



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

IN REPLY
REFER TO: 0-182869

OFFICE OF GENERAL COUNSEL

JAN 24 1978

Mr. Philip G. Read, Director
Federal Procurement Regulations
Federal Supply Service
General Services Administration
Washington, D.C. 20406

Dear Phil:

This is in reply to your letter of November 13, 1977, concerning your Government-wide study of small purchase procedures.

GAO has the following general comments in response to your questions.

We agree that substituting longer term arrangements for small, repetitive purchases is desirable. GAO has successfully implemented such a policy by setting up annual "blanket agreements" through the use of open purchase orders or requirements contracts.

GAO has no automated or computerized procedures or systems used in connection with small purchases. We would, therefore, support the establishment of an interagency registry to serve as a focal point of information on automated or computerized procurement data systems. Such a registry would be quite useful as a means of identifying which agencies might be able to aid us in this regard should the need arise.

We have not developed unique small purchase procedures, guidelines, and instructions for use within GAO. GAO follows generally the small purchase procedure guidelines contained in the Federal Procurement Regulations (FPR).

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GAO recommends periodic review at the procuring office level of recurring small purchases for the purpose of establishing term contracts where feasible. This is a current GAO procedure, which we have found to be quite effective.

Sincerely yours,

Paul G. Dembling

Paul G. Dembling
General Counsel

Enclosure