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Opportunities For Improving Management Of Local Telephone Service B-14884

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General Services Administration

UNITED STATES GENERAL ACCOUNTING OFFICE

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MARCH 19. 1973



UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

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LOGISTICS AND COMMUNICATIONS DIVISION

B-146864

The Honorable Arthur F. Sampson Acting Administrator General Services Administration

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Dear Mr. Sampson:

This is our report on opportunities for improving management of local telephone service.

We found that limitations of traffic studies restrict their usefulness to the General Services Administration (GSA) in managing local-service trunks and that internal reviews did not encompass the management of local-service trunks.

Your agency has taken or has agreed to take certain actions, in accordance with our proposals, to improve management of trunks and to provide for review of management. We have no further recommendations; however, we do plan to review the effectiveness of these actions.

Copies of this report are being sent to the House and Senate Committees on Appropriations and Government Operations; the House Committee on Interstate and Foreign Commerce; the Senate Committee on Commerce; the Director, Office of Management and Budget; and the Director, Office of Telecommunications Policy.

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Sincerely yours,

J. K. Fasick Director

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Letter dated January 24, 1973, from the Acting Administrator of the General Services Administration to the General Accounting Office

ABBREVIATIONS

- FTS Federal Telecommunications System
- GAO General Accounting Office
- GSA General Services Administration
- TCS Transportation and Communications Service

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GENERAL ACCOUNTING OFFICE REPORT TO THE GENERAL SERVICES ADMINISTRATION

<u>DIGEST</u>

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WHY THE REVIEW WAS MADE

Government agencies receive telecommunications services through the leased Federal Telecommunications System (FTS), which is managed by the General Services Administration (GSA). Among the services provided by FTS are intercity and local telephone services. GSA's 10 regions manage, as part of these services, over 400 switchboards throughout the United States. Of these, 211 are located in the 5 GSA regions selected for GAO's review. (See pp. 3 and 5.)

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Local telephone service is provided over various categories of circuits or trunks. These trunks are managed by the telephone companies when purchased as part of a standard communications package and by GSA when purchased separately. (See pp. 3 to 5.)

GSA separately procured 4,634 localservice trunks, costing an estimated \$989,000 annually, for 153 switchboards within the 5 GSA regions. (See p. 4.)

This review of GSA's management of local-service trunks was undertaken pursuant to the responsibilities of the General Accounting Office (GAO) for a continuing review of communications activities.

FINDINGS AND CONCLUSIONS

Limitations of telephone companies' and GSA's traffic studies restricted OPPORTUNITIES FOR IMPROVING MANAGEMENT OF LOCAL TELEPHONE SERVICE B-146864

their usefulness to GSA for management purposes. (See pp. 6 and 12.)

Traffic studies were not performed by the telephone companies or GSA at all switchboard locations where GSA managed trunks. (See pp. 11 and 13.) Management was not furnished complete information in some instances because the studies did not include all trunks managed by GSA at each location. Also, some of these studies did not provide management with reliable information because of the limited sampling periods. (See pp. 6 and 12.)

The telephone companies' studies were not frequent enough to disclose seasonal changes and growth or decline trends at some locations. (See p. 10.) In addition, their studies produced dissimilar results when the different methods used to convert the traffic volume into trunk requirements were applied to the same data, and their reports did not include sufficient detailed information for GSA to independently evaluate or recompute the information. (See pp. 7 and 9.)

GSA regions have generally not implemented the suggested changes in local-service trunk requirements recommended by the telephone companies' or indicated by GSA's traffic studies. (See pp. 11 and 14.) However, we believe that, if the studies were improved, they could be useful to management for achieving optimum economical and efficient service and providing it on an equal basis to all customers. (See p. 15.)

MARCH 19, 1973

Tear Sheet

GSA also needs to improve internal controls by expanding its reviews to include the management of localservice trunks. Such reviews would be beneficial for evaluating the regions' performances, identifying areas warranting management attention, and initiating improvements. (See p. 14.)

RECOMMENDATIONS OF SUGGESTIONS

We proposed that, to improve management of local telephone service trunks, the Administrator of GSA should:

- --Establish standard methods and procedures for the determination of optimum trunk requirements.
 - --Negotiate with American Telephone and Telegraph Company, General Telephone Company, and other independent telephone companies to obtain (1) traffic studies that will provide reliable information at intervals needed for determination of trunk requirements and (2) traffic volume statistics that

conform to the prescribed methods and procedures.

--Instruct the regional offices to (1) evaluate the accuracy of the telephone companies' study results on a sample basis, (2) convert the traffic statistics into trunk requirements, (3) implement changes in trunks, as appropriate, and (4) make traffic studies at switchboards where negotiations with the telephone companies have not resulted in sufficiently complete and reliable information at acceptable reporting frequencies.

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--Expand and implement internal control procedures to evaluate regional office trunk management and identify areas where management could be improved. (See pp. 15 and 16.)

AGENCY ACTIONS AND UNRESOLVED ISSUES

GSA advised GAO that it had taken or would take actions, in accordance with our proposals, to improve management of local telephone service. (See appendix.)

CHAPTER 1

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INTRODUCTION

The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481) gives the Administrator, General Services Administration (GSA), the responsibility for procuring and supplying telecommunications services for civil agencies of the Government. GSA, in conjunction with the Bell System, established the Federal Telecommunications System (FTS) in 1963 to provide civil Government agencies with telecommunications services. GSA's objective, in part, was to provide economical and efficient telecommunications services for both normal and emergency requirements.

FTS, which is managed by GSA, provides, among its many services, intercity and local telephone services. Local telephone service was provided at a cost of \$64 million in fiscal year 1972. GSA's 10 regions manage, as a part of FTS, over 400 switchboards throughout the United States. Of these switchboards, 211 are located in the 5 GSA regions selected for our review.

LOCAL TELEPHONE SERVICE

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Local telephone service is provided over the following categories of trunks:¹

Trunk category	Service provided
Central office	FTS subscribers can call commercial numbers and vice versa.
Zero level	FTS subscribers can call their local Government switchboard operators.
FTS-listed number	FTS subscribers can call Government switchboard operators at other loca- tions for assistance.

¹Circuits between a switchboard and a telephone instrument, another switchboard, or a commercial telephone company exchange.

The GSA central office managed separately procured local-service trunks until 1967. Traffic information was supplied by American Telephone and Telegraph Company from semiannual traffic studies made by local telephone companies. In 1967 the regional offices were assigned responsibility for obtaining traffic information from local telephone companies and authorizing changes in central office and FTS-listed trunks necessary to provide the prescribed grades of service. Apparently, by October 1970 regional offices had been assigned similar responsibilities for zero level trunks. These assigned responsibilities include making decisions and placing orders to install and remove separately procured localservice trunks.

SCOPE

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We accepted the GSA-prescribed grades of service without evaluating the need for such service. We examined pertinent traffic studies and reports, correspondence, and other documents and GSA policies, procedures, and administrative regulations concerning management of trunks for local telephone services; and we discussed them with GSA and telephone company officials.

Generally, the review was performed at the GSA central office, Washington, D.C., and the regional offices in Atlanta, Georgia (Region 4); Auburn, Washington (Region 10); Boston, Massachusetts (Region 1); Chicago, Illinois (Region 5); and San Francisco, California (Region 9). After the fieldwork was completed, the communications activities located in Boston were consolidated into the region located in New York, New York.

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CHAPTER 2

LIMITED USEFULNESS OF

TELEPHONE COMPANIES' TRAFFIC STUDIES

The telephone compaines' traffic studies are of little use to GSA in managing local-service trunks because of qualitative limitations, and GSA generally has not implemented their recommendations on trunk quantity requirements. We believe that, if the traffic studies were more timely and complete and were of better quality, GSA management could more effectively use the information. Improvements would require a cooperative approach by telephone companies and GSA, since no contractual requirements exist for such services. However, telephone company representatives stated that such services were provided to other customers.

TRAFFIC STUDIES NOT ALWAYS COMPLETE, RELIABLE, OR UNIFORM

The telephone companies' traffic studies are not always complete or reliable because of the limitations in scope. The different methods used to compute trunk requirements produce different results from the same input data.

Scope limitations

Some traffic studies did not include all trunks managed by GSA. For example, certain central office trunks--"dial 9" trunks for obtaining local commercial service--were not included in any studies performed by one telephone company in GSA Region 1 nor included in any of the traffic studies made from January through July 1971 in GSA Region 9.

The sampling periods of the traffic studies--numbers of days and hours sampled--varied. Although GSA's central office has not established criteria for the sampling period, a standard traffic engineering handbook describes a regular traffic study as an hourly count of calls for a 2-day period (occasionally a 5-day period) during a normal busy week. The handbook further states that the count should be taken over a sufficient number of hours to insure that the peak hour of each trunk group would be included.

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Traffic studies made by telephone companies for 6 or 7 hours each day at 26 switchboard locations were analyzed to determine what number of hours would be a sufficient sample. The results showed that at 13 locations the peak traffic hour, which is used in computing trunk requirements, occurred more than 3 hours apart in different studies.

The sampling periods of 255 traffic studies, made during fiscal years 1970 and 1971 in 5 GSA regions, were reviewed. We found that the studies generally were made for 2 or more days, and, when the hourly periods were identified in the report, they generally were more than 3 hours each day. However, 154 reports did not identify the hourly periods. Telephone company representatives in two GSA regions, where 106 reports, or 69 percent, did not identify the hourly periods, indicated that traffic studies generally were performed for 3 hours or less per day. These studies would not insure that the peak traffic volume was obtained for computing trunk requirements.

Different quantities of trunks from varying computation methods

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The telephone companies used various methods to (1) convert the hourly traffic volume statistics obtained during the sampling period into a 1-hour figure (hereinafter referred to as the busy hour) that could be used in determining trunk requirements, (2) interpret the trunk requirements from the standard trunk capacity tables, and (3) determine the requirements of directionalized central office trunk groups. Computations of the trunk requirements by these various methods produce dissimilar results from the same data. Therefore, implementation of trunk changes recommended by the telephone companies could not always produce the optimum quantities for efficient and economical service.

Telephone companies used various methods to convert the hourly traffic volume statistics obtained during the sampling period into the busy hour.

The companies:

1. Took the highest 1-hour traffic volume figure obtained during the sampling period.

2. Took the highest 1-hour traffic volume figure obtained during the sampling period and subjectively added a percentage adjustment to reflect what is believed to be a representative day's traffic.

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- 3. Took the average of the highest hourly traffic volume of each day in the sampling period.
- 4. Took the average of the highest hourly traffic volume of each day in the sampling period and added one-third of the difference between this average and the highest 1-hour traffic volume figure obtained during the sampling period.
- 5. Combined the traffic volume for the same hourly periods for each day in the study and divided the highest figure obtained by the number of days in the study.

The busy hour can vary substantially when the different methods are applied to the same sampling period statistics. For example, at one switchboard the busy hour for one trunk category ranged from 151 to 237 CCSs-one hundred call seconds,¹ which is a measurement term used to express traffic volume. When these busy-hour figures are interpreted as trunk requirements, the number of trunks required to maintain the prescribed grade of service ranges from 10 to 13 trunks.

Telephone companies generally used standard trunk capacity tables to convert the busy-hour statistics into trunk requirements. However, resulting recommendations varied by one trunk because the telephone companies used different methods, such as less than, at, or greater than the midpoint, to interpret the tables. For example, a busy hour of 222 CCSs, interpreted from the table in accordance with the various methods, requires either 12 or 13 trunks.

¹One hundred call seconds equals the number of calls times the length of the calls expressed in seconds and divided by 100.

The telephone companies use two methods for determining the trunk requirements of directionalized central office trunks; i.e., one-way trunks for incoming traffic, one-way trunks for outgoing traffic, and two-way trunks for incoming and outgoing traffic. The first method computes the trunk requirements for each directionalized trunk group; the second method computes a trunk requirement from the combined traffic volume of the directionalized trunk groups.

The second method requires fewer trunks because the efficiency or average traffic per trunk increases as the size of the trunk group increases. For example, at 10 switchboards located in Regions 1 and 4, the telephone companies, using the first method, recommended increasing trunks. We estimated by the second method that 78 fewer trunks, which would cost \$25,400 annually, would be needed. Our estimate was based on combined busy-hour traffic volumes of the directionalized trunk groups, prescribed grade of service, and the standard trunk capacity tables and was made in accordance with the methods used in GSA Region 10.

REPORTS ON TRAFFIC STUDIES GENERALLY NOT SUITABLE FOR MANAGEMENT PURPOSES

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The telephone companies' reports on the traffic studies generally do not contain information with which GSA's management can independently evaluate the accuracy and reliability of the recommendations or can recompute the trunk requirements to produce similar results.

The degree of information contained in the reports varied between and within companies. For the most part, the reports lacked such pertinent information as the actual hours included in the study, traffic volume for each hour in the study, and the methods used to convert traffic volume into trunk requirements. However, neither GSA's central office nor its regional offices have established a uniform reporting format or advised the companies of the information needed in the reports.

In our opinion, management should have detailed information to satisfy itself, at least on a selective basis, of the validity of the recommendations or to recompute the trunk requirements to produce similiar results. We found that the reports from one telephone company in GSA Region 10 did contain the type of information required, including traffic volume for each hour in the sampling period, grades of service used, and its recommendations on trunk requirements.

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SOME TRAFFIC STUDIES NOT MADE AT SET LOCUMENT AUGULABLY

The telephone companies do not always make the traffic studies at intervals that would permit management to identify seasonal changes and growth or decline trends.

GSA's central office has not provided the regional offices with instructions on desirable frequencies of traffic studies. A standard traffic engineering handbook used by the industry states that traffic studies should be made at intervals of sufficient frequency to furnish reliable information on the hourly variations of calls, seasonal changes, and growth or decline.

The frequency of traffic studies varied between regions and between companies within a region. During fiscal years 1970 and 1971, the frequencies of the studies at selected switchboards where GSA managed trunks were as follows:

Average study	Quantity of	Percentage of
frequency	<u>switchboards</u>	<u>switchboards</u>
Quarterly	4	3.3
Semiannually	61	50.0
Annually	34	27.9
Once every 2 years	23	18.8
Total	122	<u>100.0</u>

We recognize that traffic studies may not be required at the same frequency for all switchboards. However, we doubt that annual or less frequent studies will disclose seasonal changes at switchboards, such as those serving the Internal Revenue Service and National Park Service, and we suggest that studies 2 years apart would not normally provide timely information on growth or decline of traffic volume.



TRAFFIC STUDIES NOT MADE AT SOME LOCATIONS

Telephone companies did not make traffic studies during fiscal years 1970 and 1971 at 31 switchboards where GSA managed trunks. This represents 20 percent of the 153 switchboards reviewed in the 5 GSA regions.

In our opinion, the lack of current traffic information precludes proper analysis by management as a basis for decisions on adding, deleting, or retaining trunks.

RECOMMENDATIONS FROM STUDIES GENERALLY NOT IMPLEMENTED

GSA regions generally have not implemented changes in trunk quantities based on the recommendations contained in the telephone companies' reports.

The 313 traffic studies performed at 122 switchboard locations in the 5 GSA regions reported 249 recommendations for changes in trunk requirements. The regions took no actions on 201, or 81 percent, of the recommendations. Expressed in terms of additions (136 recommended) and deletions (113 recommended) in trunks, GSA took no action on 73 and 90 percent of the recommendations, respectively.

GSA regional communications officials explained that trunk decisions were based on such factors as the reliability of the traffic information, observations by the switchboard operators, knowledge of Government activities in the area, and customer complaints. However, the five GSA regions did not document their reasons for ignoring the telephone companies' recommendations.

CHAPTER 3

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LIMITATIONS IN GSA'S

INTERNAL MANAGEMENT OF TRUNKS

GSA's internal management has not been most effective because of limitations in its traffic studies, and GSA has exercised little internal control over management of localservice trunks by its regional offices.

GSA TRAFFIC STUDIES PROVIDE LIMITED INFORMATION

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Two of the five GSA regions included in our review made their own traffic studies, but they did not provide adequate information in certain areas and, in certain instances, did not insure that the information obtained was reliable. The needed changes--additions and deletions in trunks as indicated by the studies--were generally not implemented by GSA.

Scope limitations

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Some studies did not always include all trunks managed by GSA. For example, GSA Region 5 examined only some of the trunks within a category--12 out of 16 installed central office trunks--and Region 9 did not include "dial 9" trunks in any study.

GSA Region 9 communications officials explained that they relied upon the telephone companies' studies and customer complaints to manage "dial 9" trunks. However, the telephone companies' studies during the same period did not include these trunks. Region 9 had 195 of these trunks, costing an estimated \$25,100 annually.

The traffic studies were conducted for various sampling periods. In some instances the actual sampling periods did not conform to the instructions and appeared inadequate to insure the reliability of the statistics.

According to the GSA Region 5 communications representative, each study was to be performed 4 hours each day for 2 days. Region 9 instructions required each study to be performed for 7 hours a day for 3 consecutive days. However, not all studies were made in accordance with the instructions. For example, GSA Region 5 performed most studies for only 1 day and for periods ranging from 1 to 9 hours each day.

Furthermore, the actual sampling periods, such as those described for Region 5, did not always comply with the guidance in the engineering handbook, which provides for hourly counts over a 2-day period during a normal busy week, and, in some instances, they did not provide a sampling period of more than 3 hours each day, which would insure inclusion of the peak traffic volume. (See p. 6.) Therefore, we believe that reliability of the statistics was questionable.

Traffic studies not made at some locations

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GSA traffic studies generally were made at switchboard locations on which the telephone companies had not furnished information at sufficient intervals. However, GSA had not made traffic studies at all locations for which the telephone companies did not furnish information.

GSA Region 5 instructions provide for traffic studies when conditions indicate either that service has deteriorated due to the lack of circuits or that too many circuits exist. In contrast Region 9 has established a study frequency of three times a year at each switchboard. These studies, according to Region 9 communications officials, are used in preference to those of the telephone companies to manage the trunks.

Region 5 made 116 traffic studies at 15 locations and none at the remaining 22 locations (59 percent of the 37 locations) during fiscal years 1970 and 1971. During this same period the telephone companies made 11 studies at 9 of the 15 locations and none at 13 of the 22 locations.

Region 9 seemed to comply with its instructions because 45 studies were made at its 26 switchboards during the first 7 months of 1971. The telephone companies made only one study at each of eight locations during the same period.

We believe that the telephone companies are better equipped and staffed than GSA for making traffic studies. However, GSA should make its own traffic studies when it is unable to obtain adequate traffic information from the telephone companies.

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Needed trunk changes not implemented

The 161 traffic studies during the periods selected for review indicated a need for 175 changes--140 additions and 35 deletions--in trunk quantities. However, the regions did not take actions on 156, or 89.1 percent, of the suggested changes. This represented 121, or 86.4 percent, of the additions and 35, or 100 percent, of the deletions.

LACK OF INTERNAL CONTROL OVER REGIONAL PERFORMANCE

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GSA's internal reviews have not encompassed regional office management of local-service trunks. Thus, internal controls have not been effectively used to (1) evaluate regional performance in managing local-service trunks, including compliance with central office instructions, (2) identify management weaknesses, and (3) initiate management improvements.

GSA's Commissioner of Transportation and Communications Service (TCS)¹ was responsible for evaluating central and regional office performance in communications activities. Reviews of the "TCS Operations/ Management Effectiveness" were made in two of the five regions included in our review. However, these reviews did not evaluate the regions' performances in managing trunks.

The only other internal reviews noted did not concern management of local-service trunks. These were conducted by GSA's internal audit staff. We believe that internal reviews of the management of local-service trunks are necessary to disclose operational weaknesses and inconsistencies, such as those discussed in this report.

IEffective July 15, 1972, GSA made changes in its organization. The Transportation and Communications Service was abolished and responsibility for communications activities was placed under the newly formed Automatic Data Processing and Communications Service.

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CHAPTER 4

CONCLUSIONS, RECOMMENDATIONS,

AND AGENCY COMMENTS

CONCLUSIONS

Traffic studies can be a valuable tool in the management of trunks. To be most effective, these studies should be (1) sufficiently frequent to disclose growth or decline and seasonal trends and (2) designed, performed, and reported so as to produce complete, reliable, and uniform information. However, limitations of telephone companies' and GSA's traffic studies have restricted their usefulness to GSA in managing local-service trunks. In addition, GSA's central office has not provided sufficient guidance on the performance of traffic studies. Under these circumstances, we believe that GSA management lacks assurance that their decisions provide the optimum economical and efficient service on an equal basis to all customers.

GSA had not implemented necessary internal controls to evaluate regional office performance, identify areas warranting management attention, and initiate improvements.

RECOMMENDATIONS

In our draft report, dated November 27, 1972, we proposed that, to improve management of local-service trunks, the Administrator, GSA, should:

- --Establish standard methods and procedures for the determination of optimum trunk requirements.
- --Negotiate with American Telephone and Telegraph Company, General Telephone Company, and other independent telephone companies to obtain (1) traffic studies that will provide reliable information at intervals needed for determination of trunk requirements and (2) traffic volume statistics that conform to the prescribed methods and procedures.

- --Instruct the regional offices to (1) evaluate the accuracy of the telephone companies' study results on a sample basis, (2) convert the traffic statistics into trunk requirements, (3) implement changes in trunks, as appropriate, and (4) make traffic studies at those switchboards where negotiations with the telephone companies have not resulted in sufficiently complete and reliable information at acceptable reporting frequencies.
- --Expand and implement internal control procedures to evaluate regional office trunk management and identify areas where management could be improved.

AGENCY COMMENTS

In his response, dated January 24, 1973, the Acting Administrator advised us that GSA had taken or would take actions in accordance with our proposals to improve management of local telephone service. GSA was developing criteria, standard methods, and procedures for determining optimum use of local services. Other actions were to be initiated in the future. (See appendix.)

We plan to evaluate the effectiveness of these actions at a future date.

APPENDIX

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION WASHINGTON, D.C. 20405



JAN 24 1973

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

Dear Mr. Staats:

Thank you for the opportunity to review and comment on your draft study concerning opportunities for improving management of local telephone service dated November 27, 1972. Our comments relating to the findings and recommendations of this report are enclosed.

If we can be of further assistance, please let us know.

Sincerely,

Enclosuré

Keep Freedom in Your Future With U.S. Savings Bonds

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION WASHINGTON, D.C. 20405



JAN 24 1973

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Sincerely,

Enclosure

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Keep Freedom in Your Future With U.S. Savings Bonds

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APPENDIX

GAO draft report, November 1972, on Opportunities for Improving Management of Local Telephone Service

Subject report in Chapter 2 - "Telephone Companies' Traffic Studies of Limited Usefulness to GSA in Management of Trunks," refers primarily to insufficient and unreliable traffic studies received from the telephone companies. Chapter 3 - "Limitations in GSA's Internal Management of Trunks," refers primarily to GSA's weakness in the area of internal management and control over regional office management of local service telephone trunks. The findings were based upon reviews and studies performed during fiscal years 1970 and 1971.

Chapter 2 - "Telephone Companies' Traffic Studies of Limited Usefulness to GSA in Management of Trunks"

GSA concurs in the general findings of the report contained in this Chapter. However, continuing attempts have been made informally through the American Telephone and Telegraph Company (AT&T) and individually with local telephone companies to improve the scope, frequencies, and detail of telephone company provided studies. Only limited progress has resulted from these attempts to date due to an "official" position of the majority of telephone companies that the detail information requested is proprietary in nature.

Chapter 3 - "Limitations in GSA's Internal Management of Trunks"

Although the Management of Communications Services Handbook does not contain specific or detailed requirements for the conduct of traffic studies on the various local service trunks, there is a requirement for an annual status report on all circuit groups contained in Chapter 5-3b. Additionally, the Telephone Traffic Engineering Handbook quoted in the report has been recommended to each region for general guidance in the execution of their management responsibility in the area of trunk quantities and traffic studies. Further, in conjunction with workshops on the Switchboard Service Evaluation Program, conducted throughout our regions at the beginning of FY 72, a session was included on the conduct and utilization of two minute circuit counts as a means of maintaining recommended grades of service.

APPENDIX

Recommendations

In order to improve the management of local telephone service trunks in accordance with the recommendations of the Draft Report, the Office of Automated Data and Telecommunications Service (ADTS), GSA, has or will initiate the following actions:

1. ADTS is currently developing criteria, standard methods, and procedures for determining the optimum utilization of local service trunks.

2. Negotiations based upon 1. above will be entered into with the AT&T, Associated Bell telephone companies, and independent telephone companies to obtain traffic studies at prescribed intervals, at least semiannually, and at other times when seasonal or other conditions warrant. It will further be stipulated that the study data developed be presented in sufficient detail to permit full evaluation.

3. ADTS will revise the Management of Communications Services Handbook to require the regions to:

a. evaluate the telephone company studies and to implement indicated trunking changes as appropriate with due regard to cost effectiveness and service considerations, and

b. perform traffic studies where necessary in lieu of telephone company studies or to validate and supplement telephone company conducted studies.

4. The present annual status report on all circuit groups required by the Management of Communications Handbook -Chapter 5-3b - will be revised to better review regional office trunk management. Further, this area of regional responsibility will be included in the "ADTS Operations/Management Effectiveness" reviews.