

washingtonpost.com

## GSA to Trim Through Buyouts and Retirements

By Stephen Barr

Monday, March 6, 2006; D04

Faced with declining revenue, the General Services Administration plans to offer cash buyouts and early retirement packages to more than 400 employees.

The staffing reductions will come in the Federal Supply Service and the Federal Technology Service, shrinking the workforces in those two bureaus by about 8 percent, said *David L. Bibb*, the acting general services administrator.

The GSA's plan for offering buyouts and early outs is awaiting approval at the Office of Personnel Management and the Office of Management and Budget, Bibb said. He said the incentive packages, in addition to some reassignments, should make it possible for the GSA to avoid layoffs.

"Hopefully, we can offer the options in the next few weeks," Bibb said. He said the GSA hopes to move the employees off the payroll by Oct. 1, the start of the next fiscal year.

Bibb said the workforce cut was not related to the agency's plan to reorganize operations and consolidate the supply service and the technology service. He said the Information Technology Solutions program at the technology service had been losing money for the past 24 months, while the supply service also suffered a dip in revenue.

The GSA recently filed a reorganization plan with the House and Senate appropriations committees to create a "federal acquisition service."

The new acquisition service would consolidate the Federal Technology Service, which specializes in buying products and services related to information technology and telecommunications, and the Federal Supply Service, which provides a variety of products and services, such as vehicle purchasing and leasing, travel and transportation, and personal property management.

The GSA buys more than \$30 billion of goods and services each year from the private sector and resells them to federal agencies. Much of its operating budget is based on the fees it charges agencies for procurement transactions.

The line that separates technology from other products, however, "has been growing grayer" as industry offers more deals that blend products and services, Bibb said.

To improve its efficiency and better address industry trends, Bibb said, the GSA's reorganization also would merge its technology fund and its supply service fund. The House has approved the merger, and the Senate is studying the proposal.

Some of the revenue loss at the GSA stems from contracting irregularities that came to light in recent years. Auditors for the GSA inspector general found inappropriate contracting activities, including sole-source contracts, at the Federal Technology Service.

The findings, combined with other reports, attracted congressional scrutiny to see if contracts were being approved without proper competition. At least one committee asked for a review of the GSA's technology service to ensure officials were complying with procurement regulations.

In response to the reports of abuse, Bibb said, the GSA slowed its procurement process "to get it right." But the slowdown also led to reduced business for the GSA when some federal agencies decided they did not like waiting longer to receive products and services.

The Pentagon also adopted contracting procedures that discouraged buying through outside services.

The GSA also has been losing revenue because a number of non-defense agencies have less money to spend on goods and services, Bibb said.

### **Pentagon to Appeal**

The Pentagon plans to appeal a federal court ruling that has blocked new labor-management rules for the new National Security Personnel System, a Defense Department spokesman said.

"Clearly, the department will be working with the Department of Justice on the appeal of that decision," *Bryan Whitman* told the American Forces Press Service.

Last week, U.S. District Judge *Emmet G. Sullivan* ruled that the new system did not protect collective-bargaining rights or ensure fair treatment of Defense Department employees facing major disciplinary action.

© 2006 The Washington Post Company