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United States General Accounting Office

GAO

Briefing Report to the Chairman,
Subcommittee on the District of
Columbia,
Senate Appropriations Committee

April 1986

PROCUREMENT

Status of Prior GAO Recommendations on Selected District of Columbia Procurement Activities



129684

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UNITED STATES GENERAL ACCOUNTING OFFICE
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GENERAL GOVERNMENT
DIVISION

APR 14 1986

B-222359

The Honorable Arlen Specter
Chairman, Subcommittee on the
District of Columbia
Committee on Appropriations
United States Senate

Dear Mr. Chairman:

This report responds to your September 19, 1985, request, as modified by subsequent agreements with your office, that we review the status of recommendations to the District of Columbia government in three of our reports on procurement matters issued between June 1983 and April 1984. In addition, you requested that we determine if any national standards for local government procurement exist and, if so, compare the District's procurement policies and procedures with these standards.

Our prior reports pertained to procurement issues at the University of the District of Columbia, District of Columbia Public Schools, and Department of Administrative Services. To determine the status and actions taken on our recommendations, we (1) interviewed officials of the three organizations involved, (2) obtained documentation, such as memorandums on policy or procedural changes, reflecting actions taken or planned on our recommendations, (3) sampled procurement transactions, where appropriate, to determine if changes made were effective, and (4) reviewed other procurement documents and files at the respective organizations. We also queried national organizations involved with municipal finance operations as to whether national procurement standards exist. Our review was completed in March 1986 and dealt primarily with fiscal year 1985 activities.

SUMMARY

District of Columbia agencies took some action on each of our recommendations. In certain cases, however, progress has been slow and additional actions are needed.

The University of the District of Columbia implemented corrective actions intended to provide additional assurance that the purchasing of goods and services would be processed through the university's Procurement Office. However, despite these actions, individuals continue to circumvent procurement policies and procedures without any disciplinary action being taken, although such action is authorized by UDC policy.

The Department of Administrative Services had implemented some of our suggestions to increase competition, provide additional assurance that reasonable prices are obtained, and strengthen procurement procedures and is in the process of implementing others. These actions are responsive to our recommendations.

The District of Columbia Public Schools initiated action intended to provide better inventory control and to reduce noncompetitive purchases. However, little progress has been made in reducing noncompetitive purchases. The warehouse which was intended to help reduce noncompetitive purchases by providing for storage of large quantities of competitively purchased supplies and materials was not available until October 1985. The expanded use of blanket purchase agreements did not increase competition because the agreements were not awarded competitively.

Our inquiries of national organizations involved with municipal finance operations showed that no national procurement standards exist for local governments.

Appendix I deals with our work at the University of the District of Columbia (see pp. 4 to 8). Appendix II deals with our work at the Department of Administrative Services (see pp. 9 to 10). Appendix III deals with our work at the District of Columbia's Public Schools (see pp. 11 to 16). Appendix IV contains information on our efforts to identify national standards for local government procurement (see p. 17). We are making recommendations to District officials. We recommend that the University's Board of Trustees enforce established procedures including taking appropriate disciplinary action (see p. 7 of app. I). We also recommend that the Superintendent of District of Columbia Public Schools take action to improve planning and certain processes to help increase competition and to achieve timely completion of physical inventories (see p. 16 of app. III).

We obtained oral comments from District officials on the results of our work and their comments were considered in preparing the final report. Both the University of the District

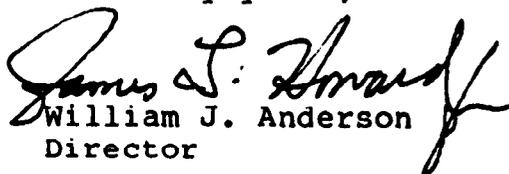
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of Columbia and the District of Columbia Public Schools agreed with our recommendations (see apps. I and III). The Department of Administrative Services had no comments on the report.

As arranged with your office, unless you publicly announce its contents earlier, we plan no further distribution of the report until 5 days after its issue date. At that time, we will send copies to interested congressional committees; the Director, Office of Management and Budget; the Mayor of the District of Columbia; the Chairman, Council of the District of Columbia; the Superintendent, District of Columbia Public Schools; the President, Board of Education; the Acting President, University of the District of Columbia; the University Board of Trustees; the District of Columbia Auditor; and the Inspector General of the District of Columbia. Copies will be available to others upon request.

If there are any questions regarding the contents of this briefing report, please call Mr. Gene Dodaro, Associate Director, on (202) 275-8387.

Sincerely yours,


William J. Anderson
Director

UNIVERSITY OF THE DISTRICT OF COLUMBIA

On June 22, 1983, we issued a report entitled The University Of The District Of Columbia's Procurement Policies Are Not Being Followed (GAO/GGD-83-57). We reported that the University of the District of Columbia's (UDC) policies and procedures were adequate and generally were followed by the Procurement Office. However, university personnel, outside the Procurement Office, purchased \$1.9 million or 25 percent of UDC's total goods and services in fiscal year 1982 without following procurement policies and procedures. These purchases involved 3,473 transactions and accounted for about 65 percent of total transactions during fiscal year 1982. Thus, there was no assurance that prices paid were reasonable and that goods and services were actually received. Despite UDC's efforts to halt such purchases, the practice continued into fiscal year 1983.

We therefore recommended that the President of the University of the District of Columbia:

- Direct the Financial Management Division not to authorize the disbursement of funds for procurements of goods and services bypassing the Procurement Office until the Procurement Office has investigated the procurements in accordance with UDC procurement policies and procedures and has rendered a favorable determination.
- Direct the UDC Office of Internal Audit to (1) conduct a review of UDC's fiscal year 1983 procurement activity to ensure that UDC officials were enforcing procurement policies and procedures and that the university was not bypassing its Payroll Office in compensating employees for services rendered and (2) submit a report to the President on the results of that review.

The UDC President agreed with our recommendations, and by memorandum dated April 20, 1983, (1) withdrew authority for certain university officials to procure goods and services and to directly compensate employees for non-job related extra duty services and (2) required the Financial Management Division to adhere to UDC procurement policies and procedures pertaining to the expenditure of funds for the procurement of goods and services.

COMPLIANCE WITH UDC'S PROCUREMENT
POLICIES AND PROCEDURES DURING
FISCAL YEAR 1985

To determine the current conditions, we sampled UDC's fiscal year 1985 payment transactions. UDC provided us with a universe of 5,945 fiscal year 1985 transactions. From this

universe, we took a random sample of 669 cases. For our sample cases we examined procurement files for documentation of compliance with UDC's procurement policies and procedures. We discussed with UDC officials, generally on a case-by-case basis, our conclusions on the results of our review of transactions. UDC officials' comments were considered in formulating our final determination on the extent to which the transactions were in compliance. The results of our review are shown below and discussed in subsequent sections.

Compliance with Procurement
Policies and Procedures
FY 1985 Transactions ^a

| <u>Extent of Compliance</u> | <u>Total</u> | | <u>Sampling Error^b (+/-)</u> |
|-----------------------------|---|--|---|
| | <u>Estimated Number in Universe</u> | <u>Estimated Percent of Universe</u> | |
| In compliance | 4342 | 73 | 3.1 |
| Not in compliance | 1380 | 23 | 3.1 |
| Could not determine | <u>223</u> | <u>4</u> | 1.0 |
| Total | 5945 | 100 | |

^a Because our sample was drawn from a universe comprised of the number of transactions and not their value, our results cannot be used to project the dollar value of these transactions. Our sample consisted of 669 transactions with a value of \$1.1 million.

^b Sampling errors are usually expressed at a certain confidence level; in this case 95 percent. A sampling error is the maximum amount by which the estimate obtained from a statistical sample can be expected to differ from the true universe we are estimating. Therefore, in the case above of 73 percent of the transactions in compliance with a plus or minus 3.1 percent sampling error, the true value we are estimating will be somewhere between 69.9 and 76.1 percent. The 95 percent confidence level means that if we reviewed the records of all transactions in the universe the chances are 19 out of 20 the results would not differ from our estimates.

Transactions Not In Compliance With
Procurement Policies And Procedures

Based on our review, we projected that 1,380 or about 23 percent of the fiscal year 1985 procurement transactions did not comply with UDC's procurement policies and procedures. For 434 (about 7 percent of total 1985 procurements) UDC personnel

purchased goods and services without ever processing the purchases through the university's Procurement Office. For 690 (about 12 percent of total 1985 procurements) orders for goods and services were placed by officials other than authorized contracting officers before processing the purchases through the Procurement Office. Thus, a total of 19 percent of fiscal year 1985 procurements were initiated outside of the Procurement Office. UDC procurement regulations require that all purchases be initiated by and processed through the Procurement Office. The remaining 256 (about 4 percent of total 1985 procurements) did not comply either because purchase amounts exceeded authorized obligation authority by more than the 10 percent allowed by UDC procurement regulations or goods and services received in prior years were paid for with fiscal year 1985 funds.

UDC procurement officials could not explain why other UDC officials continue to circumvent procurement policies and procedures.

Transactions For Which Compliance Could Not Be Determined

For a projected 223 transactions or about 4 percent, we could locate no information to indicate if goods and services were ordered, received or paid for. Information available consisted of the purchase requisition. Although requests were made and funds were reserved, neither the office that reserved the funds, the accounts payable department, the cashier's office, nor the Procurement Office could provide us with any information on these transactions. UDC in commenting on appendix I stated that as a result of our work, it is expanding a financial report that should allow for tracking final disposition of purchase requisitions.

RESULTS OF INTERNAL AUDIT REVIEW

In response to our recommendation, on October 16, 1985, the Director of Internal Audit issued to UDC's Board of Trustees his report entitled Follow-up Of The GAO Report On UDC Procurement Practices And Review Of The Procedures For Making Small Purchases, which covered selected procurement transactions for fiscal year 1984. The Internal Auditor reported that he did not find the problem occurring of bypassing the Payroll Office in compensating employees for services rendered. He reported, however, that other problems persisted with (1) bypassing the University procurement process and executing unauthorized contracts, (2) designating a delivery point for purchases other than the University's official delivery point, (3) long processing times for small purchases and (4) an inadequate tracking system for requisitions. He reported that UDC management agreed with all of the Internal Auditor's

recommendations and he enumerated the actions planned to correct the problems, such as establishing procedures intended to minimize the number of procurements bypassing the Procurement Office and revising procurement regulations to provide for establishing imprest funds for use in making small purchases.

CONCLUSIONS

UDC agreed with our prior recommendations and took action to accomplish greater compliance with UDC's policies and procedures. A greater percentage of transactions for goods and services go through the UDC Procurement Office than during our last review. However, many of these transactions are initiated by unauthorized UDC personnel and are subjected only to after-the-fact reviews by the UDC Procurement Office.

The number of transactions initiated outside the Procurement Office was reduced from 65 percent in fiscal year 1982 to about 19 percent in fiscal year 1985. Another 4 percent of fiscal year 1985 transactions were not in compliance with other procurement policies and procedures. Therefore, goods and services continue to be purchased without assurance that prices paid were reasonable and that these goods and services were actually received.

In addition, for another 4 percent we could locate no information to indicate if goods and services were ordered, received or paid for.

We believe these types of deficiencies will continue until UDC takes appropriate disciplinary action against those officials responsible for noncompliance with established procurement policies and procedures.

RECOMMENDATION

We recommend that the Board of Trustees of the University of the District of Columbia take the steps necessary to assure that established procurement policies and procedures are followed. Such steps should include taking appropriate disciplinary action.

AGENCY COMMENTS

The Acting Vice President of Finance, commenting on our draft report on behalf of UDC's Board of Trustees, concurred with our recommendation and stated that unauthorized procurements are a recognized problem.

Both the Board and the Acting UDC President have taken action concerning unauthorized procurements. As a means of monitoring unauthorized purchases, starting in October 1985, a monthly report of unauthorized purchases is prepared and

submitted to the Board's Finance and Audit Committee. The number of unauthorized purchases has declined since establishment of the reporting procedure.

In addition, on December 9, 1985, UDC's Acting President issued interim procedures on unauthorized purchases which included taking disciplinary action, when appropriate, against employees for making unauthorized purchases. However, as of April 1, 1986, UDC had not decided how to implement the disciplinary action procedure and no actions had been taken.

DEPARTMENT OF ADMINISTRATIVE SERVICES

On April 26, 1984, we issued a report entitled The District Is Working To Increase Competition And Ensure Reasonable Prices For Supply And Service Contracts (GAO/GGD-84-33). We reported that most of the contracts we reviewed were awarded without competition even though regulations require that competition be obtained to the maximum practical extent. We also reported that when competition was restricted, there was little or no evidence to show that the District had determined that contract amounts were reasonable.

We made four recommendations to enhance implementation and oversight of procurement practices. We recommended that the Mayor require the Director of Administrative Services to:

- Modify the current procurement reporting system to include both the number of bids received and the number disqualified for each formally advertised award. The procurement staff should use the report data to monitor trends on the extent of competition obtained and to identify, investigate, and work with user agencies to correct underlying causes of unfavorable trends.
- Establish and enforce procurement policy and regulations which require District agencies, before they solicit contract proposals, to submit to Administrative Services written justification for waiving the requirement to formally advertise a procurement action. The regulations should clearly state that no agency personnel have the authority to solicit proposals until Administrative Services signs a determination and findings statement approving the waiver.
- Establish and enforce procurement policy and regulations which require District agencies to adequately justify public exigency as authority to negotiate. The regulations should stipulate that before Administrative Services authorizes negotiation, the user agency must document the compelling and unusual urgency and the date the supplies or services are needed.
- Implement and enforce regulations governing the use and exercise of contract option clauses.

To determine the effectiveness of actions taken or planned we interviewed Department of Administrative Services (DAS) officials and obtained documentation on policy or procedural changes implemented or in process.

As a result of our present work, we determined that DAS has or is in the process of implementing all of our recommendations.

REVISED REPORTING SYSTEM

DAS revised its procurement reporting system to show, for fiscal year 1985 contracts, the number of bids solicited, received and disqualified. DAS plans to analyze the data to determine ways to improve competition, once more trend information is available.

PROCEDURES REVISED TO STRENGTHEN REQUIREMENTS

DAS revised the Material Management Manual to require District agencies to (1) submit to DAS prior written justification for waiving formal advertised procurement requirements and (2) adequately justify compelling and unusual urgency and the date the services or supplies are needed to justify public exigency when used as a basis for negotiating contracts. At the time of our review, the revisions were awaiting publication in the District's register to provide the opportunity for public comment.

REVISED CONTRACT LANGUAGE

DAS has drafted option clauses for use in its standard contract. Contracting officers will be required to justify in writing the terms or quantities included in contract option clauses and the basis for exercising an option.

CONCLUSION

The District's actions taken and planned, if properly implemented, will satisfy our recommendations.

AGENCY COMMENTS

A DAS official advised us that DAS had no comment on this appendix.

DISTRICT OF COLUMBIA PUBLIC SCHOOLS

On July 28, 1983, we issued a report entitled Improvements In Certain District Of Columbia Public Schools' Administrative Operations (GAO/GGD-83-77). We reported that most of the repair and improvement materials and supplies were obtained through noncompetitive open market purchases at substantially higher prices than were available through District or federal government supply sources. We reported also that physical inventories of accountable property and equipment at schools and offices were not being performed and, when performed, were not independently verified. We concluded that 1) open market purchases of materials and supplies for repairs and improvements could be reduced and 2) improved controls were needed in the District of Columbia Public Schools (DCPS) inventory management system.

In commenting on our findings, officials of the Division of Buildings and Grounds (DBG), the organization responsible for maintaining schools and other facilities, stated that over 90 percent of open market purchases were of an emergency nature. They said that they lacked suitable storage facilities to buy competitively but expected to reduce open market purchases by remodeling a building to serve as a warehouse which would enable them to purchase competitively in large quantities. The officials agreed with the need for improved controls in the inventory management system.

We recommended that the Superintendent

- Monitor actions being taken by DBG to ensure that the most competitive prices are received for supply items to be stocked in the warehouse.
- Complete the taking and reconciliation of physical inventories and require spot checks to establish the reliability of reported data on inventories. Also, emphasize the requirement of reporting all inventory acquisitions, especially those shipped directly to the using facility.

To help ensure that items would be obtained at competitive prices, DCPS began to use the warehouse and increased the use of blanket purchase agreements. To improve inventory controls, DCPS is improving the current system and testing an automated inventory system.

ACTIONS HAVE HAD LITTLE
EFFECT IN REDUCING
NONCOMPETITIVE PROCUREMENT

To determine if DCPS actions were effective in reducing noncompetitive open market purchases, we obtained data on open market purchases, visited the materials and supplies warehouse, interviewed DCPS officials, and reviewed the emergency procurement process.

We found that although actions intended to reduce open market purchases had been taken, it appears that no reduction occurred. We found some open market purchases were occurring in nonemergency situations, while others classified as emergencies were attributable to inadequate planning.

Available Information Indicates
That Open Market Purchases Have
Not Been Reduced

We requested statistical data from DCPS to measure the level of open market purchases, and were provided data from several sources showing different amounts. We asked DCPS to reconcile the amounts of open market purchases but they were unable to do so. All these sources showed that the current level of open market purchases exceeded the level at the time of our previous report. Although we cannot conclusively state what the current level of open market purchases is, it does not appear that DCPS's actions have been effective in reducing open market purchases. These actions and our assessment are discussed in the following sections.

Warehouse Not Fully Operational
Until 1985

DCPS expected to reduce open market purchases by remodeling a building to serve as a warehouse, enabling them to purchase competitively in large quantities. The warehouse did not become fully operational until October 1985.

However, our observations at the warehouse showed, and discussions with the official responsible for operating the warehouse confirmed, that as of December 1985, the warehouse had not been used to store large quantities of commonly used items. In January 1986, DCPS procurement officials advised us that they still intended to use the warehouse to store common use items and were moving toward increased use of term contracts¹ to acquire such items. However, these actions were not in place for a long enough period of time to enable us to assess the impact on open market purchases.

¹A competitively awarded contract to provide goods at specified prices during a specific time period.

Action Is Being Taken To Increase
Competition On Purchases Made
Under Blanket Purchase Agreements

Another DCPS action to reduce open market purchases is the increased use of Blanket Purchase Agreements (BPA). These agreements are a simplified method of filling anticipated repetitive needs for supplies and services by establishing "charge accounts" with qualified sources of supply. BPAs are designed to reduce administrative costs in accomplishing small purchases by eliminating the need for issuing individual purchase documents.

Although BPAs may reduce open market purchases, there is little difference between a BPA as used by DBG and an open market purchase in terms of competition, because BPAs are not awarded competitively. One major difference is that BPAs permit DBG to make noncompetitive purchases of up to \$5,000 per vendor per day without having to go through the Finance or Procurement Offices while open market purchases are limited to \$1,000 per vendor per day.

Therefore, the increased use of BPAs means that DBG can purchase more higher cost items without price competition which contributes to increasing the dollar amount of noncompetitive purchases. DBG officials advised us that convenience rather than price is the determining factor in deciding to use a BPA. However, in response to our work on this assignment, DCPS has required that all purchases under BPAs be supported by telephone quotations from at least three prospective vendors to increase competition and help ensure reasonable prices.

Better Planning Could Reduce
Open Market Purchases

Noncompetitive open market purchases are to be used only for emergencies. DCPS procurement guidelines, issued by the Superintendent, authorize DBG to make emergency small purchases when (1) items are not available from present inventory, (2) items are not under current contract, and (3) items are needed within 48 hours for unforeseen, immediate repair or usage. We found that some open market purchases occurred because DBG (1) did not process procurements needed for work order requests in a timely manner, thereby creating the need for emergency purchases and (2) does not plan for the purchase of common use items which are often purchased in large quantities on a repetitive basis from vendors.

We examined procurement log entries maintained by DBG for open market purchases that occurred during July 1985. Of about 290 purchase orders issued for open market purchases

during that period, 220 or about 76 percent were for jobs not initially classified as emergencies by DBG. Many of the items purchased were common use items which do not appear to be of an emergency nature. For example, we found repetitive noncompetitive open market purchases for items such as paint, lumber, asphalt, and ceiling and floor tile.

According to DBG officials and our review of 15 work order requests, even though work orders are prepared months in advance and submitted to DBG's Production Control Unit, requests for materials to fill these orders are not made to DBG's procurement staff until workmen are already on the job. At that time, to obtain needed materials through normal procurement processes could take months, delaying completion of work. As a result, open market purchases are made for these items. By submitting procurement requests when work orders are received, DBG could process these requests through normal procurement channels, thereby affording procurement staff the opportunity to take advantage of term contracts or other competitive procurement mechanisms.

Open market purchases also occurred for common use items which could have been purchased competitively with better planning. DBG does not have data available on its past requirements which could provide a necessary base for an assessment of its future needs. As a result, DBG has not been taking full advantage of competitive purchases which would afford the opportunity to obtain lower costs normally associated with volume purchases. To illustrate, according to its records, DBG made open market purchases totaling \$1,082,643 for materials from 251 different vendors during fiscal year 1985. Many of these purchases were made from the same vendors for common use items such as small electrical and plumbing supplies needed for repairs of schools and other facilities. For example, DBG purchased over \$10,000 of supplies and materials, from each of 31 individual vendors including over \$40,000 from each of four of the vendors. Three of the vendors from whom DBG purchased large dollar amounts noncompetitively, already offered volume discounts on similar items to DCPS ranging from 10 to 40 percent through other procurement contracts. Some of the other vendors might also offer volume discounts, given the large amounts purchased from them each year.

INVENTORY MANAGEMENT PROCEDURES

To determine the current status of DCPS' physical inventories, we held discussions with DCPS officials responsible for inventory management, and reviewed DCPS inventory management policies and procedures.

We found that DCPS had taken action to (1) perform periodic physical inventories of accountable property and equipment, (2)

independently verify the inventories, and (3) improve reporting of all inventory acquisitions. However, DCPS is experiencing difficulties with school officials' compliance with the requirements to perform the inventory. We reported this same problem during our last review.

DCPS' policy states that all principals, division heads, etc., are designated responsible custodians of, and are accountable for, the property within their jurisdictions. It further states that each such official shall conduct a yearly inventory and file a certificate of completion with DCPS' Division of Logistical Support.

DCPS is currently conducting a property and equipment inventory at all schools and facilities. Of the 114 facilities that were required to complete their inventories by March 6, 1986, only 9 (8 percent) did so. The Division of Logistical Support is following up to see that the inventories are completed.

DCPS is also testing a new automated inventory system. The new system is intended to improve the timeliness and accuracy of physical inventories and to facilitate the reconciliation. The test involved one school and, as of March 1986, results were still being reconciled to the computerized listing. DCPS officials stated that they hope to complete the automation of the inventory control system within the next year. Full cooperation of responsible school officials is required for the automated system to produce a reliable annual inventory of equipment; however, DCPS has continually experienced problems in obtaining such cooperation.

During our prior review, we found many items were sent directly to the receiving facilities with no assurance that the purchase was received and recorded in the inventory records. To help improve the reporting of inventory acquisitions, DCPS changed its procedure and now requires that items be received at the warehouse before delivery to the receiving facility. An exception is made for certain items, such as those requiring installation by the vendor. For those instances where items are shipped directly to the receiving facility, a warehouse representative is required to visit the site to ensure that the item was received and properly reported.

CONCLUSIONS

Although DCPS has taken action intended to reduce noncompetitive purchases, it appears that no reduction has occurred. The warehouse, cited by DCPS as one means of reducing noncompetitive purchases, has not yet been fully used to achieve that purpose. BPAs, a second DCPS effort, have not been

significantly different from open market purchases in terms of competition because such agreements were not awarded on a competitive basis; an effort is currently underway to introduce some measure of competition into BPA purchases.

However, in order to substantially reduce noncompetitive purchases, DBG needs to take additional action. First, DBG should process requests for materials and supplies in a timely manner so that normal procurement channels can be followed, thereby affording an opportunity to take advantage of lower prices available through term contracts or other available competitive procurement mechanisms. Second, DBG needs to gather the data necessary to make an assessment of its procurement needs and, where appropriate, execute term contracts or other competitive procurement mechanisms to satisfy such needs.

Inventory management procedures have been adopted which, if properly implemented, should result in the reporting of inventory items received and in the timely and accurate completion of periodic physical inventories. However, proper implementation will require the cooperation of school officials.

RECOMMENDATIONS

We recommend the Superintendent of District of Columbia Public Schools direct DBG to

- process requests for materials and supplies in a timely manner through normal procurement channels, and
- collect the information necessary to perform needs assessments and use the needs assessments to maximize the practice of obtaining common-use items through normal competitive procurement purchases.

The Superintendent should also direct responsible school officials to complete physical inventories in a timely manner.

AGENCY COMMENTS

A DCPS official advised that DCPS agreed with our recommendations. He said that planned staffing changes including the recent appointment of a new DBG Deputy Director would allow DBG to develop an action plan to make needs assessments and to make greater use of normal procurement channels rather than making emergency noncompetitive purchases to obtain goods and services. He said also that the Superintendent's office would issue a directive requiring school officials to complete physical inventories in a timely manner.

NATIONAL STANDARDS FOR
LOCAL GOVERNMENT PROCUREMENT

To determine whether national procurement standards exist for local governments, we contacted national organizations involved with municipal finance operations such as, National League of Cities, Government Finance Officers Association, and National Institute of Government Purchasers. These organizations advised us that there were no national procurement standards, although models have been developed for local governments to consider.

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