



Highlights of [GAO-03-369](#), a report to the Chairman, Committee on Government Reform, House of Representatives

TELECOMMUNICATIONS

GSA Needs to Improve Process for Awarding Task Orders for Local Services

Why GAO Did This Study

The Metropolitan Area Acquisition (MAA) program, managed by the General Services Administration (GSA), provides local telecommunications services to government agencies in selected metropolitan areas. Of the 25 cities in which MAA contracts were awarded as of January 2003, 15 were awarded to two or more providers. Such multiple-award contracts are a means of promoting competition. To ensure equity in the award of task orders under these contracts, the Federal Acquisition Regulation (FAR) requires that the government provide contractors a fair opportunity to be considered. GAO was asked to review, among other things, whether GSA's implementation of the fair consideration process is consistent and the effect of any inconsistency, as well as the adequacy of GSA's documentation to support the decisions reached.

What GAO Recommends

GAO is recommending that GSA follow a consistent fair consideration process, including uniform requirements for documentation. Deviations from this common process should be documented and communicated to contractors so that all MAA stakeholders can understand the process.

In written comments on a draft of this report, the Administrator of General Services agreed with our recommendations and said that GSA was acting to implement them.

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To view the full report, including the scope and methodology, click on the link above. For more information, contact Linda Koontz at (202) 512-6240 or koontzl@gao.gov.

What GAO Found

GSA field offices take different approaches to awarding task orders under multiple-award MAA contracts, leading to variations both among cities and within cities. Although the FAR gives contracting officers broad latitude in ensuring that this process offers contractors a fair opportunity to be considered, GSA recognizes that consistency is important within the nationwide MAA program. However, GSA headquarters has not developed or implemented a uniform fair consideration process. As a result, GAO found variations in the processes used: principally, in the time frames used in contractor price comparisons (see table). Such inconsistencies frequently influenced the choice of contractor. Further, because oversight was not provided, in six cases agency preference was used as a criterion for selecting a contractor, which is a violation of the FAR. Because GSA did not consistently follow a common process that ensured compliance with the FAR, it cannot ensure the fairness of its decisions.

Further, the documentation for about one-fifth of GSA's fair consideration decisions was not adequate for determining how these decisions were reached. According to the FAR, sufficient documentation of all contractual actions must be maintained to provide (1) a basis for decisions reached and (2) information for subsequent reviews. Out of 483 fair consideration decisions from regional GSA offices in the 11 cities that GAO assessed, the documentation furnished for 91 (19 percent) was not adequate. Weaknesses observed include lack of stated rationale for decisions reached, price comparisons that did not support the choice of contractor selected by GSA, and lack of support for technical factors used in making the decisions. These weaknesses occurred because GSA did not establish and implement uniform guidelines for documenting its MAA fair consideration decisions. As a result, MAA stakeholders (GSA, agencies, and MAA contractors) do not have assurance that the fair consideration process was properly administered.

Variations in Time Frames Used in MAA Contractor Price Comparisons

City	Time frame used in price analysis					Insufficient data to determine
	1 month	1 year	3 years	4 years	Life cycle	
Atlanta ^a	—	—	—	—	—	—
Boston	X	X	—	X	—	—
Cleveland	—	—	—	—	X	—
Dallas	—	X	—	—	X	—
Denver	X	—	—	—	X	—
Indianapolis	—	—	—	—	X	—
Los Angeles	—	—	—	—	—	X
Minneapolis	—	—	—	—	X	—
New York	—	X	X	—	—	—
Philadelphia	X	—	—	X	—	—
St. Louis	—	—	—	—	—	X

Source: GAO, GSA.

^aNo price comparison was completed in calendar year 2001.