

Check Point: Creating Security for E-Gov't Services
 CipherOptics: Data protection solutions
 Citrix:
 Information-centric Homeland Security
 COMMITS NexGen
 EMC Solution Suite
 GTSI ClarITy
 HP ContractWatch (ISC)2: The Next Generation of Information Security Professionals
 LightPointe White Paper
 Marconi White Paper
 Materiel Systems Group
 NETCENTS Contract Guide
 NIH ECS III Update
 O'Keeffe & Co. 2005 Events Calendar
 Open Text White Paper
More Solutions

About Us
Advertise

FCW.com
Download

Check out last week's news roundup, Web-only stories, source documents and other online components of Federal Computer Week's print magazine.

GSA remixed

Bush budget calls for merging of FSS and FTS

BY [Michael Hardy](#)

Published on Feb. 21, 2005

[More Related Links](#)

After months of speculation about how the General Services Administration might be reorganized, the ink is dry on a specific proposal: Merge the Federal Supply Service and Federal Technology Service into a single Federal Supply and Technology Service.

The proposal is part of the Bush administration's fiscal 2006 budget request. According to budget documents, the proposed change makes sense because the way agency officials buy technology has changed over time. They once bought information technology products, other types of products and services separately, but it's now common for officials to buy "solutions" — a mix of products and services bundled together to meet a particular need.

Therefore, separate supply and technology organizations within GSA are no longer necessary, the authors of the budget request said.

However, the impact on GSA's clients — the agencies — is uncertain. GSA officials formed a steering team shortly before the budget documents were released earlier this month to oversee the process of developing a transition plan. The team will assemble working groups to tackle reorganizing specific parts of the organizations. The plan is due by July.

GSA officials don't want to speculate on what might ultimately happen.

"That's what the study is going to tell us," said Debi Schilling, budget director at GSA. "We're not really anticipating what the new organizational structure is going to be. We'll know how that structure is going to look come July. There's not a pre-conceived organizational chart in mind."

A reorganization of GSA was expected. Rep. Tom Davis (R-Va.), chairman of the House Government Reform Committee, said earlier that he would hold hearings this year on the agency's organization. A series of investigations that started in 2003 have revealed numerous instances where FTS officials violated procurement rules in the Client Support Centers that serve the agency's 11 regions.

Those revelations inspired a new program called Get It Right that GSA officials launched last year to try to stop misuse of contracts. It also gave rise to a new movement to change the agency's structure.

Some of the misuses involved using GSA's IT fund to pay for non-IT procurements. The budget also calls for merging the IT fund with the agency's general supply fund to remove what has become an artificial boundary between IT and non-IT purchases, according to the budget proposal. Merging the funds would improve oversight, the authors contend.

Davis is pleased with the budget's recommendations, said David Marin, his spokesman.

"Davis is excited about these proposals, and commends the administration for moving them forward," Marin said. "He sees them as important first steps toward larger GSA reform, and he's looking forward to considering them more closely as he begins to craft GSA reorganization legislation this year."



ADVERTISEMENT

RELATED LINKS

["GSA hearing coming"](#) [FCW.com, Feb. 14, 2005]

["The Davis plan"](#) [Federal Computer Week, Jan. 24, 2005]

["Grassley demands FTS housecleaning"](#) [FCW.com, Jan. 14, 2004]

["GSA audit confirms misuse of funds"](#) [FCW.com, Jan. 9, 2004]

However, some observers argue that merging the services would be a bad idea. FTS offers assisted procurement service; and oversees complicated telecommunications contracts, while FSS deals with simpler, straightforward transactions through its schedule contracts and other vehicles. Those missions are distinct, said Scott Orbach, president of EZGSA, a consulting firm.

"I've got to say I'm more than a little wary about the proposed merger of FTS and FSS," he said. "Each service performs very different services for its agency customers, and so it follows that both have very different cost structures."

Orbach said he is also concerned that the Bush administration is trying to force change through the budget.

"What little overlap the services have gives rise to competition, which will only serve to make them more efficient to the government end user and, therefore, to the taxpayer," he said.

"The issues GSA is trying to address are very cultural," said Chip Mather, senior vice president of Acquisition Solutions. "Organizational changes are not known from changing culture. You can slam two organizations together and have one that's more dysfunctional than what you started with."

Bob Woods, president of Topside Consulting, argued for a middle ground.

"I have said all along that the areas where there need to be some consolidations within GSA are in their business systems," he said.

For example, each of the agency's three branches — FSS, FTS and the Public Buildings Service — has its own chief information officer and chief financial officer. "Then you have a central office version of each of those," Woods said. "I don't know why you have that."

However, the three branches do have different missions, he said, and merging two of them could be counterproductive.

"I think they're functionally very different," Woods said. "FTS looks a lot like the [Defense Information Systems Agency] and [like] functional IT operations in agencies. FSS looks like a logistics operation. If combining FSS and FTS makes sense, why not combine [the Defense Logistics Agency] and DISA?"

To make the merger a matter of mandate, Woods said, "smacks of reaching a conclusion and then looking for data to support it."

Larry Allen, executive vice president of the Coalition for Government Procurement, said he favors merging the services. Right now, he said, functions are split along sometimes arbitrary lines.

Allen said the inclusion of the measure in the budget did not trouble him.

"The administration has very few legislative tools available to it to make its policy desires known," he said. "The budget the most comprehensive of those vehicles."

Offering options

General Services Administration officials serving on a steering committee that will oversee task forces that will develop recommendations for merging two of GSA's three service units.

The first three task force teams to begin work are:

Acquisition Services, led by Barbara Shelton, acting commissioner of GSA's Federal Technology Service, and Donna Bennett, commissioner of the Federal Supply Service.

Financial Management, led by chief financial officer Kathleen Turco.

Information Technology Systems, led by chief information officer Michael Carleton.

Source: General Services Administration