



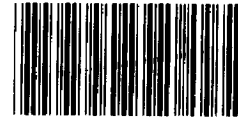
COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON D.C. 20548

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B-202447

March 30, 1981

The Honorable James Jones  
Chairman, House Budget Committee  
U.S. House of Representatives



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Dear Mr. Chairman:

Subject: Improved Administrative Practices Can Result  
in Further Budget Reductions (PAD-81-69)

Following our March 3, 1981, testimony on the President's "Program for Economic Recovery," your representatives requested that we provide you additional information and estimates of the potential cost reductions or collections for the following administrative activities.

1. Delinquent accounts and loans receivable
2. Unpaid taxes
3. Unresolved audit findings
4. Paperwork reduction
5. Defense logistical economies
6. Defense multi-year contracting
7. Full cost recovery for Foreign Military Sales
8. Workforce cost control
9. General procurement and property management
10. Replacing obsolete computers

Enclosed are summary tables and analyses covering each of these activities. This is the first time most of these activities have been addressed on a Government-wide basis in the congressional budget process. Most of the executive branch agencies do not have systems in place which would permit us to provide reliable estimates of the budget consequence of action on these items. We encountered very serious information and measurement problems in attempting to develop such estimates, especially for the unresolved findings of the agencies, Inspectors General, and auditors. As other committees and agencies develop specific legislative and administrative remedies they should be able to develop some further refinement of these estimates and the assumptions underlying them. We believe that what is important at this stage is that the discipline of the budget process be applied to achieving savings in these administrative management activities as it is now applied to programs. Our estimates of potential savings should be viewed only as a reasonable baseline for action, not as the maximum which could be achieved.

The total dollar amounts involved in these activities are very large. So are the savings which might be achieved. Based on what we have seen, we

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