



COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

18936
116860

RELEASED

Account of the Comptroller General
by the Office of Congressional Relations
JUL 28 1981

B-200948

The Honorable Jack Brooks
Chairman, Committee on Government
Operations
House of Representatives

RELEASED



116860

Dear Mr. Chairman:

Subject: [Fragmented Management Hinders GSA's Ability to
Acquire Internal ADP Resources] (AFMD-81-74)

Your July 14, 1980, letter (encl. I) requested that we re-
view the General Services Administration's (GSA's) plans to (1)
acquire automatic data processing (ADP) resources to support
internal data processing requirements, and (2) rely on sole-
source, noncompetitive extensions of the Computer Sciences Cor-
poration (CSC) INFONET contracts for teleprocessing services.

Our review resulted in two reports on the issues raised in
that letter. Our first report (AFMD-81-15, Oct. 24, 1980) ad-
dressed the sole-source extensions of the CSC INFONET contracts.
The second report (AFMD-81-21, Dec. 17, 1980) addressed GSA's
attempt to acquire ADP resources in accordance with Office of
Management and Budget (OMB) Circular A-109.

In your November 14, 1980, letter (encl. II) you requested
that we undertake a broad management and technical review of
GSA's ability to acquire and use internal ADP resources.

Since 1977, Administrators of General Services have stated
that GSA's existing internal ADP equipment is unreliable due to
age, lack of spare parts, and maintenance, and that plans are
underway to competitively replace it. The Administrators also
indicated that, once the acquisition of the needed ADP equipment
was complete, GSA would no longer rely on extending its sole-
source contracts for teleprocessing services with CSC INFONET
to support internal systems.

We found that GSA's internal ADP management has been unable
to (1) acquire the ADP resources to replace its old and unrelia-
ble ADP equipment and (2) terminate the sole-source contracts
with CSC. We believe this is because GSA lacks necessary ADP
management expertise. For example, internal ADP management could
develop neither a successful long-range ADP plan nor an effective
request for proposal to acquire the needed ADP resources. In
addition, internal ADP management did not follow Federal policy
and regulations in its attempt to acquire these ADP resources.

517698

(913666)

Another major problem that affects GSA's ability to acquire needed ADP resources is the constant attrition in its top management jobs. Over the past 10 years, GSA Administrator has changed eight times. While some turnover is unavoidable, such frequent changes bring many different management concepts, policies, priorities, and operational procedures. For example, the immediate past Administrator's operating philosophy was to decentralize responsibility for all maintenance and enhancements of automated information systems within the services and staff offices. In our view, centralized authority is necessary to eliminate fragmented management and oversight responsibility.

We believe the problems cited above are some of the reasons why GSA has, over the past few years, continually relied on sole-source extension of the CSC contracts to support internal systems.

The extent of GSA internal ADP management's inability to acquire ADP resources as needed was also recognized by GSA's Commissioner, Automated Data and Telecommunications Service. The Commissioner--with the approval of the Acting Administrator--rescinded the delegation of procurement authority previously granted to internal GSA ADP management and has now taken over the task of acquiring as quickly as possible the ADP resources necessary to transfer GSA's applications from the current CSC sole-source contracts. However, since acquisition of ADP resources is time consuming and the contracts' expiration dates--December 1981 and March 1983--are a factor, some extension of these contracts may still be necessary.

The scope and effect of our work and the results of our review are presented in detail in enclosure III.

CONCLUSIONS

More effective management of GSA's ADP is necessary because of the great cost and impact of ADP systems. In our view, the magnitude of the ADP cost, together with the problems GSA has had in attempting to acquire ADP resources, should persuade the Administrator of General Services that it is essential to (1) re-evaluate internal ADP acquisition and program management concepts and (2) establish strong centralized authority to develop and administer policy and oversight procedures for GSA's internal ADP resources.

GSA's failure to develop an effective long-range plan has had an adverse impact on its ability to acquire needed ADP resources and has been the major cause for GSA's extension of its noncompetitive ADP contracts over the past several years.

We are encouraged by the steps being taken by the Commissioner, Automated Data and Telecommunications Service, to competitively acquire ADP services. In addition, we believe that the appointment of an Information Resources Manager and the carrying out of the ADP

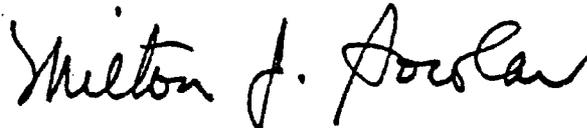
management functions required by the Paperwork Reduction Act of 1980 should improve GSA's internal ADP management capabilities.

RECOMMENDATIONS

We recommend that the Administrator of General Services re-evaluate the internal ADP program and acquisition management and then restructure it so that it can effectively acquire needed ADP resources. This would include establishing an executive ADP management committee comprising top management officials from every major organizational unit and chaired by the Deputy Administrator. This committee should have a written charter setting forth its authority and responsibilities for the consolidation and integration of both functional and technical aspects of agencywide ADP strategy, and it should work closely with the GSA Information Resources Manager.

As requested by your office, we have not discussed the contents of this report with GSA officials. We will be glad to discuss the report with you or with members of your staff should you so desire. As arranged with your office, unless you publicly announce its contents earlier, no further distribution of this report will be made until 30 days from its date.

Sincerely yours,

A handwritten signature in cursive script that reads "Milton J. Fowler".

Acting Comptroller General
of the United States

Enclosures - 3

MAJORITY MEMBERS
 JACK JONES, D. CHAIRMAN
 L. N. FOUNTAIN, N.C.
 DANTE B. PASCELLI, FLA.
 WILLIAM S. MOONHEAD, PA.
 BENJAMIN S. ROSENTHAL, N.Y.
 FERNAND J. ST GERMAIN, N.J.
 DON PUGIA, FLA.
 JOHN COSTERS, JR., MICH.
 CARLOS COLLINS, ILL.
 JOHN L. BURTON, CALIF.
 RICHARDSON FREYER, N.C.
 ROBERT F. DRINAN, MASS.
 GLENN ENGLISH, OKLA.
 ELLIOTT K. LEVITAS, GA.
 DAVID W. EVANS, IND.
 ANTHONY DUFFY, CONN.
 ANDREW MARSH, N.J.
 LES ASPIN, WIS.
 HENRY A. WAXMAN, CALIF.
 FLOYD J. FITZMAN, IND.
 PETER H. ROYTMAYER, PA.
 TED WISE, N.Y.
 MICHAEL L. STANB, OKLA.
 ROBERT T. MATER, CALIF.
 EUGENE V. ATKINSON, PA.

NINETY-SIXTH CONGRESS
Congress of the United States
 House of Representatives
 COMMITTEE ON GOVERNMENT OPERATIONS
 2157 Rayburn House Office Building
 Washington, D.C. 20515
 July 14, 1980

MINORITY MEMBERS
 FRANK HORTON, N.Y.
 JOHN H. KOLEPHON, ILL.
 JOHN W. WYLLER, N.Y.
 CLARENCE J. BROWN, OHIO
 PAUL R. MC CLOSKEY, JR., CALIF.
 THOMAS H. KIRKPATRICK, OHIO
 ROBERT S. WALKER, PA.
 ARLAN STANBELLAND, MINN.
 M. CALDWELL RUTLER, VA.
 LYLE WILLIAMS, OHIO
 JIM JEFFRIES, KANS.
 OLYMPIA J. SNOWE, MAINE
 WAYNE BRIDMAN, CALIF.
 JOEL DECKARD, IND.
 MAJORITY—225-8051
 MINORITY—225-8074

The Honorable Elmer B. Staats
 Comptroller General of the United States
 General Accounting Office
 Washington, D.C. 20548

Dear General:

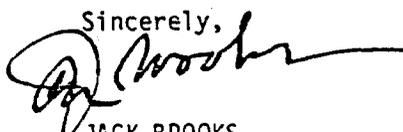
It has recently come to my attention that the General Services Administration is planning to acquire ADP resources to support its internal data processing requirements in both the central office and the 11 regional offices. GSA has decided that they will conduct this acquisition in accordance with OMB Circular A-109. They estimate a system life of seven years and a total cost of \$140 million. Coupled with this is a request to continue sole-sourcing the present Computer Sciences Corporation INFONET system for approximately three more years at an estimated cost of \$55 million.

While I fully support GSA's intention to acquire needed ADP resources on a fully competitive basis using the A-109 acquisition strategy, I am deeply concerned with their continued reliance on sole-source, noncompetitive extensions of the Computer Sciences contract. Past GSA administrators have assured the Congress that this contract would be replaced via fully competitive procurement. Despite these past assurances, GSA's present procurement request represents yet another sole-source extension of this contract.

Since GSA's total request represents an expenditure of approximately \$195 million, I believe that an immediate investigation is necessary to ensure that 1) the fully competitive procurement complies with Circular A-109 and will result in the acquisition of resources needed to meet GSA's total requirements, and 2) that the proposed interim sole-source extension of the INFONET contract is the result of a thorough analysis of all alternatives which would satisfy GSA's short-term needs.

I am therefore requesting that you undertake such a review and orally report your findings to the Government Operations Committee no later than November 30, 1980.

With best wishes, I am

Sincerely,

 JACK BROOKS
 Chairman

MAJORITY MEMBERS
 JACK BROOKS, TEX., CHAIRMAN
 L. B. FORD, IND., REP.
 DANTE B. PASARELL, FLA.
 WILLIAM B. ROBERTSON, PA.
 WILLIAM B. ROBERTSON, PA.
 FRANK J. STANLEY, ILL.
 DON PATAKI, FLA.
 JOHN CANTWELL, AL., DEM.
 CARLOS CILLERO, R.I.
 JOHN L. BARTON, * * *
 ROBERTSON, PA., R.
 ROBERT F. BRADY, ILL.
 FLOYD BROWN, OHIO
 FLEETCHER, CALIF.
 DAVID W. BONIOR, IND.
 ANTHONY DUFFY, OHIO
 ANDREW MARRAS, ILL.
 LEO ABRAHAM, ILL.
 HENRY A. WIRTH, CALIF.
 FLOYD A. PITTS, ILL.
 PETER H. ROSTKAMER, PA.
 TED SPENCER, ILL.
 RICHARD L. STONE, ILL.
 ROBERT T. MATTHEI, CALIF.
 EUGENE W. ATKINSON, PA.

NINETY-SIXTH CONGRESS
 Congress of the United States
 House of Representatives
 COMMITTEE ON GOVERNMENT OPERATIONS
 2157 Rayburn House Office Building
 Washington, D.C. 20515

MINORITY MEMBERS
 FRANK BENTON, ALA.
 JOHN W. ENLTHORP, ILL.
 JOHN W. WYLLIE, ILL.
 CLARENCE J. BRONKHORST, OHIO
 PAUL H. DE CLERCK, JR., CALIF.
 THOMAS H. KIRK, MISS.
 ROBERT B. WALKER, PA.
 ARLAN STANDELAND, MISS.
 M. CALDWELL, PA. LEG. CO.
 LYLE WALLACE, OHIO
 JIM JEFFERS, MISS.
 GUYTON A. SMITH, MISS.
 WAYNE GORHAM, CALIF.
 JIMMIE BROWN, ILL.
 MAJORITY—222-0881
 MINORITY—222-0882

November 14, 1980

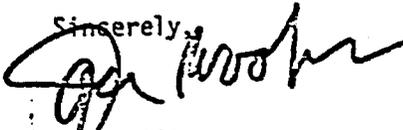
The Honorable Elmer B. Staats
 Comptroller General of the United States
 General Accounting Office
 441 G Street
 Washington, D.C. 20548

Dear General:

I have had an opportunity to read your excellent report on GSA's acquisition of ADP resources. This report confirms my suspicion that GSA's continued reliance on sole-source non-competitive extensions of the Computer Sciences Corporation (CSC) INFONET contract is wasteful and unnecessary.

The report also raises serious concerns about GSA's ability to properly acquire and use ADP resources. I therefore request that GAO undertake a broad ADP management and technical review of GSA's procurement and use of its internal ADP resources. The review should consider specific recommendations which will improve GSA's use of these resources. Since Clem Cuilik and Fran Pereira are experienced in this area, it would be helpful to assign them to this important area. I also would like to commend them on the exceptional report on GSA's acquisition of ADP resources.

With best wishes, I am

Sincerely,

 JACK BROOKS
 Chairman

MANAGEMENT AND TECHNICAL REVIEW OF PROCUREMENTAND USE OF GSA'S INTERNAL ADP RESOURCES

The Chairman, House Committee on Government Operations has been concerned about the lack of progress by the General Services Administration (GSA) in acquiring automatic data processing (ADP) resources. 1/ The Chairman requested that we undertake a broad management and technical review of GSA's ADP procurement practices and its use of internal ADP resources.

OBJECTIVES, SCOPE, AND METHODOLOGY

Our initial objectives were to determine

- who was responsible for managing and acquiring GSA's internal ADP resources,
- what progress was being made in acquiring these resources, and
- whether these resources were being acquired in accordance with existing Federal policy and regulations.

We held discussions with GSA top management from the Office of Plans, Programs, and Financial Management; the Office of Acquisition Policy; and the Office of Automated Data and Telecommunications Service, Washington, D.C. We interviewed top GSA officials to determine what progress has been made in acquiring the needed ADP resources. We reviewed data provided by responsible GSA officials that included technical ADP, procurement, and contract data as well as internal policy and regulations; and we analyzed these data to determine whether the proposed procurement conformed to Federal policy, regulations, and standards. We also interviewed major ADP vendors who had indicated interest in GSA's planned acquisition to determine whether they could provide the resources required to meet GSA's ADP requirements.

ADP MANAGEMENT WITHIN GSA IS DIVIDED

GSA has divided the responsibility for managing ADP resources among several groups.

The Commissioner, Automated Data and Telecommunications Service (ADTS), has been delegated responsibility for the development and implementation of management policies and procedures directed toward economical and efficient acquisition and use of ADP goods and services by all Federal agencies. This has not included responsibility for management or acquisition of GSA's internal ADP resources.

1/Equipment, software, and personnel.

The Assistant Administrator for Plans, Programs, and Financial Management is responsible for planning, acquisition, implementation, direction, and coordination of GSA's internal ADP resources. These responsibilities include

- formulating and administering agencywide policy for the acquisition and use of computer resources;
- designing, developing, procuring, maintaining, and controlling all automated information systems that support GSA missions; and
- establishing and maintaining a long-range plan for satisfying agencywide ADP requirements.

Additionally, other GSA services, regions, and staff offices control all maintenance and enhancements of internal automated information systems.

GSA PLANS FOR ACQUIRING ADP RESOURCES HAVE BEEN INADEQUATE

Since 1977, GSA has maintained that its existing internal ADP equipment is unreliable due to age, lack of spare parts, and maintenance difficulties. During this same period GSA continually relied on sole-source extension of Computer Sciences Corporation (CSC) INFONET contracts to support internal systems. GSA has been developing long-range plans to replace its unreliable ADP equipment before the current sole-source contracts with CSC expire in December 1981 and March 1983. However, GSA has made very little progress in its attempt to (1) replace its current unreliable internal ADP resources, and (2) avoid relying on further extensions of the sole-source CSC contracts. 1/

In 1977, the then Administrator of General Services told Congress that GSA had developed a long-range plan to accommodate internal data processing requirements over the next 10 years. He further assured the Congress that GSA would not continue to rely on sole-source ADP service any longer than was absolutely necessary to execute the long-range plan. The plan, however, was not approved by the Office of Management and Budget (OMB) because it did not include alternatives.

The next Administrator of General Services directed that a new study of GSA's internal ADP resources be conducted. In May 1980, that Administrator told the Congress that the study was complete and that GSA had developed a long-range plan to acquire ADP resources to support its current and future requirements.

1/See GAO letter to Chairman, House Committee on Government Operations, Oct. 24, 1980, AFMD-81-15.

He also assured Congress that GSA would not continue to rely on sole-source ADP support beyond the current contracts' expiration dates, which were established to provide sufficient time to conduct the ADP resources procurement. A new Administrator of General Services took office on May 26, 1981, and we do not know what commitment he may make to Congress regarding GSA's internal ADP posture.

The system life cost of GSA's planned ADP resources, including acquisition and operation, was estimated to be \$140 million. The Administrator directed that the acquisition be conducted in accordance with OMB Circular A-109 (Major Systems Acquisition) and the Naval Material Command's Instruction 4200.49 (Selection of Contractual Sources for Major Defense Systems).

In consonance with the Navy Instruction, the Administrator established a source selection acquisition strategy that included a System Acquisition Review Council. This council consisted of top GSA executives whose responsibility was to advise the Administrator during key decisions involving the acquisition process.

Initial accelerated milestones for the acquisition procedure were established as follows:

- Request for proposal release, May 1980.
- Contract award, July 1981.
- Full operation, July 1982.

GSA officials also proposed to extend the CSC INFONET contracts through September 1983 to provide for a contingency period to cover the "risk of slippage" during the acquisition process.

The initial milestones were not met and the request for proposal was not released until October 31, 1980. The new operational date of the acquired ADP resources was then expected to be September 1982.

The request for proposals was poorly developed

A request for proposals (RFP) is a solicitation document furnished to the commercial community to invite proposals that will then serve as the basis for a negotiated procurement. An RFP for ADP resources generally includes such items as data systems specifications, equipment performance requirements, communications requirements, proposal evaluation information, systems life expectations, mandatory requirements, desirable features, benchmarking criteria, costing information, and type of contract desired.

We reviewed GSA's October 31, 1980, RFP for the ADP resources procurement and found that (1) the requirements were difficult to determine--the RFP did not fully identify what GSA wanted; (2)

evaluation criteria could not be determined; (3) benchmark criteria were not representative of the equipment and functional specifications required; (4) mandatory requirements and desirable features were difficult to distinguish; and (5) life cycle cost estimates excluded significant factors, for example, conversion costs.

To obtain an outside view of GSA's RFP, we interviewed 11 major vendors who had considered submitting a proposal.

Ten of the vendors had serious problems with the RFP. One major vendor, however, stated that GSA's RFP and procurement strategy were very good.

Overall, most vendors felt that GSA's requirements as stated in the RFP were not achievable and that unless GSA redefined its requirements in a new RFP it was unlikely any offers would be submitted.

In a "Notice to Prospective Offerors" dated February 25, 1981, GSA announced the withdrawal of the RFP because of

"(1) the uncertainties of program authorization, (2) the moratorium on equipment acquisition by the new administration, and (3) expressions of concern by potential offerors."

Responsible GSA officials advised us that the RFP was withdrawn because it had serious problems, and that these problems would have been embarrassing to GSA and expensive to the vendors, and caused difficulties in future procurements. These same GSA officials also agreed that the procurement was not in accord with OMB Circular A-109 or pertinent Federal regulations governing ADP acquisition.

Proposed acquisition was not in accord
with Federal policies and regulations

GSA did not (1) conduct its proposed acquisition of ADP resources in full accord with OMB Circular A-109, (2) follow existing Federal Procurement Regulations for ADP procurements, or (3) use its top management for key acquisition decisions.

OMB Circular A-109 prescribes how major systems are to be acquired by

--establishing an integrated systematic approach for determining mission needs and for budgeting, contracting, and managing programs;

--directing early research and development to satisfy mission needs and goals;

- involving top-level management in determination of agency mission needs and goals;
- improving opportunities for innovation by the private sector in designing new systems; and
- establishing contractual competition early in the acquisition process and continuing it as long as it is economically beneficial.

In the initial procurement planning stages, disagreement arose between OMB and GSA regarding use of OMB Circular A-109 in a procurement for ADP resources. Because of the procurement's dollar magnitude, OMB's Office of Federal Procurement Policy held that GSA should follow the Circular's guidance. GSA, on the other hand, felt that a full A-109 procurement would delay the acquisition beyond the established milestones for moving off the existing sole-source contracts. OMB's budget officials believed that it would be a waste of tax dollars to fund and explore competitive alternative system design concepts--a major factor in the A-109 procurement strategy--when acquiring commercially available off-the-shelf ADP resources. Final agreement was reached between OMB and GSA when it was decided that GSA would comply with the spirit of A-109 and disregard the alternative system design concepts.

In our report (AFMD-81-21, Dec. 17, 1980) we concluded that GSA's attempt to acquire ADP resources was not in accord with Circular A-109. In commenting on that report, GSA indicated that "A-109 is in the eyes of the beholder, and we have captured the spirit of A-109 better than any previous ADP procurement."

Many vendors who considered bidding on GSA's RFP for the ADP acquisition disagreed that the acquisition was consistent with A-109. At a subsequent meeting we held with GSA and House Government Operations staff, responsible GSA officials agreed that their proposed acquisition did not follow A-109 criteria.

Federal regulations governing ADP procurements state that (1) a determination of need will be preceded by and be based upon the results of a well documented feasibility study for any acquisition that will exceed \$100,000 (this dollar threshold has since changed to \$500,000) and (2) an OMB Circular A-76 study--which establishes the policies and procedures used to determine whether ADP resources should be provided by the commercial sector or in-house using Government facilities and personnel--shall be conducted.

GSA did not conduct either a feasibility study (supported by a cost benefit analysis) or an A-76 study as required. Costs that were estimated in the long-range ADP plan addressed three transition alternatives from the sole-source situation, but were based primarily on assumptions, not studies. A top GSA official said that a feasibility study was not necessary because "there was no doubt that automation would continue to support GSA's internal systems."

We believe that (1) a comprehensive requirements analysis, commensurate with the scope and complexity of program objectives and mission needs, and (2) a feasibility study supported by a cost benefit analysis are necessary to provide top management with adequate information with which to make sound decisions in such matters. In this case, the estimated \$140 million life cycle cost is certainly high enough to mandate such studies. We believe that the lack of such studies had a serious impact on the quality of the requirements set forth in the RFP, which, as mentioned above, were termed "not achievable" by many competing vendors.

The System Acquisition Review Council established by the Administrator was to serve as an advisory body for key decisions in the ADP acquisition process. However, when a very key decision was made the advisory body did not participate. Withdrawal of the RFP was a key decision; considerable time and money had been spent developing it (even with its problems), but the acting Administrator approved the withdrawal of the RFP based on a recommendation from the Director, Office of Data Systems, without seeking the views of a majority of the members of the advisory council.

A top management GSA official stated that although the council had a role to play in key decisions, a great deal of management time would have been spent in that process and GSA would have made the same decision anyway. He further stated that regardless of the responsibilities of such councils "the decision process can be changed as the rules dictate."

In our opinion, shortcutting the decisionmaking process by ignoring the organization set up to advise on key decisions leads to ineffective program management.

RESPONSIBILITY FOR ADP PROCUREMENT HAS BEEN SHIFTED

After the RFP to acquire needed ADP resources was withdrawn from the market, top management within GSA met with the House Government Operations Committee staff on March 13 and 25, 1981, to present alternatives and outline a revised approach to resolve GSA's short-term ADP problems. After these meetings, GSA management told the staff that they would select the best alternatives for the solution and present them at a subsequent meeting.

GSA top management met on a number of occasions to discuss various alternatives to continue supporting the applications that are currently being supported by sole-source contracts. After discussion of the risk and the economic and political factors involved, the alternatives were narrowed to three. The officials believed that the Committee staff would not object to selection of any one of these alternatives.

However, the Commissioner, Automated Data and Telecommunications Service argued that each of the alternatives selected were

sole-source procurements, and that GSA could not substantiate another such procurement regardless of the justification factors used. As the Government-wide approving authority for ADP acquisitions, the Commissioner felt that under the circumstances he could not approve selection of any of the three sole-source alternatives.

The Commissioner believed the approach being taken by GSA's internal ADP management was wrong and would not resolve their internal ADP problems. Therefore, using his delegated authority, and with the approval of the acting Administrator, the Commissioner took over the task of acquiring ADP resources. His objective was to transfer GSA's applications from the current sole-source contracts (Financial Systems and Public Buildings Service) as expeditiously and competitively as possible.

In this regard, GSA released a draft RFP on May 13, 1981, to seek continued support of its financial systems. Contract award is expected to be in December 1981. However, the current sole-source contract supporting the financial systems may have to be extended beyond its present expiration date. Contracting for ADP support of the Public Buildings Service is expected to follow.

We believe the action taken by the Commissioner, Automated Data and Telecommunications Service, is necessary at this time because GSA's internal ADP management has been ineffective and the situation requires an interim solution in view of the age and maintenance problems of existing systems.

PROBLEMS FOSTER UNSUCCESSFUL ADP PROCUREMENTS IN GSA

In our opinion, the major factors contributing to GSA's lack of success in long-range ADP plans and procurement actions are (1) lack of internal ADP management expertise, (2) constant attrition in top management jobs, and (3) decentralized authority and operations.

The lack of internal ADP management expertise has been a prime factor in GSA's inability to acquire needed ADP resources to support its internal systems. For example, as discussed earlier, current internal ADP management (1) could not develop a good RFP for the long-range acquisition, (2) did not follow Federal ADP policy and regulations, and (3) bypassed the views of its top management council in making a key acquisition decision. We believe these shortcomings led to poorly proposed solutions to GSA's problems and the poor solutions have compounded the problems.

Over the past 10 years, GSA Administrator has changed eight times; Deputy Administrator has changed nine times; Federal Supply Service and Public Buildings Service Commissioners have changed 15 and 9 times, respectively; and ADTS Commissioner has changed three times. While some turnover is unavoidable, such frequent

changes in GSA's top management--each bringing different management concepts, policies, priorities, and operational procedures--foster inconsistency and seriously impair effective ADP management. For example, the predecessor to the immediate past Administrator supported centralized management of internal ADP resources. However, the immediate past Administrator's operating philosophy was to decentralize responsibility for all maintenance and enhancements of automated information systems within the services and staff offices. We do not know yet what the new Administrator's management philosophy is and what impact it may have on management of internal ADP.

In our view, centralized policy control of internal ADP resources is necessary to eliminate the fragmented management and oversight responsibilities that currently exist within GSA. The Paperwork Reduction Act of 1980 requires Federal agencies to establish by July 1, 1981, an Information Resource Manager who acts as a single agency control point for Federal information policy and oversight. This emphasizes the need for central policy control within an agency and should fulfill the need for internal ADP management expertise which, in our opinion, has been lacking in GSA.