revenue Allocations to Acquisition Centers		
Acquisition Center	FY 2008	FY 2009
Integrated Workplace	\$390,054	\$74,788
Greater Southwest	\$0	\$109
Center for IT Schedule Programs	\$1,972,570	\$2,158,472
Management Services Center	\$3,162,052	\$3,577,050
Office Supplies and Administrative Services	\$16,545	\$3,828
Total	\$5,541,221	\$5,814,247

Untimely Updates – The Management Services Center did not update the CS in a timely manner to reflect changes to clauses and SINs of participating Schedules. As a result, CS vendors operate under different clauses and SINs than those vendors without CS contracts and CS vendors lose sales opportunities.

The Management Services Center advised us that they have not updated the CS since July 2007. As a result, many changes that have been made to underlying Schedules since July 2007 have not been made to the CS, as noted below:

- Clauses that were standardized in 11 participating Schedules in May 2008 have not been standardized in the CS.
- In February 2008, the MOBIS Schedule added two SINs: 874-7 (program and project management) and 874-8 (workforce training).
- In April 2008, SIN 541-1000 was added to the Advertising and Integrated Marketing Schedule (Schedule 541) for other direct costs.
- In July 2008, 03FAC revised SINs to add energy management.
- In February 2008, the Facilities Maintenance and Management Schedule (03FAC) added SIN 003-97 (ancillary repair and alteration).
- In April 2008, the Financial and Business Solutions Schedule (Schedule 520) added SINs for protection services.

¹²For example, the IT Acquisition Center is the lead center for a few CS contracts (38 as of May 2009), since IT is the predominant service or commodity covered by these contracts. The IT Center receives the revenue for these contracts.

- In February 2008, the Professional Engineering Schedule (Schedule 871) added SIN 871-7 (construction management).

This places CS vendors at a distinct disadvantage over vendors without a CS, because they cannot capture sales of products and services if the items covered by a certain SIN are not included in their CS contract.

The Management Services Center advised that a refresh of clauses and SINs in the CS was planned for August 2009. In addition, they hope to load the CS to FAS' automated Solicitation Writing System to permit easier and timelier updates to the CS.

To ensure CS vendors operate under the same terms and conditions as vendors without CS contracts and prevent CS vendors from losing business opportunities, the Management Services Center should synchronize updates to the CS and participating Schedules.

Systems Issue – FAS ordering systems (such as eLibrary and eBuy) did not always accurately reflect the scope of work that could be performed under vendors' CS contracts. Consequently, CS vendors and customers could not use resources as efficiently as possible.

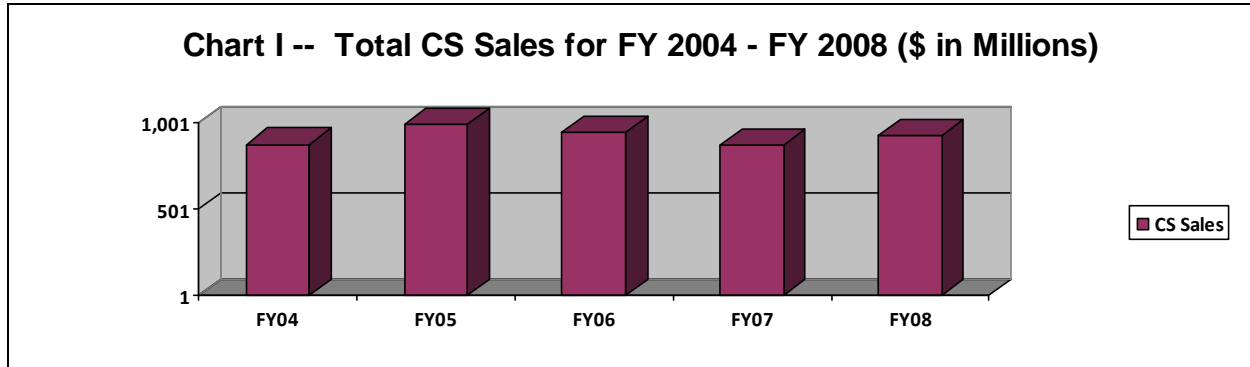
Starting in late 2002, FAS "cross-walked", or linked, the SINs in the CS to the SINs in corresponding schedules on FAS ordering systems. For example, SIN C-R703 on the CS correlates to SINs 520-11 and 520-12 on Schedule 520 (financial and business solutions). These particular SINs allow customers to purchase accounting and budgeting services.

We noted cross-walk inaccuracies, however. For instance, the CS has only one SIN that encompasses aspects of the Professional Engineering Services (PES) Schedule (SIN "C R452"), whereas the PES Schedule has multiple SINs. A CS vendor may not be approved to provide some of the PES SINs, but this distinction is not reflected in FAS systems for the CS. Vendors stated that incorrect information in FAS systems causes confusion and wastes time and effort for customers and vendors alike. The Management Services Center is aware of the issue and its impact.

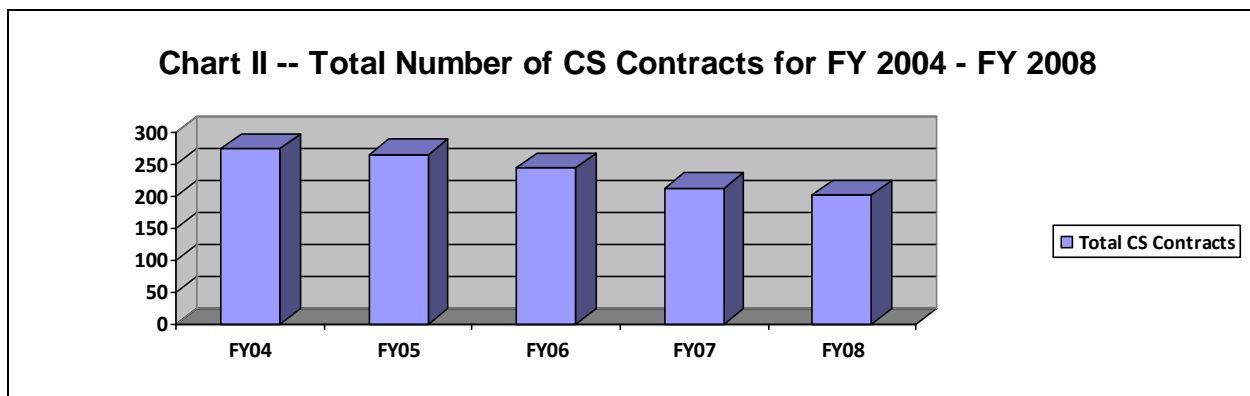
We believe FAS should ensure the vendor's CS offerings are accurately depicted in FAS systems. This will help to improve the efficiency and effectiveness of the CS.

Vendor Training – Vendors in our sample were unaware of the existence of the CS and/or improvements that had been made to the Schedule since its introduction. Because FAS had not directed sufficient educational resources to the CS in several years, vendors and customers underutilize the CS and unnecessary duplication is exacerbated.

According to the FAS personnel, insufficient resources have not been allocated to CS vendor training for several years due to other priorities for limited resources. Even without adequate resources, CS revenues have remained relatively stable, as shown in Chart I.



However, the number of CS contracts has declined slightly, as shown in Chart II.



The CS has considerable potential for growth, since 1,214 additional vendors are eligible for CS participation. If each of these vendors replaced their eligible contracts with a CS contract, 1,670 duplicate contracts could be eliminated. Should this occur, GSS will need to consider the adequacy of staffing for the CS.

Award and administration of the CS is currently carried out with staffing of one unwarranted Contract Specialist, three warranted Contracting Officers, and a manager. Their duties include migrating vendors from the various Schedules to the CS, refreshing clauses, and processing contract modifications to change such things as prices and vendor contact information.

To increase awareness of the CS, GSS needs to improve training efforts related to the Schedule. If this increases the number of CS contracts, as we expect, GSS will need to consider reallocating staffing resources.

Overall Conclusion for the CS -- If FAS makes operational improvements to the CS discussed in this section of the report and enhances CS vendor education, duplication within the MAS program could be reduced.

Currently, 1,214 GSS vendors who are eligible to participate in the CS do not have a CS contract. These vendors have a total of 2,884 Schedule contracts. We recognize that the CS may not be appropriate for all eligible vendors. However, if all 1,214 eligible vendors migrated to a CS contract, 1,670 Schedule contracts could be eliminated.

1649 Process – No updated official written policies or procedures exist for the 1649 process. As a result, this method of controlling unnecessary duplication within GSS is less efficient and effective than it could be.

The 1649 process is an important control within FAS to reduce duplication identified by OMB in their 2007 PART analysis of GSS. OMB reported that regional management of FAS acquisition centers had led to Schedule contracts for the same or similar products and services and competition between the centers for customers.

Form 1649 is used to add, delete, or clarify SINS; determine whether Schedules should be reallocated between the acquisition centers; and add or delete Schedules. The purpose of the form is to obtain concurrence from all of the acquisition centers and minimize overlap of services and products on Schedules.

The following guidance for the 1649 process has not been updated since before the creation of FAS: (1) FSS Acquisition Letter FC-00-1, (2) FSS Acquisition Letter FC-98-4, and (3) Procurement Information Bulletin 98-7. Additionally, GSA Order 2901.2A FSS P, Supply Operations, expired November 15, 2004. FAS specifically advised that GSA Acquisition Letter V-06-07, Supplement Number 2, extended (but did not update) FSS Acquisition Letter FC-00-1.

We determined that the 1649 process varied among the regions, and there was widespread uncertainty about the precise process and when it should be used. For example, some regions centrally control processing and review of Form 1649s, whereas other regions obtain more widespread input from their personnel. In addition, some FAS personnel were uncertain when a Business Case was required. FAS officials advised that this uncertainty is partly due to the combination of FTS and FSS to create FAS, since FTS did not use Form 1649, and that it was not formerly required for all FAS Schedules. The other major issue causing uncertainty about the 1649 process is the lack of current written policy.

Due to the importance of the 1649 process in minimizing duplication within the Schedules program, we believe FAS should issue policies and procedures regarding the form.

Communities of Interest (COI) – COI, a web-based FAS initiative, does not reduce any unnecessary duplication. Rather, it reduces confusion for customers caused by the duplication. Because this initiative is still under development and does not yet encompass all GSS services and products, we make no recommendations related to this initiative.

COI was initiated following a recommendation of BAH's rationalization study. With COI, FAS has identified related Schedules and SINs for three functional areas (security, financial services, and facilities management), and is now doing so for human resources.

For each of these areas, FAS has created web pages that identify the Schedules and SINs customers can use to procure the items. For example, the web page FAS created for security shows that MAS offers products and/or services related to identity management, safeguarding information, compliance support, physical security, security systems, and information technology services and security for legacy integration. When a customer or vendor clicks any of these headings, they are directed to a webpage that displays all of the related Schedules and SINs. The customer can follow the SIN or Schedule link they are interested in to identify the vendors that can provide the items.

COI does not reduce FAS costs, as it eliminates no Schedules, SINs, or contracts. Rather, it increases FAS costs slightly to keep web pages current, accurate, and complete. FAS believes COI will generate revenue above its cost by drawing more customers to the MAS program. COI's primary benefit is to make the ordering process easier, by helping customers to locate the items they need. It can also help vendors identify the appropriate Schedules and SINs for their products and services.

On June 5, 2009, FAS requested a deviation to Federal Acquisition Regulation (FAR) Part 51. On June 16, 2009, the Senior Procurement Executive in GSA's Office of the Chief Acquisition Officer approved the deviation. FAR Part 51 provides limited circumstances when a MAS vendor may purchase items from Government supply sources, like GSA. The deviation gives GSA contractors greater latitude to purchase items from other Schedule vendors and GSA Global Supply. FAS is hopeful that when this deviation is fully implemented, it will simplify the acquisition process by allowing customers to contract with one vendor within a COI and obtain a solution including items from multiple vendors and Schedules. The Commissioner provided a copy of the September 16, 2009 memorandum that granted FAS a 5-year class deviation to FAR Part 51. (See page A-4.)

Overall Conclusion Regarding FAS Initiatives – FAS has undertaken several significant initiatives to reduce unnecessary duplication within the MAS program, including the CS, the 1649 process, and COI. As discussed in recommendations above, we believe several enhancements can be made to the CS and the 1649 process to improve their effectiveness in reducing unnecessary duplication in the MAS program.

Recommendations

We recommend that the Commissioner of the Federal Acquisition Service:

3. Implement the following operational and educational improvements to the CS:
 - a) Centrally determine which Schedules should participate in the CS, when they may be allowed to cease participation, and what documentation, review, and approval are required for such a change.
 - b) Determine whether acquisition centers that assist with CS contracts should be allocated a portion of CS revenue.
 - c) Synchronize updates of the CS and their participating Schedules.
 - d) Determine the feasibility of improving the accuracy of CS vendor offerings displayed in FAS systems.
 - e) Increase vendor awareness of the CS.
4. Issue updated guidance on the 1649 process, after determining the most suitable procedures.

Management Comments

The Commissioner concurred with our recommendations.

System Issues Related to Small Business Set-Asides

Due to FAS system limitations involving small business SINs, unnecessary duplication exists. If the system issues can be resolved, FAS could eliminate 270 contracts.

Small business set-aside SINs exist because of FAR provisions. FAR 19.502-2 generally provides that acquisitions with an anticipated dollar value between \$3,000 and \$100,000 are automatically reserved exclusively for small businesses, and FAR 19.503 allows an entire class of items to be set aside for small businesses. FAS has followed the intent of FAR 19.503 and established 66 SINs on 14 Schedules to account for items that are reserved for small businesses.

The system we discuss in this section is GSA's Federal Procurement Data System (FPDS). FPDS stores information on \$250 billion worth of Federal contracts awarded each year. FAS awards separate Schedule contracts for these small business set-aside SINs because FPDS cannot track sales at the SIN level. As a result, the small businesses must have two contracts for the same Schedule.

This problem has resulted in 270 duplicative Schedule contracts. For example, a Schedule 56 vendor has two Schedule 56 contracts. One of the contracts has six SINs and the other contract has only one SIN (a set-aside SIN). If FAS could eliminate these 270 duplicative Schedule contracts by correcting the system issue, FAS and vendor cost could be reduced.

Recommendation

We recommend that the Commissioner of the Federal Acquisition Service:

5. Submit a formal FPDS change request to GSA’s Office of the Chief Acquisition Officer to resolve the issue that requires GSS to award separate MAS contracts for small business set-asides.

Management Comments

The Commissioner concurred with our recommendation.

FINDING 2 – NO UNNECESSARY DUPLICATION OF PRODUCTS AND SYSTEMS BETWEEN MAS AND GSA GLOBAL SUPPLY

Based on the scope of our review, we determined that products and ordering systems for MAS and GSA Global Supply were duplicated. However, we concluded that the duplication was appropriate because each program serves different customer needs.

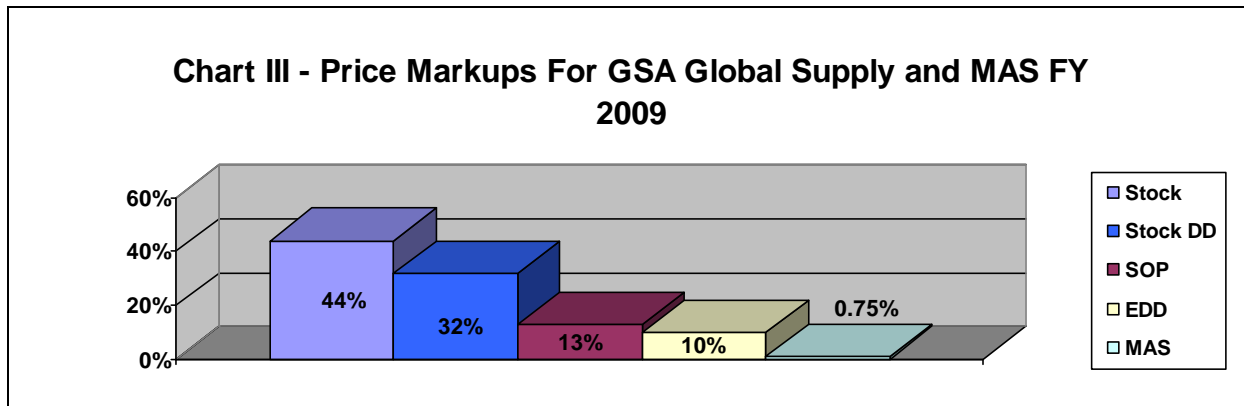
Appropriate Duplication of Products

Although GSA Global Supply and the MAS program offer some of the same products, we determined that this form of duplication was proper, because each program serves different customer needs.

Based on their unique business models, GSA Global Supply and MAS provide customers with different levels of service. As shown in Table IV GSA Global Supply performs functions on behalf of the customer, whereas MAS customers deal directly with the vendors:

Table IV – Customer Relationships for GSA Global Supply and MAS				
Supply Program	Customer Orders From?	Customer Receives Items From?	Customer Pays?	Customer Resolves Disputes With?
GSA Global Supply	FAS	FAS Depot or FAS Vendor	FAS	FAS
MAS	Vendor	Vendor	Vendor	Vendor

In exchange for this increased level of service, GSA Global Supply imposes a program service fee, known as a mark-up, to its customers. As shown in the following Chart, markups for GSA Global Supply's Stock, Stock Direct Delivery (Stock DD)¹³, EDD, and Special Order Program (SOP)¹⁴ range from an average of 10 to 44 percent¹⁵. The MAS program operates on a 0.75 percent program fee, which is remitted quarterly to FAS by MAS vendors.



We feel that both programs offer value to the customer, as evidenced by the significant sales recognized by both programs. FY 2008 sales for GSA Global Supply were \$1.2 billion, and GSS' MAS program had sales of \$268 million.

Duplicate Ordering Systems

We determined that GSA Global Supply and the MAS program have duplicate order entry systems. However, this does not represent unnecessary duplication, because it is meeting customer needs.

In their 2007 PART review of GSS, OMB reported that customer agencies could order similar items from GSA Global Supply and MAS through multiple websites that did not allow them to compare items or prices. This situation still exists, since FAS still has multiple ordering systems, and GSA Global Supply's website only shows GSA Global Supply Items, not MAS items.

While duplicate systems inflate FAS costs, the systems generate revenue above their expenses and are providing value to the customer, as evidenced by their heavy sales volume. For example, GSA Global Supply's website had FY 2008 sales of \$43.8 million, and GSA Advantage had sales of \$299.6 million.

¹³The Stock DD markup is applied to sales of Stock items that are delivered directly from the vendor to the customer due to large order size.

¹⁴GSA Global Supply items that are not stocked in the depots.

¹⁵Generally, the more direct involvement GSA has with an item the greater the markup is for that item; GSA has more direct involvement with Stock items compared to EDD items.

FINDING 3 – NO UNNECESSARY DUPLICATION OF PRODUCTS WITHIN GSA GLOBAL SUPPLY

Unnecessary duplication of products did not exist within GSA Global Supply based on our review of program processes and controls. We determined that GSA Global Supply had controls to ensure that the Stock, SOP and EDD programs did not offer the same items.

GSA Global Supply assigns each item to Stock, SOP, or EDD. Stock items are generally stored in GSA warehouses. SOP items are purchased as needed by customers and shipped directly from vendors. EDD items are direct delivered from vendors with GSA packaging and marking, and do not have NSNs.

Because FAS assigns each NSN to either Stock or SOP, there is little opportunity for duplication. To evaluate controls to ensure NSN items were available only under one program, we obtained automated listings of the NSNs assigned to both programs and identified no unexplained duplication.

We initially identified 241 instances where NSNs appeared to be duplicative. After further investigation, we determined that none of the NSNs were unnecessarily duplicated. In 194 cases, an NSN appeared twice on the listings because it was officially assigned to Stock, but sometimes large orders were filled via another method. The remaining 47 NSNs appeared in both Stock and SOP listings, because they were in transition from one program to the other. To ensure uninterrupted delivery for these 47 items, the NSN was active in SOP before all of the items in Stock were depleted.

Regarding EDD items, GSS has written procedures to ensure the items are not provided by any other EDD vendor or any other GS program. We verified their processes and found them to be adequate. The process is not currently automated, but FAS has solicited a contract to automate the process.

OVERALL REPORT CONCLUSION

Unnecessary duplication within MAS has caused confusion and increased operating costs for GSS, vendors, and customers, alike. Opportunities exist for GSS to reduce unnecessary duplication by applying recommendations noted in FAS' commissioned studies and optimizing GSS initiatives.

MANAGEMENT CONTROLS

The examination of management controls was limited to those necessary to accomplish the specific objectives and scope of the audit. Based on our limited review, we identified no significant management control issues other than those discussed in the body of this report.

MANAGEMENT COMMENTS

The Commissioner concurred with our recommendations. However, he requested two minor wording changes in the body of the report, which we incorporated. His comments are included in their entirety as pages A-1 and A-2. Attachment A of his comments, which involved 1649 criteria, is summarized on page A-3. Attachment B of his comments, which showed that the FAR Part 51 deviation was finalized, is included as page A-4.

APPENDICES

**DETERMINATION OF UNNECESSARY DUPLICATION WITHIN
THE OFFICE OF GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006**

Management Response to the Draft Report



GSA Federal Acquisition Service

SEP 28 2009

MEMORANDUM FOR KENNETH L. CROMPTON
DEPUTY ASSISTANT INSPECTOR GENERAL
FOR ACQUISITION AUDITS (JA-A)

FROM: JAMES A. WILLIAMS *James A. Williams*
COMMISSIONER
FEDERAL ACQUISITION SERVICE (Q)

SUBJECT: GSA Draft Report, "Determination of Unnecessary
Duplication Within the Office of General Supplies
and Services, Federal Acquisition Service"
(A080226)

We have reviewed the subject draft report and appreciate the opportunity to comment. We agree with the findings that there was no unnecessary duplication within the Office of General Supplies and Services (GSS) or between GSS and the Multiple Award Schedules. In addition, we agree that unnecessary duplication does exist within the Multiple Award Schedule program. We appreciate your recognition in the report of the several initiatives that the Federal Acquisition Service has undertaken to address unnecessary duplication within the Multiple Award Schedule program. We concur with the report recommendations. Time-phased action plans are being developed to implement all the report recommendations.

Additional comments on three of the report findings and recommendation 3 are provided in the attached statement.

Please call me at (703) 605-5400 if you have any questions. Your staff may contact Wayne Williams at (703) 605-2177 or Wayne.Williams@gsa.gov.

Attachment

cc: Theodore Stehney (JA)
Kenneth L. Crompton (JA-A)
Perla Corpus (JA-9)

U.S. General Services Administration
2200 Crystal Drive
Arlington, VA 20406-0003
www.gsa.gov

Management Response to the Draft Report (Continued)

FEDERAL ACQUISITION SERVICE COMMENTS ON THE GSA FINAL REPORT ON DETERMINATION OF UNNECESSARY DUPLICATION WITHIN THE OFFICE OF GENERAL SUPPLIES AND SERVICES (A080226)

Finding 1 – 1649 Process (page 15, paragraph 1)

The report states that there are no current official written policies. However, the policy for the 1649 process is still in effect. Specifically, FSS Acquisition Letter FC-00-1, GSA Form, Notification of Federal Supply Schedule Improvement Process is still in effect. GSA Acquisition Letter V-06-07 Continuation of FSS acquisition Letters, Supplement Number 2, has extended this FSS Acquisition Letter, which the report should acknowledge. Copies of these letters are provided in attachment A.

Finding 1 – Communities of Interest (COI) (page 15, paragraph 7)

The report states that COI is a web-based General Supplies and Services (GSS) initiative. Since the work on the security convergence of COI involves the Information Technology Service (QT), we request that the sentence be revised to state that it is web-based FAS initiative.

Finding 1 – Deviation to the Federal Acquisition Regulation (FAR) Part 51 (page 16, paragraph 3)

The Office of Acquisition Management (QV) worked with the Office of the Chief Acquisition Officer in finalizing FAR Part 51, which was issued on September 16, 2009, a copy of which is provided in attachment B.

Recommendation 3 - Implement various operational and education improvements to the Consolidated Schedule

The Office and Acquisition Management and the Office of General Supplies and Services will share responsibility for implementing this recommendation. The action items will be worked in a coordinated manner, with involvement of the other Portfolios as appropriate.

Management Response to the Draft Report (Continued)

Management's attachment "A" has been excluded from the report, due to length. Attachment A included the following documents:

1. General Services Administration Acquisition (GSA) Letter V-06-07, effective as of November 22, 2006.
2. GSA Acquisition Letter V-06-07 Supplement Number 1, effective as of November 21, 2007.
3. GSA Acquisition Letter V-06-07 Supplement Number 2, effective as of November 22, 2008.
4. Federal Supply Service (FSS) Acquisition Letter FC-00-1 Supplement Number 3, dated September 5, 2001.
5. FSS Acquisition Letter FC-00-1 Supplement Number 2 Correction, dated September 29, 2000.
6. FSS Acquisition Letter FC-00-1 Supplement 2, dated August 25, 2000.
7. FSS Acquisition Letter FC-00-1 Supplement 1, dated July 17, 2000.
8. FSS Acquisition Letter FC-00-1, dated March 14, 2000.

Management's attachment "A" is available upon request. Please contact Perla Corpus, or John Pollock. They may be reached by phone or email: Perla Corpus, perla.corpus@gsa.gov, (415)522-2733; John Pollock, john.pollock@gsa.gov, (816)926-8616.

Management Response to the Draft Report


Attachment B



GSA Office of Governmentwide Policy

SEP 16 2009

MEMORANDUM FOR STEVE J. KEMPF
ASSISTANT COMMISSIONER
OFFICE OF ACQUISITION MANAGEMENT (QV)

FROM: DAVID A. DRABKIN 
SENIOR PROCUREMENT EXECUTIVE
OFFICE OF ACQUISITION POLICY

Subject: Deviation to FAR Part 51

Federal Acquisition Regulation (FAR) Part 51 currently permits contractors to use Government sources of supply and services in performing cost-reimbursement contracts; other types of negotiated contracts when the agency determines that a substantial dollar portion of the contractor's contracts are of a Government cost-reimbursement nature; and fixed price contracts for protection of security classified information and related security equipment. FAR Part 51.101 limits authorization to access GSA sources of supply and does not include fixed price contractors on a general basis.

Based on discussions between our offices and other communications, the Federal Acquisition Service (FAS) sought a class deviation to FAR Part 51 to expand the authority of contractors allowed to use GSA sources of supply and services. Based on this request, I am granting a class deviation to FAR Part 51 to permit contracting officers to authorize GSA Schedule contractors, who are performing an order on a time and material or labor-hour basis, to purchase supplies and services from other schedule contractors or process requisitions through the GSA Global Supply Program.

This deviation is effective for five years from the date of this memorandum.

This memorandum serves as evidence of consultation with the Chair of the Civilian Agency Acquisition Council as provided in GSAR 501.404(a).

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

**DETERMINATION OF UNNECESSARY DUPLICATION WITHIN
THE OFFICE OF GENERAL SUPPLIES AND SERVICES
FEDERAL ACQUISITION SERVICE
REPORT NUMBER A080226/Q/A/P09006**

REPORT DISTRIBUTION

	<u>Copies</u>
Commissioner, Federal Acquisition Service (Q)	3
Assistant Commissioner, Office of General Supplies and Services (QS)	1
Assistant Commissioner, Office of Acquisition Management (QV)	1
Director, Office of Supply Operations (QSD)	1
Director, Office of Acquisition Operations (QSA)	1
Director, MAS Program Division (QV0D)	1
Director, Internal Control and Audit Division (BEI)	1
Office of Inspector General (J)	4
Assistant Inspector General for Auditing (JA)	2
Director, Audit Planning, Policy, and Operations Staff (JAO)	1
Assistant Inspector General for Investigations (JI)	1