



089569

UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON REGIONAL OFFICE  
FIFTH FLOOR  
803 WEST BROAD STREET  
FALLS CHURCH, VIRGINIA 22046

089569  
MAR 31 1976

Mr. Wallace H. Robinson, Jr.  
Commissioner, Federal Supply Service *D-4701*  
General Services Administration

Dear Mr. Robinson:

We have been studying the management procedures for assuring adherence to the Government policy requiring the acquisition of compact and subcompact passenger vehicles to conserve fuel (GAO Code 943434). We made our Government-wide study at the General Services Administration (GSA), several other civil agencies, and the Department of Defense (DOD).

During fiscal years 1975 and 1976 several civil and military agencies ordered 744 larger sedans and station wagons through GSA without certifying that they were absolutely essential to their mission. GSA did not question the lack of certifications because order processing procedures did not assure that reviews of certifications were made. Also, GSA's fiscal year 1975 procurement activity report was inaccurate as a result of errors in keypunching input data.

FEDERAL REGULATION

Federal Property Management Regulation 101-26.5 provides that compact and subcompact sedans and station wagons shall be acquired unless the agency head or his designee certifies to GSA that larger vehicles are required for law enforcement or are otherwise essential to the agency's mission.

CERTIFICATIONS NOT OBTAINED

At the Federal Supply Service's Light Vehicle Branch, we identified orders from DOD and civil agencies for 744 larger sedans and station wagons which did not contain the required certifications. The agencies and the quantities ordered are listed below:

*9/10/76*

089569

<u>Ordering agency</u>	<u>Quantity</u>
Army Tank-Automotive Command	558
Naval Construction Battalion Center	164
Defense Mapping Agency	2
National Security Agency	2
Central Intelligence Agency	12
Smithsonian Institution	4
National Aeronautics and Space Administration	<u>2</u>
Total	<u><u>744</u></u>

Subsequently, an after-the-fact certification was received for 231 of the station wagons ordered by the Army Tank-Automotive Command. A command official made the certification rather than the Assistant Secretary of Defense (I&L) specified by the DOD directive.

We discussed the lack of certifications with Federal Supply Service representatives, including the Director, National Automotive Center, and the heads of the Automotive Procurement Division and the Light Vehicle Branch. They agreed with our observation and said corrective action would be taken to require the routing of all requisitions through two responsible staff members for examination of completeness.

#### PROCUREMENT REPORT IS INACCURATE

The fiscal year 1975 report of procurement activity prepared by the Federal Supply Service's Office of Procurement contained vehicle-type classification errors. For example, 308 subcompact sedans ordered for DOD were incorrectly classified as large size sedans. In other instances, 20 compact and subcompact sedans ordered for civil agencies were incorrectly classified as intermediate size sedans.

The misclassifications resulted from errors in key-punching input data. A contributory cause on the DOD order was the difference between military specification coding and GSA Federal specification coding. A Type IV, Class D vehicle is a subcompact sedan under the military specification whereas a Type IV vehicle is a medium size sedan under the Federal specification.

Automotive Center officials told us that training would be provided personnel responsible for keypunching. They also stated that DOD agencies planned to start using the GSA Federal specification rather than the military specification when ordering vehicles through GSA.

### CONCLUSIONS

The promised actions to route all orders through two responsible staff members and to train keypunch personnel should alleviate the certification problem and improve the accuracy of the procurement report. However, care must be taken that the certification does not become a mere rubber stamp. The Federal Supply Service must continually ensure that ordering agencies do not make the certification until they determine that the larger vehicles are really needed and are adequately justified.

We trust that you will find our observations helpful in your efforts to conserve fuel in vehicle operations. No further reporting of the matters discussed in this letter is planned. Please feel free to contact Mr. John P. Carroll of my staff if you have any questions. He can be reached on 557-2151.

Sincerely yours,



David P. Sorando  
Regional Manager



UNITED STATES GENERAL ACCOUNTING OFFICE  
WASHINGTON REGIONAL OFFICE  
FIFTH FLOOR  
803 WEST BROAD STREET  
FALLS CHURCH, VIRGINIA 22046

MAR 31 1976

Mr. Ralph C. Goodwin, Jr.  
Acting Director of Audits  
General Services Administration  
GS Building, Room 1240  
18th and F Streets, NW.  
Washington, D.C. 20406

Dear Mr. Goodwin:

Enclosed for your information is a copy of our letter to the Commissioner, Federal Supply Service notifying him of the results of our survey of efforts to conserve fuel by acquiring compact and subcompact passenger vehicles.

Sincerely yours,

A handwritten signature in cursive script that reads "David P. Sorando".

David P. Sorando  
Regional Manager

Enclosure