

July 1995

**Government
Business
Operations Issue
Area Plan**

**Fiscal Years
1995-96**

Foreword

As the investigative arm of Congress and the nation's auditor, the General Accounting Office is charged with following the federal dollar wherever it goes. Reflecting stringent standards of objectivity and independence, GAO's audits, evaluations, and investigations promote a more efficient and cost-effective government; expose fraud, waste, abuse, and mismanagement in federal programs; help Congress target budget reductions; assess financial and information management; and alert Congress to developing trends that may have significant fiscal or budgetary consequences. In fulfilling its responsibilities, GAO performs original research and uses hundreds of databases, or creates its own when information is unavailable elsewhere.

To ensure that GAO's resources are directed toward the most important issues facing Congress, each of GAO's 35 issue areas develops a strategic plan that describes the significance of the issues it addresses, its objectives, and the focus of its work. Each issue area relies heavily on input from congressional committees, agency officials, and subject-matter experts in developing its strategic plan.

The Government Business Operations issue area does program and evaluation work involving operations and activities of the General Services Administration (GSA), which controls or oversees over \$60 billion in annual government spending; United States Postal Service, which has revenue in excess of \$55 billion annually; and the Resolution Trust Corporation (RTC), which still must dispose of over \$21 billion in assets. The Federal Deposit Insurance Corporation is now in the process of assuming the responsibilities of the Resolution Trust Corporation, which is scheduled to terminate on December 31, 1995. Additionally, this issue area operates a special response group, which coordinates all work regarding White House operations as well as responds to congressional inquiries regarding numerous other federal agency activities, such as the Smithsonian Institution and the U.S. Mint.

GAO has recently issued reports examining federal government building lease programs, vendor default claims, postal labor relations, mail service delivery and automation, RTC management reforms, asset disposition programs, and White House procurement and travel office operations.

The principal themes in the government business operations area are

- effective acquisition, use, and disposition of government assets to both reduce costs and provide a greater return on investment;

-
- improved management for greater responsiveness in meeting agency goals and consumers' needs; and
 - more efficient operations through alternative strategies for providing service.

The pages that follow describe key planned work on these themes.

Because events may significantly affect even the best of plans, our planning process allows for updating the plan and responding quickly to emerging issues. If you have any questions or suggestions, please call me at (202) 512-8387.

A handwritten signature in black ink, reading "J. William Gadsby". The signature is fluid and cursive, with a large initial "J" and a stylized "G".

J. William Gadsby
Director
Government Business Operations Issues

Contents

Foreword	1
Table I: Key Issues	4
Table II: Planned Major Work	6
Table III: GAO Contacts	7

Table I: Key Issues

Issue	Significance
Asset and support services acquisition: Are facilities, goods, and services acquired in the most effective, efficient, and economical way to achieve mission goals and return on investment?	The General Services Administration acts as the main government focal point for over \$60 billion of federal procurements each year ranging from buildings and telecommunications equipment to everyday support services. Postal service acquisition programs constitute several billion dollars each year, primarily to ensure the accurate and timely delivery of the mail to over 223 million locations daily. The Resolution Trust Corporation has acted as the government's guardian, holding company, and sales representative of billions of dollars in government-controlled assets; their safeguard has a significant effect on the ultimate return on investment upon disposition.
Asset maintenance and use: Are financial assets, facilities, goods, and services being maintained and used in ways that will optimize value, reduce costs, and achieve mission goals?	The General Services Administration maintains over 1,700 federal buildings, whose operation, modernization, and general maintenance require continuous oversight and attention. Proper maintenance of buildings is critical to the quality, health, safety, and usefulness of hundreds of thousands of federal employees. Proper building maintenance is vital to maintaining service value as well as ensuring continued income-producing capability commensurate with the private sector.
Asset disposition: Are asset disposition policies and practices maximizing benefits to the government and U.S. citizens?	Continued challenges face the Resolution Trust Corporation as it winds down its operations and sells the assets under its control. Additionally, congressional oversight assumes greater importance as the inventory of federal historic buildings grows and the buildings deteriorate without the renovation needed to establish them as entities capable of housing tenants consistent with current technology. With federal downsizing and budget deficits, these issues remain at the forefront.
Management improvement: Are management systems and processes improving performance and being responsive to customer needs?	Both the General Services Administration and the Postal Service are key providers of services that contribute to smooth government operation as well as provide for a vital network of communication for business transactions and household-to-household contacts.

Table I: Key Issues

Objectives	Focus of work
<p>—Improve agencies’ capabilities to plan for long- and short-term needs and satisfy them.</p> <p>—Improve the federal acquisition process by streamlining policies and procedures, improving contracting systems, and making the process more responsive.</p> <p>—Identify obstacles that impede cost-effective businesslike acquisitions and assess their impact.</p>	<p>—Monitor implementation of prior recommendations.</p> <p>—Assess ongoing major reform efforts.</p> <p>—Examine agency controls to prevent fraud, waste, and abuse.</p>
<p>—Improve maintenance and use of real and other property that enhance mission accomplishment and productivity.</p> <p>—Promote the adoption of more economically sound, businesslike practices in maintaining and using property as valuable national assets.</p> <p>—Promote the adoption of “best practices” in the real estate management area.</p>	<p>—Examine systemic obstacles, such as budgetary limitations and lack of strategic planning, that impede cost-effective approaches.</p> <p>—Focus on agency and industry best practices and initiatives.</p> <p>—Work with Congress and agency leaders to generate awareness to be competitive and businesslike.</p>
<p>—Promote the adoption of innovative, economically sound, businesslike incentives and strategies for disposing of government assets that improve the return on investment to the government and the taxpayer.</p> <p>—Improve federal agencies’ organizational structures and processes for disposing of real and personal property and financial assets.</p>	<p>—Focus on process incentives to illustrate the need for private sector strategies.</p> <p>—Work with executive branch and congressional officials to design better approaches to asset disposition and close facilities deemed no longer needed.</p>
<p>—Identify opportunities to promote improvements in agency systems and practices.</p> <p>—Evaluate how agency management reform initiatives are tracked and what progress they show.</p> <p>—Assess whether agencies are achieving mandated social policy goals in real estate asset disposition programs.</p> <p>—Ensure that quality management efforts result in improved service and responsiveness to customers.</p>	<p>—Review and evaluate agency management systems and processes.</p> <p>—Identify objective measurement systems.</p> <p>—Examine changes in customer utilization resulting from program implementation.</p> <p>—Review surveys of customer satisfaction and evaluate measurement techniques.</p>

Table II: Planned Major Work

Issue	Planned major job starts
Asset and support services acquisition	<ul style="list-style-type: none"> —Deployment of automation equipment related to delivery point sequencing of mail —GSA contracting and administration practices
Asset maintenance and use	<ul style="list-style-type: none"> —Economical alternatives for providing services in areas currently not providing sufficient return on investment —GSA's building modernization program —The government's return on concessions —The National Air and Space Museum care of its aircraft collection
Asset disposition	<ul style="list-style-type: none"> —RTC's Equity Partnership Sales Program —Utilization surplus real and personal property
Management improvement	<ul style="list-style-type: none"> —Improvement in postal ratemaking process —Monitoring of GSA's ongoing major reform efforts —Role and mission of the Board of Governors and Postal Rate Commission —Adequacy of Postal Service's controls of over \$55 billion in postal revenue

Table III: GAO Contacts

Director	J. William Gadsby,	(202) 512-8387
----------	--------------------	----------------

Associate Directors	Gaston L. Gianni Jr., Michael E. Motley,	(202) 736-0479 (202) 512-8126
---------------------	---	----------------------------------

Assistant Directors	John S. Baldwin Sr. James T. Campbell Ronald L. King Gerald Stankosky John L. Vialet
---------------------	--

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are \$2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

**U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015**

or visit:

**Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC**

**Orders may also be placed by calling (202) 512-6000
or by using fax number (301) 258-4066, or TDD (301) 413-0006.**

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (301) 258-4097 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

**United States
General Accounting Office
Washington, D.C. 20548-0001**

**Bulk Mail
Postage & Fees Paid
GAO
Permit No. G100**

**Official Business
Penalty for Private Use \$300**

Address Correction Requested

