

ACQUISITION AND SOURCING MANAGEMENT

Federal agencies spend billions of tax dollars each year to acquire goods and services--ranging anywhere from multibillion dollar weapon systems to complex space and satellite systems, network services, and everyday supplies and equipment. Acquisition and Sourcing Management examines whether agencies are efficiently and effectively acquiring these goods and services and whether these acquisitions maximize agencies' ability to meet mission performance objectives and requirements. In the face of a rapidly expanding global economy, we also focus on enhancing U.S. competitiveness and protecting critical capabilities and technologies.

KEY CONTACTS

MANAGING DIRECTOR

Jack L. Brock, Jr.

DIRECTORS

David E. Cooper

Robert E. Levin

Allen Li

Katherine V. Schinasi

James F. Wiggins

PHONE

(202) 512-4841

MAILING ADDRESS

U.S. General Accounting Office
Acquisition and Sourcing Management
Room 4A48
441 G Street, NW
Washington, D.C. 20548

DESCRIPTION OF

We provide timely analyses and recommendations to Congress and executive branch officials on ways to help agencies improve their ability to acquire items cost effectively. We also identify and assess the best acquisition practices employed by the commercial sector and determine how they can be applied to improve program outcomes in government. We concentrate heavily on the Department of Defense (DOD) and the National Aeronautics and Space Administration (NASA) because they invest most heavily in acquisitions, but we also examine opportunities for bringing about governmentwide improvements.

We are particularly focused on achieving the following results:

- improving DOD's access to efficient suppliers with technologically superior products,
- improving DOD's ability to acquire needed weapons cost-effectively, minimizing acquisition contracting risks faced by government agencies, enhancing congressional oversight of NASA programs and activities, and maintaining a presence in acquisition and sourcing issues in order to respond to congressional requests and to support congressional oversight activities.

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IMPACT OF

Our work has helped DOD and other agencies substantially improve acquisition processes and identify opportunities to save millions in taxpayer dollars. In recent years, for example, we reported that wasteful practices added billions of dollars to defense acquisition costs, despite many of the acquisition reform initiatives DOD has put in place. We also reported that DOD continues to experience problems with erroneous, fraudulent, and improper payments to its contractors and with high prices for spare parts. Conversely, DOD has saved over \$500 million by responding positively to our previous recommendations to analyze how much contractor work should cost before pricing contracts.

Importantly, our efforts to identify the best practices of leading commercial firms have also led to meaningful improvements in DOD's acquisition of new weapon systems. For example, DOD's recently revised acquisition guidance places increased emphasis on ensuring that technology has more fully matured before a program is started and on implementing a more flexible requirements process that permits requirements to be met in stages. Such practices have enabled commercial firms to get better performance outcomes.

HIGHLIGHTS OF RECENT and *future projects*

Weapons System and Other DOD Acquisitions

- Best practices for weapon system testing, requirements development, and teaming
- Price increases for weapon system spare parts
- F-22 Aircraft, Army Land Warrior,
- Joint Air-to-Surface Standoff Missile,
- Joint Strike Fighter, Patriot Missile, and other weapon system programs
- National missile defense program

Governmentwide Acquisitions

- Trends, reforms, and challenges in federal acquisition
- Accuracy and reliability of federal agencies' reporting of small business contracting achievements
- Best practices for acquiring services

International

- Foreign military sales improvement efforts
- Foreign acquisitions affecting national security
- Export control proposals
- International alliances among DOD contractors
- Experiences with the biological weapons convention

Space

- Space shuttle human capital challenges
- International space station efforts
- Contract management at NASA