



December 2013

TELECOMMUNICATIONS

GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays

GAO Highlights

Highlights of [GAO-14-63](#), a report to congressional requesters

Why GAO Did This Study

GSA is responsible for ensuring that federal agencies have access to the telecommunications services and solutions needed to meet their mission requirements. As agencies' telecommunications needs have evolved, so too have GSA's contracts to help support them. Its latest contracts, signed in 2007 and collectively called Networx, provide transport; Internet protocol; wireless; and management and application services, among others. In fiscal year 2012, agencies spent over \$1.4 billion on Networx services. However, the transition from the previous telecommunications contracts, known as FTS2001, has not been easy, taking almost 3 years longer than planned.

GAO's objectives were to determine (1) what factors contributed to the delay in transitioning services to Networx and the consequences due to the delay, and (2) to what extent GSA is documenting and applying lessons learned as it prepares for the next telecommunications contract transition. GAO examined lessons learned activities and supporting documents, cost and missed savings estimates, performed case studies at two agencies with large delays, and interviewed agency and service provider officials.

What GAO Recommends

GAO recommends that, in preparing for the next transition, GSA, in coordination with OPM, examine potential government-wide expertise shortfalls, and that it provide agencies guidance on project planning and fully archive, share, and prioritize lessons learned. GSA and OPM agreed with GAO's recommendations.

View [GAO-14-63](#). For more information, contact Carol R. Cha at (202) 512-4456 or chac@gao.gov.

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GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays

What GAO Found

Complex acquisition processes and weaknesses in project planning contributed to the delays experienced on the Networx transition, resulting in cost increases and missed savings. In particular, the complexity of the acquisition process was related to duplicative contract vehicles, the large number of service options, and changes related to the process for ensuring fair competition among service providers, among others. These issues were reported by the General Services Administration (GSA) to have been compounded by a decline in contracting and technical expertise within the agencies. GAO has identified skills gaps in the federal workforce as a government-wide high-risk area and highlighted the need for agencies to work with the Office of Personnel Management (OPM) to close them. Weaknesses in agencies' project planning also contributed to the delays. For example, agencies tended to transition easier items first, to demonstrate progress, before they transitioned items that needed a long lead time such as data networks and international services. As a result of the delays, GSA's estimated cost to complete the transition increased by \$66.4 million, 44 percent over the baseline estimate. In addition to the extra transition costs, agencies may have paid more for similar services by staying on the FTS2001 contracts longer than planned. Specifically, in April 2010, GSA estimated that agencies could have saved 28.4 percent of their spending on FTS2001 by using Networx contracts instead. Based on this rate of savings, GAO estimates that agencies could have saved about \$329 million if they had transitioned to Networx on time.

The extent to which GSA is documenting and applying lessons learned in preparation for the next telecommunications transition varies. GSA has fully or partially satisfied five of six key practices necessary for a robust lessons learned process (see table). To its credit, GSA has collected, analyzed, and validated lessons learned from the Networx transition. However, it has not fully shared these lessons with its customer agencies or prioritized them to ensure that resources are applied to areas with the greatest return on investment. GSA plans to finalize its next telecommunications acquisition strategy in December 2013 and begin the next transition when it awards new contracts in February 2017. Fully addressing key lessons learned practices should help GSA and agencies better plan for and execute the next telecommunications transition.

Extent to which GSA Satisfied Lessons Learned Key Practices

Practice	Satisfied?
Collecting information	●
Analyzing the information collected to identify lessons that lead to recommendations	●
Validating the accuracy and applicability of lessons to other projects	●
Archiving the lessons	◐
Sharing and disseminating lessons	◐
Prioritizing and applying lessons learned	○

Key: ● GSA satisfied the criteria. ◐ GSA has partially satisfied the criteria. ○ GSA has not satisfied the criteria.

Source: GAO analysis of GSA data.

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Abbreviations

GSA	General Services Administration
OMB	Office of Management and Budget
SSA	Social Security Administration

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December 5, 2013

The Honorable Thomas R. Carper
Chairman
The Honorable Tom Coburn, M.D.
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Claire McCaskill
Chairman
Subcommittee on Financial and Contracting Oversight
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Susan M. Collins
United States Senate

The General Services Administration (GSA) is responsible for ensuring that federal agencies have access to the telecommunications services and solutions that they need to meet their mission requirements. As agencies' telecommunications needs have evolved, so too have GSA's contracts to help support their needs. Currently, contracts established in 2007 and collectively known as Networx provide voice and data communications transport services, Internet protocol services, wireless and satellite services, information security, and management and application services. GSA reports that in fiscal year 2012, agencies spent over \$1.4 billion on Networx services. However, this evolution has not been easy. The latest transition, from the previous telecommunications contracts known as FTS2001 to Networx, took almost 3 years longer than planned.

At your request, we conducted a study of the Networx program. Our specific objectives were to determine (1) what factors contributed to the delay in transitioning services to Networx and the consequences the federal government experienced as a result of the delayed transition, and (2) to what extent GSA is documenting and applying lessons learned as it prepares for the next telecommunications contract transition.

To identify causes for the delay, we assessed key documentation, including transition project plans, management reports, and lessons learned results from GSA and two case study agencies, the Social

Security Administration (SSA) and the U.S. Army Corps of Engineers. We selected the case study agencies based on the extent of their delays in transitioning and their spending on telecommunications. To determine the consequences of the delay, we compared GSA's latest transition cost estimates with its 2004 cost estimate, and assessed its April 2010 analysis of the federal government's potential savings resulting from transitioning from FTS2001 to Networx. To assess the reliability of the cost data, we tested them to identify obvious problems with completeness and accuracy, and interviewed knowledgeable agency officials about the systems and processes in place to collect and verify the data. On the basis of these steps, we determined these data to be sufficiently reliable for the purposes of our report. To assess the extent to which GSA is identifying and applying lessons learned, we compared GSA's lessons learned process and supporting documentation with leading practices. We also interviewed GSA, SSA, U.S. Army Corps of Engineers, and Office of Management and Budget (OMB) officials, and representatives from all of the FTS2001 and Networx contractors.

We conducted this performance audit from December 2012 to December 2013, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. More details about the scope and methodology can be found in appendix I.

Background

GSA is responsible for ensuring that federal agencies have access to the telecommunications services and solutions that they need to meet mission requirements. The organization responsible for carrying out these duties is the Integrated Technology Services Office within GSA's Federal Acquisition Service. Within the Integrated Technology Services Office, the Office of Network Services Programs develops and manages programs for federal civilian and military agencies that are intended to deliver cost-effective administrative and technical support for telecommunications and network services. To provide cost savings to agencies, GSA aggregates requirements and develops government-wide contracts.

Networx Provides Contract Vehicles for Agencies to Acquire Telecommunications Services

Networx is the latest in a series of programs GSA has offered to agencies to provide telecommunications services. It is the successor to the FTS2001 program, which began in the late 1990s. FTS2001 was composed of two large contracts, one awarded to Sprint in December 1998 and one awarded to MCI in January 1999. The program also included contracts that had been awarded to local telecommunications contractors for selected metropolitan areas. GSA allowed the local telecommunications contractors to also offer long distance services on the FTS2001 contracts. These contracts were termed “crossover contracts,” and were with AT&T and Qwest, among others.

In 2003, GSA, in conjunction with a group of senior federal information technology officials known as the Interagency Management Council, developed a successor program—Networx—to replace the FTS2001 contracts. Networx was to provide agencies with traditional and emerging services to meet current and future requirements.

GSA identified several goals for the program, including several that were specific to the transition from FTS2001 to Networx. The goals for the transition included

- minimizing service impact,
- transitioning telecommunications services before the FTS2001 contracts expired,
- expediting the availability of new services, and
- minimizing transition expenses.

GSA’s, the Interagency Management Council’s, and other key participants’ roles and responsibilities in carrying out the transition from FTS2001 to Networx are described in table 1.

Table 1: FTS2001-to-Network Roles and Responsibilities

Transition stakeholder	Responsibilities
Interagency Management Council	The Interagency Management Council was established in 1992 to provide a forum and focal point for agency participation in planning and overseeing GSA’s telecommunications service. It is composed of senior executives representing 14 Cabinet-level departments and several other agencies. The council’s meetings have been suspended while GSA considers how it should be structured for the next telecommunications transition.
Transition Working Group	A subgroup of the Interagency Management Council, the Transition Working Group was established in May 2004 to conduct collective planning and coordination activities related to the transition; to develop a consensus on common transition issues that affect multiple agencies; to develop guidance and processes for acquiring, validating, and maintaining customer agency services inventories; and to develop guidance for customer agency planning, preparation, and execution of the transition. The Transition Working Group was composed of one representative from each of the Interagency Management Council member agencies.
GSA	GSA, in conjunction with the Transition Working Group and agencies’ transition managers, developed and disseminated strategic guidance and government-wide plans. Its responsibilities included monitoring the transition; enforcing compliance with the government’s transition responsibilities in the Networkx contracts; managing the overall operation of the Transition Coordination Center; providing guidance and assistance to agencies for the transition; monitoring Networkx contractors’ performance during the transition; and providing program management and control for the transition, including maintaining the master schedule for transition. The Office of Network Services Programs, within GSA’s Integrated Technology Services Office, manages the Networkx contracts.
Agencies	Agencies were responsible for coordinating transition efforts with the incumbent and Networkx contractors to ensure that existing services under FTS2001 were disconnected and that new services were ordered. GSA and the Interagency Management Council requested that each of the customer agencies appoint a transition manager and establish a transition team to manage the agency’s internal transition planning, preparation, and execution efforts and to be responsible for interfacing with GSA, the Interagency Management Council, and officials within the agency.
OMB	OMB, in conjunction with GSA, provided government-wide interpretation and direction for agency implementation and use of the Networkx Program. Further, OMB received briefings from the Office of Network Services Programs to keep track of agencies’ transition progress.

Source: GAO analysis of GSA data.

In 2007, GSA made multiple awards of task- and delivery-order contracts¹ to five vendors under this program as vehicles for agencies to procure telecommunications services. These contract vehicles are known as Networkx Universal and Networkx Enterprise. Networkx Universal contracts

¹A task-order contract is a contract for services that does not specify a firm quantity of services (other than a minimum or maximum quantity) to be procured. Rather, it provides for the issuance of orders for the performance of tasks during the period of the contract. A delivery-order contract is a contract for supplies that does not specify a firm quantity of supplies (other than a minimum or maximum quantity) to be procured. Rather, it provides for the issuance or orders for the delivery of supplies during the period of the contract.

were awarded to AT&T, Verizon Business Services,² and CenturyLink³ in March 2007. In May 2007, Networkx Enterprise contracts were awarded to these three vendors as well as to Level 3 Communications and Sprint Nextel Corporation.⁴ Table 2 lists the contractors for each of the Networkx contracts.

Table 2: Networkx Universal and Networkx Enterprise Contractors

Contracts	Contractors
Networkx Universal	AT&T Verizon Business Services CenturyLink
Networkx Enterprise	AT&T Verizon Business Services CenturyLink Level 3 Communications Sprint Nextel Corporation

Source: GAO analysis of GSA data.

Both contract vehicles offer voice and data services; wireless services; management and application services, such as video and audio conferencing; security services, including intrusion detection and prevention; and land mobile radio service. The Networkx Enterprise contract offers services similar to those of Networkx Universal, but with less extensive geographic coverage and service requirements than the Networkx Universal contract. Mobile and fixed satellite services are unique to the Universal contracts, while certain access services are unique to the Enterprise contracts.

Once GSA awarded the Networkx contracts, agencies could begin their transition from FTS2001 to Networkx. Prior to executing their transition, agencies were to have validated their baseline service inventory. Then they were to select a Networkx contract (Universal or Enterprise). Next,

²MCI, one of the original FTS2001 contractors, merged with Verizon to form Verizon Business Services in January 2006.

³The original contract was with Qwest Government Services. Qwest merged with CenturyLink, Inc., in April 2011.

⁴Sprint Corporation, one of the original FTS2001 contractors, merged with Nextel Communications, Inc., to form Sprint Nextel Corporation in August 2005.

agencies were to select the contractor to provide the services using the fair opportunity process required by law and the Federal Acquisition Regulation. This process requires agencies to provide all contractors a fair opportunity to be considered for each order in excess of \$3,000 that is to be issued under a multiple-award task- or delivery-order contract.⁵ After selecting their contract and contractor, agencies were to submit transition and disconnect orders to their FTS2001 contractors.

Transition to Networx Was Delayed and Required Extension of Existing Contracts

According to the original contract terms, the FTS2001 contracts were set to expire in December 2006 and January 2007, and according to GSA's April 2005 Networx Acquisition Plan, the agency planned to award replacement contracts in May 2006. However, GSA was delayed in finalizing the Networx contracts, and therefore negotiated sole-source contracts, termed FTS2001 bridge contracts, with Sprint and MCI in July and August 2006. These bridge contracts extended the terms of the original FTS2001 contracts until the ends of May 2010 and June 2010, respectively. In addition, in February 2009, GSA established a FTS2001 bridge contract with AT&T until June 2010.

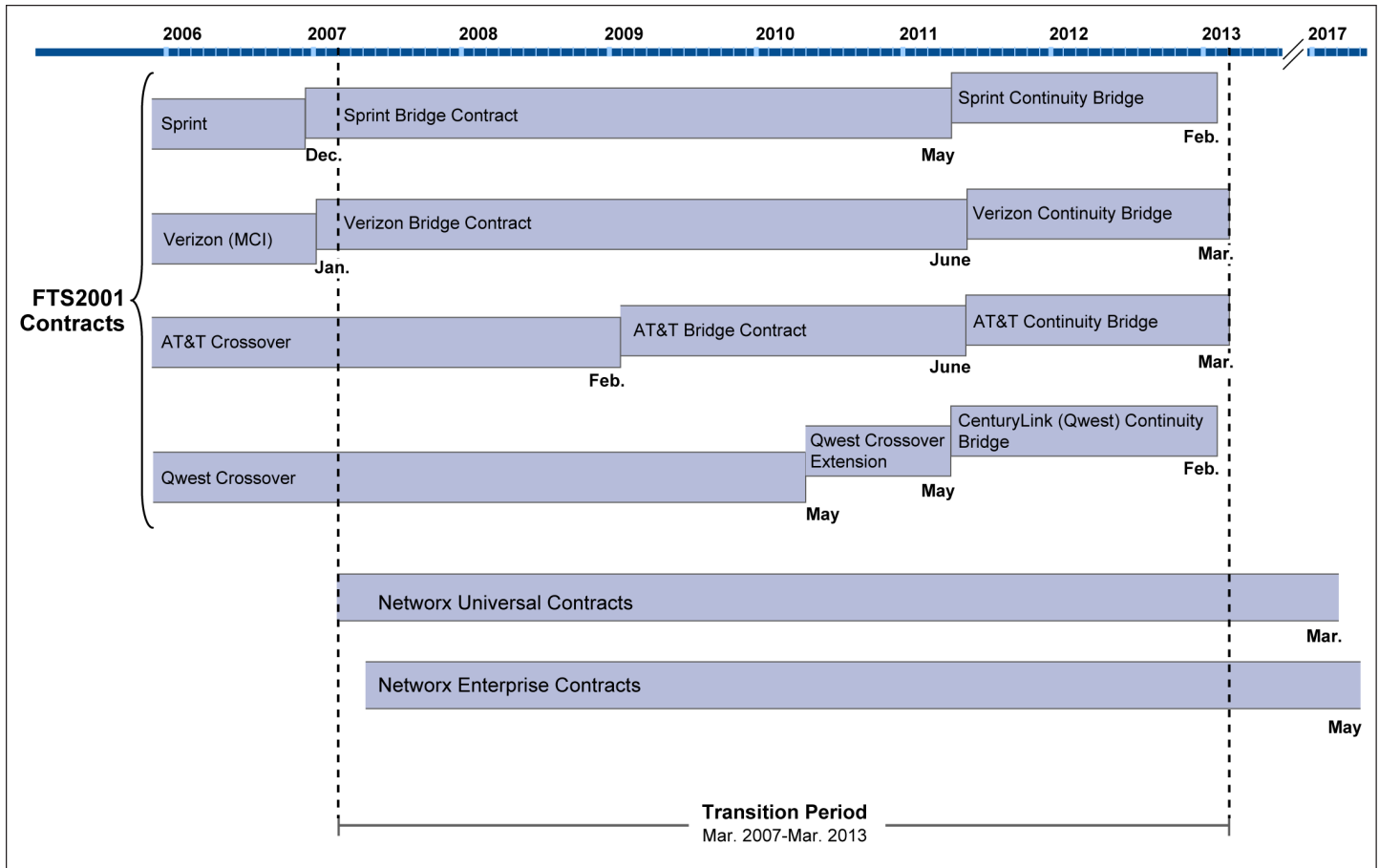
According to GSA's August 2008 transition plan, agencies were to complete their transition of services from FTS2001 to Networx or an alternative by June 2010. However, the majority of agencies had not transitioned their services by that time. Therefore, to allow additional time, GSA extended the bridge contracts with Sprint until May 2011 and with Verizon and AT&T until June 2011. In May 2010, it also extended the Qwest crossover contract until May 2011.

By the end of June 2011, however, only 61 out of 158 agencies had completed their transitions, and only 42 percent of the value of FTS2001 services had been transitioned to Networx. To extend the time again for agencies to transition, GSA established contracts, termed FTS2001 continuity bridge contracts, with Verizon, Sprint, AT&T, and Qwest (doing business as CenturyLink). These contracts expired in February and March 2013, 33 months later than planned in August 2008.

⁵10 U.S.C. § 2304c(b) and 41 U.S.C. § 4106(c); 48 C.F.R. § 16.505(b).

Figure 1 illustrates the FTS2001 contract extensions, the Networkx contracts' period of performance, and the amount of time the federal government took to transition services from the FTS2001 contracts.

Figure 1: FTS2001 and Networkx Contracts Periods of Performance and Transition Period



Source: GAO analysis of GSA data.

See table 3 for a comparison of GSA's 2008 plan with the actual end of the FTS2001 contracts.

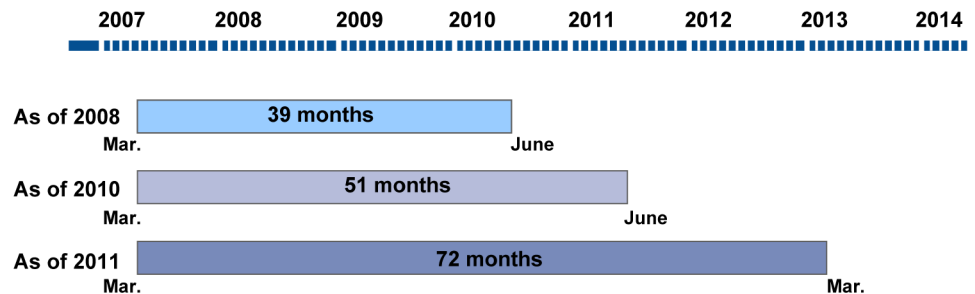
Table 3: Planned and Actual FTS2001 Contract Expiration

	GSA 2008 plan	Actual	Delay
Transition start	March 2007	March 2007	
FTS2001 Contract expiration	June 2010	March 2013	
Time to transition	39 months	72 months	33 months

Source: GAO analysis of GSA data.

The growth in the time it took to complete the transition is illustrated in figure 2.

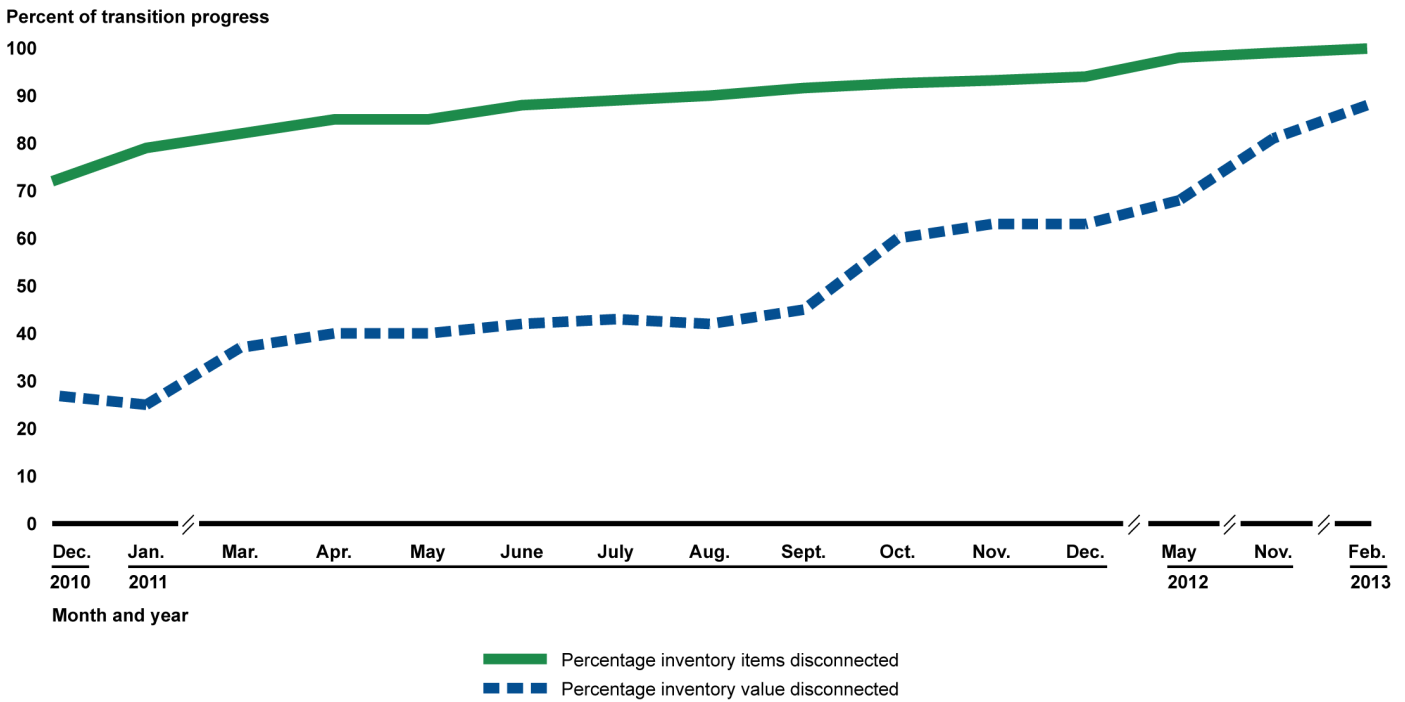
Figure 2: Increase in Transition Period



Source: GAO analysis of GSA data.

Network transition progress reports emphasized the delay. Each month from December 2010 through December 2011, except February 2011, GSA reported on the progress of the Network transition to OMB officials. Reports included (1) the percentage of the total baseline inventory of FTS2001 services (about 5 million items) that had been disconnected, and (2) the percentage of the peak value of FTS2001 services (about \$1.1 billion) that had been disconnected. A service inventory item could range from a single calling card or a simple voice service to a complex call routing system or a unique solution designed to meet a single complex requirement. See figure 3 for a comparison of the progress as measured by percentage of items disconnected and percentage of peak value of FTS2001 services.

Figure 3: Percent FTS2001 Inventory Disconnected between December 2010 and February 2013



Source: GAO analysis of GSA data.

Note: GSA officials reported that they did not provide a briefing to OMB in February 2011 because of scheduling conflicts. GSA officials also reported that transition progress briefings were less frequent after 2011 because OMB and GSA were instead meeting with individual agencies about their transition delays.

Planning for the Transition to the Next Telecommunications Contract

GSA has begun planning the next telecommunications acquisition, known as NS2020. A new group, the NS2020 Interagency Advisory Panel, was established in December 2012 to collaborate in addressing technical, acquisition, financial, policy, and other matters related to the development of the NS2020 strategy. The Office of Network Services Programs has drafted an acquisition strategy, which it plans to finalize by the end of 2013.

The Networkx contracts are planned to expire in March and May of 2017; as of September 2013, GSA plans to award the next set of contracts in February 2017. However, according to agency officials, there is a high risk that this milestone will not be achieved. GSA expects that it will take 3 years to transition all of the services from Networkx. Therefore, the Networkx contracts are already planned to be extended at least 3 years, into 2020. Office of Network Services Programs officials stated that the

additional time is needed to incorporate lessons learned from the FTS2001-to-Networx transition into the next transition strategy.

Prior GAO Reports on Telecommunications Transition

We have previously reported on GSA's efforts to transition telecommunications services from one set of contracts to another. In March 2001, we reported on challenges federal agencies faced in transitioning to FTS2001 from its predecessor program.⁶ Specifically, we reported that several factors contributed to transition delays, including that the FTS2001 contractors did not provide GSA with the management data it needed to manage and measure the complex transition process; GSA was not able to rapidly add all the services to the FTS2001 contracts required by agencies to complete their transitions; customer agencies were slow to order FTS2001 services; FTS2001 contractors had staffing shortfalls and turnover on account teams, as well as billing and procedural problems, which impaired their support of agency transition activities; and local exchange carriers had problems delivering facilities and services on time to the FTS2001 contractors. We also noted that as the transition progressed, trends suggested that the final services to be transitioned were the most time-consuming. Specifically, the transition of switched data services—primarily large agency data communications networks using frame relay or asynchronous transfer mode technologies—was lagging significantly. We concluded that until it addressed the outstanding issues impeding transition and expeditiously completed the transition, GSA would be unable to achieve its basic goals for ensuring the best service and maximizing competition. We recommended GSA obtain usable and complete management information and track and report the status of disconnects and transition progress. We also made recommendations focused on identifying and resolving billing issues. GSA agreed and implemented our recommendations.

In June 2006, we reported on GSA's and selected agencies' FTS2001-to-Networx transition planning efforts, and found that they were generally planning to employ sound transition planning practices.⁷ The practices

⁶GAO, *FTS2001: Transition Challenges Jeopardize Program Goals*, [GAO-01-289](#) (Washington, D.C.: Mar. 30, 2001).

⁷GAO, *Telecommunications: Full Adoption of Sound Transition Planning Practices by GSA and Selected Agencies Could Improve Planning Efforts*, [GAO-06-476](#) (Washington, D.C.: June 6, 2006).

included, among other things, establishing a structured management approach; identifying the resources, including human capital, that the transition effort will require; and developing a transition plan. We recommended, among other things, that GSA provide guidance to its customer agencies that reflects all of the sound transition planning practices. GSA agreed and implemented our recommendation.

In February 2007, we reported on GSA's estimate of the amount of funding needed to meet its transition-related commitments, and found that the agency's analysis was not sufficiently accurate, comprehensive, documented, or validated, as called for by best practices.⁸ We recommended that GSA establish a cost estimation policy that reflects best practices, and revise the transition cost estimate using best practices. GSA implemented our recommendations.

In June 2008, we reported on the extent to which six selected customer agencies were following sound transition planning practices.⁹ We found that the agencies were generally implementing the practices, but three of them had not fully implemented some of the key components of the practices and were not planning to do so. For example, one agency was using key project management processes in its transition planning efforts, and five planned to use them. Regarding identifying human capital needs, two agencies had identified their resource needs, and three had plans to identify them. One of the agencies did not plan to identify its human capital needs. We made recommendations to those agencies that had not implemented key practice components and did not plan to do so, focused on addressing the gaps in transition planning. The agencies implemented some but not all of our recommendations.

⁸GAO, *Telecommunications: GSA Has Accumulated Adequate Funding for Transition to New Contracts but Needs Cost Estimation Policy*, [GAO-07-268](#) (Washington, D.C.: Feb. 23, 2007).

⁹GAO, *Telecommunications: Agencies Are Generally Following Sound Transition Planning Practices, and GSA Is Taking Action to Resolve Challenges*, [GAO-08-759](#) (Washington, D.C.: June 27, 2008).

Complex Acquisition Process and Weaknesses in Project Planning Contributed to Networx Transition Delays, Resulting in Increased Costs and Missed Savings

Several factors contributed to delays in transitioning from FTS2001 to Networx. In particular, the complex Networx acquisition process compounded by a reported lack of telecommunications and contracting expertise within the agencies contributed to delays. Weaknesses in project management also contributed to the delays. As a result of the delays, GSA experienced increased costs, and agencies missed savings.

Complex Acquisition Process Compounded by Limited Agency Expertise

The complexity of the acquisition process was related to duplicative and overlapping contract vehicles, the large number of potential service options for a given requirement, and challenges related to implementing the fair opportunity process,¹⁰ among others. The complexity was compounded by limited contract and technical expertise at some agencies.

Duplicative and overlapping contract vehicles. According to GSA's analysis, the establishment of two Networx contract vehicles—Universal and Enterprise—created confusion with customer agencies and added administrative cost for GSA. The two-contract-vehicle strategy was intended to address Networx program goals to provide all services that were available under FTS2001, as well as to provide access to a greater number of competing vendors that would provide new, enhanced services and emerging technologies. The Universal vehicle was intended to focus on the first of these goals, while the Enterprise vehicle was to focus more on the second. However, because of industry consolidation by the time the contracts were awarded, the strategy was not as effective as had been envisioned. Specifically, three of the five contractors awarded Enterprise contracts were also awarded Universal contracts, and most services are provided on both contracts. Having two vehicles essentially doubled GSA's management and support responsibilities, and significant

¹⁰As discussed earlier, the fair opportunity process requires agencies to provide all contractors awarded multiple-award task- or delivery-order contracts, such as the Networx contracts, a fair opportunity to be considered for each order in excess of \$3,000 issued under one of the contracts.

overlap existed with the two contracts. GSA agreed that the Universal/Enterprise construct should not be repeated in the follow-on NS2020 program.

Decoupled contract services. According to GSA and some service providers, another key factor that contributed to delays was that agencies could not purchase multiple services bundled¹¹ into a single item on the Networx contracts. Specifically, Networx contracts did not permit this type of bundling, as the FTS2001 contracts had. Instead, the Networx contracts offered services by detailed contract line items in order to allow agencies to more accurately identify and maintain inventories of the services they were purchasing. Agencies were expected to map their existing FTS2001 services to the individual services on Networx, using a tool called the Networx Unit Pricer. To facilitate this, agencies were expected to use the Networx Unit Pricer to compare unit prices at the line-item level across the Networx Universal and Enterprise contractors and, where available, the FTS2001 contracts. However, the growth in the number of services offered (54 on Networx compared with 26 on FTS2001) and the number of contract line items (about 5,100 in the original contracts), including some that vary by location and bandwidth, led to a number of different potential service options for any given requirement.

To address this challenge, many agencies developed statements of work to request proposals from the contractors instead of using the Networx Unit Pricer. However, GSA had expected that the vast majority of orders would be placed using the Networx Unit Pricer and would not require the development of statements of work. Thus, this process added to GSA's planned workload, requiring GSA to review the statements of work to determine if the requirements were within the scope of the Networx contracts and assist in ordering them. If the requirements were not in the scope of the contracts, additional time was required to modify the contracts. (This extra work, for example, resulted in the number of contract line items increasing from 5,100 to 13,400 as of June 2011.)

¹¹Bundled services are not the same as a bundled contract. A bundled contract is a contract where the requirements for supplies or services, previously provided or performed under separate smaller contracts, were consolidated into a solicitation for a single contract that is likely to be unsuitable for award to a small business concern.

Challenges related to the fair opportunity process. Finally, according to GSA, agencies experienced challenges in implementing the fair opportunity process because of a lack of clear guidance on changes that were made to the process after GSA awarded the contract vehicles. At the time the Networx contracts were awarded, potential contractors could protest (i.e., contest) the issuance of an order only when an order increased the scope, period, or maximum value of the contract under which the order was issued. However, soon after the Networx transition was under way, changes were made to the procurement statutes that resulted in agencies needing to take more measures than in the past. Specifically, the statutes were modified to allow protests of the issuance or proposed issuance of task or delivery orders above \$10 million (not just on the grounds that the order increases the scope, period or maximum value of the contract under which it was issued). In addition, the new statutes required additional measures in giving all contractors a fair opportunity to be considered for orders over \$5 million. In addition to lacking clear guidance, according to GSA's analysis, because agencies previously relied on GSA to provide expertise on contract processes and procedures, several agencies lacked expertise in the fair opportunity process. To GSA's credit, once aware of this issue, it responded by providing guidance; however, according to GSA, its guidance was sometimes inconsistent and created confusion. GSA officials agreed that different organizations within GSA, such as acquisition support or the help desk, provided oral guidance to customer agencies that was inconsistent.

According to GSA's analysis, a decline in telecommunications technical and contracting expertise in the federal government contributed to some agencies' inability to efficiently identify and contract for Networx solutions for their requirements. In particular, customer agencies requested GSA's assistance in developing a statement of work and conducting the fair opportunity process. Moreover, according to the analysis, customer agencies are concerned that the shortage of telecommunications specialists will get worse because there are not enough to replace experienced workers nearing retirement. Further, since February 2011, we have identified gaps in the skills of the federal workforce as a high-risk area that threatens the government's ability to effectively address national issues. We have noted that agencies should work with the Office of Personnel Management, the central human resources agency for the federal government, to pursue a strategic, government-wide approach to addressing these critical skills gaps. GSA has yet to fully study this issue, and agreed that understanding expertise shortfalls would be useful for future transition planning purposes; however, it has not established a plan to do so. As we previously reported, sound transition planning practices

include ensuring that personnel with the right skills are in place to support the transition effort.¹² These skills include contract expertise, legal expertise, asset management, and program management. Identifying current and projected shortfalls in critical telecommunication specialist roles early in the process of planning the next transition could better position GSA to assist customer agencies and help avoid future delays.

Customer Agencies' Weak Project Planning and Execution Issues

Another key factor that contributed to delays was weak project planning. According to sound transition practices, a transition such as the one from FTS2001 to Networkx should be approached as a critical project.¹³

Accordingly, agencies should develop a project management plan as the primary document that defines how the transition is to be executed and controlled, as called for by leading project management practices.¹⁴ As we previously reported, a transition project management plan should include, among other things, a time line of all activities that need to be completed, taking into account priorities relative to the agency's mission-critical systems, contingency plans, and identified risks. Moreover, transition plans should be updated on an ongoing basis to reflect the current status of the project and allow for reporting progress.

However, neither of our case study agencies had a current transition project management plan or an integrated transition time line. Although the U.S. Army Corps of Engineers had established a project management plan in February 2008, it had not established an integrated transition time line, and had not updated the plan to reflect the current status and endpoint of the project. Instead, it managed and tracked individual transition projects separately. For example, it used a spreadsheet to track

¹²[GAO-06-476](#) and [GAO-08-759](#). We identified the practices through research of telecommunications transitions literature and interviews with those with experience in telecommunications transitions, including industry experts, telecommunications vendors, and private sector companies.

¹³[GAO-06-476](#) and [GAO-08-759](#).

¹⁴Project Management Institute, *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)*, Fourth Edition, Project Management Institute, Inc. (PMI), 2008. Copyright and all rights reserved. Software Engineering Institute/Carnegie Mellon, *Capability Maturity Model Integration® (CMMI®) for Acquisition, Version 1.3*, CMU/SEI-2010-TR-032 (Pittsburgh, Pa., November 2010).

the installation of Multiprotocol Label Switching¹⁵ circuits at 868 sites. However, as of June 2012, according to a GSA report, only about 49 percent of the Corps's transition had been completed. Using an integrated transition time line and having an updated project management plan that included plans for addressing the issues it experienced with its local vendors might have helped the Corps identify and schedule sites that needed a longer lead time to upgrade. According to Corps officials, the transition was complete in March 2013.

In addition, SSA had prepared a transition project management plan by June 2008, but it had not established an integrated transition time line, nor had it updated its plan since then. SSA's transition was divided into five components, and agency officials reported that three of the components were complete by March 2011, but that the two most complex components were not complete as of September 2013. While they had received contractor plans and schedules for the incomplete components, they had not updated these plans into one integrated transition project management plan. According to SSA officials, it was not feasible to integrate the schedules because of their complexity and scope. As of September 2013, SSA had yet to finish disconnecting its FTS2001 services. It has established Networx sole-source task orders¹⁶ to maintain the services until April 2014, while it completes its transition.

We cannot generalize about project planning at all agencies based on what we found at SSA and the U.S. Army Corps of Engineers. However, government-wide, agencies tended to transition easier items before they transitioned more complex items. For example, they transitioned items such as calling cards or simple switched voice services first, which demonstrated progress, before they transitioned complex, higher cost, items that needed a long lead time such as data networks and international services. This was reflected in the transition progress reports discussed earlier in this report. For example, as illustrated in figure 3, in June 2011, 88 percent of FTS2001 service inventory items had been disconnected, yet the value of the disconnected items was only 42

¹⁵Multiprotocol Label Switching is a network routing protocol that is based on switching through the use of tag labels.

¹⁶An exception to the fair opportunity process allows a task order to be issued on a sole-source basis in the interest of economy and efficiency if it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order.

percent of the value of the inventory. By planning to transition time-consuming services earlier in the project, agencies could have reduced or avoided delays incurred.

In planning their next telecommunications transitions, agencies could avoid delays by approaching the process as a critical project and establishing transition plans that include detailed time lines that take into account priorities relative to their mission-critical systems, contingency plans, and identified risks and are updated to reflect the current status and endpoint of the transition.

In addition to weaknesses in project planning, our case study agencies described problems executing their transitions. U.S. Army Corps of Engineers officials stated that the biggest factor contributing to their delays was related to installing new services at field sites. Specifically, they said that installation required additional work by the local telecommunications vendors, but that the local vendors were not always cooperative. According to the officials, the local vendors did not have an incentive to make the upgrades, and would therefore refuse to install the additional facilities or would quote excessive prices for the installation.

Similarly, SSA described problems related to Networkx contractors' performance in executing its contracts. SSA is working to resolve the problems, and as previously mentioned, expects to complete its transition by April 2014.

GSA Experienced Increased Costs, and Agencies Missed Savings

One result of the delayed transition to Networkx was an increase in the cost of making the transition. Specifically, GSA estimated that the transition cost increased by \$66.4 million, or 44 percent, over the \$151.5 million planned in 2004. This included increases in the costs for contractor support, as well as costs for GSA program management, which were not included in the 2004 estimate. For example, GSA's updated 2010 estimate showed an increase from \$35 million to \$87.3 million for contractor support through fiscal year 2013 (a \$52.3 million increase) due to the slower-than-expected transition. In addition, in March 2013 GSA estimated program management costs, such as GSA staff and support systems, for the period from June 2010—when the transition had been planned to end as of 2008—through March 2013, when the FTS2001 contracts expired. These additional costs were estimated at \$18.1 million. Table 4 shows the estimated change in transition costs.

Table 4: Change in Networx Transition Program Cost Estimates as a Result of Delays (dollars in millions)

Cost element	2004 estimate	Updated estimate	Difference
Contractor support	\$35.0	\$87.3	\$52.3
Nonrecurring charges	\$62.4	\$58.4	- 4.0
Other transition-related costs	\$54.1	\$54.1	0.0
GSA program management staff	not included	\$10.3	\$10.3
GSA program support systems	not included	\$ 7.8	\$ 7.8
Total cost	\$151.5	\$217.9	\$66.4

Source: GAO analysis of GSA data.

Note: The updated estimate includes December 2010 actual and projected costs for transition contractor support through fiscal year 2013, nonrecurring charges, and other related costs; and GSA's March 2013 estimates for its program management and support systems costs for the period June 2010 through March 2013.

In addition to the added transition costs incurred as a result of the delays, agencies likely paid about \$329 million more for similar services by staying on the FTS2001 contracts longer. According to GSA's most recent analysis, in April 2010, the rate of savings agencies could achieve through a move to Networx was 28.4 percent. Agencies spent about \$1.2 billion on FTS2001 services between July 2010 and March 2013, the period in which transition delays occurred. Applying GSA's calculated savings rate to the amount spent on FTS2001 services, we estimate that agencies could have saved about \$329 million.

GSA Documented Lessons Learned but Has Not Effectively Archived, Shared, and Applied Them

The use of lessons learned is a principal component of an organizational culture committed to a continuous improvement, which serves to communicate acquired knowledge more effectively and to ensure that beneficial information is factored into planning, work processes, and activities. Lessons learned provide a powerful method of sharing good ideas for improving work processes, quality, and cost-effectiveness.

We have identified six key practices that can be used to identify and apply lessons learned. They include (1) collecting information, (2) analyzing the information collected to identify lessons that lead to recommendations, (3) validating the accuracy and applicability of lessons to other projects, (4) archiving the lessons, (5) sharing and disseminating lessons, and (6)

deciding to invest resources to apply lessons learned. Table 5 provides a description of each of these lessons learned key practices.¹⁷

Table 5: Description of Lessons Learned Key Practices

Practice	Description
Collect information	Capture data through activities such as project critiques, written forms, interviews of participants, and direct observation.
Analyze the information collected to identify lessons that lead to recommendations	Analyze information collected to determine root causes and identify appropriate actions, and result in lessons that lead to recommendations.
Validate the accuracy and applicability of lessons to other projects	Verify the accuracy of lessons and their applicability to other projects.
Archive the lessons	Store lessons in a manner—such as in an electronic database—that allows users to perform information searches using key words and functional categories. The database should also provide a logical system for organizing information that is easily retrievable and made available to any requester. In addition, archiving should be done on an ongoing basis to avoid becoming cumbersome and irrelevant.
Share and disseminate lessons	Disseminate lessons learned through a variety of communication media, such as briefings, bulletins, reports, e-mails, websites, database entries, the revision of work process or procedures, and training. For example, lessons can be disseminated through automated delivery or by having a user search the database.
Prioritize and apply lessons learned	Management determines whether to commit resources to a particular lesson. The decision focuses efforts on determining the most important issues on which to apply limited resources. Issues are prioritized by rank from most important to least important in order to determine where the greatest impact will be. Under a benefit-cost analysis, some recommendations coming out of the lessons-learned process may simply be too costly to implement.

Sources: GAO and Center for Army Lessons Learned Handbook.

GSA collected, analyzed, and validated lessons learned, and partially archived and shared them. However, it has yet to prioritize and apply lessons learned. Table 6 summarizes the extent to which GSA satisfied the lessons learned key practices.

¹⁷GAO, *Federal Real Property Security: Interagency Security Committee Should Implement a Lessons Learned Process*, [GAO-12-901](#) (Washington, D.C.: Sept. 10, 2012). We identified the lessons learned practices primarily using our previous work reported in GAO, *NASA: Better Mechanisms Needed for Sharing Lessons Learned*, [GAO-02-195](#) (Washington, D.C.: Jan. 30, 2002) and a report from the Center for Army Lessons Learned, *Establishing a Lessons Learned Program: Observations, Insights, and Lessons* (Fort Leavenworth, Kans.: June 2011). The practices we identified are based on research, interviews, and experience.

Table 6: Extent to which GSA Satisfied the Lessons Learned Key Practices

Practice	Satisfied?
Collect information	●
Analyze the information collected to identify lessons that lead to recommendations	●
Validate the accuracy and applicability of lessons to other projects	●
Archive the lessons	◐
Share and disseminate lessons	◐
Prioritize and apply lessons learned	○

Key:

- GSA satisfied the criteria.
- ◐ GSA has partially satisfied the criteria.
- GSA has not satisfied the criteria.

Source: GAO Analysis of GSA data.

GSA collected information. GSA collected information during meetings with agencies, vendors, and GSA employees from June 2009 until November 2010. It also collected information through a study conducted by Deloitte Consulting from March 2011 through September 2011. The study included 92 interviews with 117 stakeholders, including GSA personnel, customer agencies, vendors, and OMB officials. In addition, Noblis, a contractor that provided GSA project management services, provided GSA a lessons-learned report. The report was a critique of the program, based on the contractor’s experiences supporting it.

GSA analyzed the information collected and identified lessons that led to recommendations. The Deloitte study resulted in a July 2012 report that identified 27 lessons learned and made 94 recommendations. The lessons and associated recommendations were arranged by strategic themes, such as acquisition efficiency, tailored customer service, operational efficiency, customer partnership, and aggregated requirements. According to the study, one of the lessons learned was that agencies found it difficult to make fair opportunity decisions, a mandatory component of which is price, using the Networx Unit Pricer tool. This lesson learned resulted in recommendations that GSA should simplify contract structure, pricing, and communication. In addition, the report included a recommendation that GSA should consider making fair opportunity decisions for some agencies as part of the original contract award.

GSA validated the accuracy and applicability of lessons to other projects. GSA validated the lessons learned at meetings held in 2012 between GSA officials and government stakeholders. For example, in September 2012, GSA discussed the lessons learned with agency chief information officers, who verified their accuracy and applicability. In addition, in December 2012, GSA officials discussed lessons learned with the NS2020 Interagency Advisory Panel. GSA officials also reported that they conducted individual meetings and teleconferences about lessons learned with agency executives from the Departments of Defense, Homeland Security, and Justice.

GSA partially archived lessons. Specifically, GSA established a Network transition lessons-learned database, which according to the Federal Acquisition Service Acting Commissioner's May 2010 statement before the House Committee on Oversight and Government Reform, was intended to be used to collect lessons learned from the transition and efficiently analyze and easily report them. The database includes fields for title, functional category, identification number, description, submission date, and recommendation. As of May 2013, it included 38 records, 5 of which have associated recommendations. However, the database has not been updated since November 2010 and does not include any of the information from GSA's July 2012 lessons-learned report. For example, the database was not updated with information about the need for network services expertise that was described in the July 2012 lessons-learned report. GSA officials explained that they had not considered it practical to update the database with the detail that is in the report. Nonetheless, GSA could populate its database with enough information about each of the lessons learned to allow those responsible for planning and implementing the next telecommunications transition to search the database and access key information about the lessons. Moreover, updating the database on an ongoing basis would help ensure that the process is not cumbersome and new information is readily available to stakeholders when the next telecommunications transition begins.

GSA partially shared and disseminated lessons learned. GSA shared briefings of lessons learned with agencies and OMB. However, its July 2012 lessons-learned report is designated "for official use only," and GSA has not made the information in it readily available to agencies and other transition stakeholders. According to GSA officials, the report is designated this way because the agency does not want attribution of the interview responses discussed in the report to be disclosed. Further, access to the report is controlled by the NS2020 program manager. GSA officials reported that they intend to only share the lessons learned with

program managers and contracting officers who will be developing the acquisition plans for the next telecommunications acquisition. While we agree that it is important to respect the potentially sensitive result of disclosing attribution, such information would not need to be disclosed in the lessons-learned database.

By making information on lessons learned readily available to stakeholders through a database that is updated on an ongoing basis, GSA would enhance the efforts of those responsible for the next transition and their ability to avoid the recurrence of past mistakes.

GSA has yet to prioritize and apply its lessons learned. It has not established a process for determining the most important issues to which to apply limited resources. Specifically, neither its lessons-learned management plan nor its lessons-learned process analysis¹⁸ discusses how the agency has prioritized or plans to prioritize lessons learned by importance in order to determine which lessons it will invest limited resources in addressing. Also, while the draft NS2020 strategic plan stated that it incorporated 63 of 94 recommendations, it does not describe how it was determined which ones to incorporate. GSA officials stated that they plan to incorporate the remaining recommendations in other NS2020 strategic planning documentation and have already begun investing resources to apply lessons learned. For example, GSA is investigating improvements in the Network contract modification life-cycle process and improving Office of Network Services Programs support systems. However, GSA officials agreed that they did not have a plan for prioritizing its lessons learned. Moreover, GSA has yet to fully apply lessons learned to its next transition because it is still in the process of developing its next transition strategy. GSA plans to finalize the NS2020 strategic plan by the end of 2013 and then develop its acquisition plans. According to its lessons-learned management plan, each program manager responsible for an acquisition plan is to check to ensure that the lessons captured in the July 2012 report have been applied. Until it determines which lessons learned are the most important and the order in which to apply them, GSA lacks assurance that it is using its limited resources to address the lessons that would provide the most benefit for the cost.

¹⁸In July 2013, GSA analyzed its lessons-learned activities relative to the key lessons-learned practices we identified.

Conclusions

Given that the federal government invests at least \$1.4 billion in telecommunications services annually, GSA has an important role to play in assisting agencies in acquiring these services in an efficient and cost-effective manner. However, the complexity of the process for transitioning to Networx, which was compounded by a decline in telecommunications expertise at the agencies as well as weaknesses in project planning, contributed to delays in agencies' transition to Networx. This in turn resulted in increased transition costs, missed savings, and delays in implementing new technologies. To its credit, GSA has studied the Networx transition and documented lessons learned. In light of the complexity of telecommunications services and the transition process, studying potential government-wide shortfalls in telecommunications expertise and providing agencies with additional guidance on transition project planning could help ensure that the next telecommunications transition proceeds more smoothly. In addition, it is important for GSA to effectively apply lessons learned from Networx to future transitions. In particular, ensuring that the agency's lessons-learned database is fully populated and that these lessons are prioritized and applied to future transitions will assist GSA and agencies in planning and executing the next telecommunications transition.

Recommendations for Executive Action

To improve planning and execution of the next telecommunications transition, we recommend that the Administrator of General Services take the following actions:

- in coordination with the Office of Personnel Management, examine potential government-wide telecommunications expertise shortfalls and use the study to shape the NS2020 strategic approach, and
- ensure that project planning guidance to agencies on the future transition calls for establishing transition plans with detailed time lines that take into account priorities relative to agencies' mission-critical systems, contingency plans, and identified risks, and are updated to reflect the current status and endpoint of the transition.

In addition, we recommend the Administrator take the following three actions related to GSA's lessons-learned process:

- populate and maintain on an ongoing basis the agency's transition lessons-learned database with the lessons GSA has identified and make it available for user searches by those involved in developing the next transition strategy;

-
- prioritize the lessons, taking into particular consideration the factors we reported as contributing to delays, and determine the resources needed to apply them; and
 - ensure that the lessons are applied, based on priority and available resources, to the next transition strategy.

Agency Comments and Our Evaluation

We provided a draft of our report to GSA, the Office of Personnel Management, SSA, the Department of Defense, and OMB.

In written comments, GSA stated that it agrees with our findings and recommendations and will take appropriate action. The letter is reproduced in appendix II.

A Senior Analyst from the Office of Personnel Management's office of Internal Oversight and Compliance responded via e-mail that the agency concurred with the recommendation and is prepared to support GSA in its efforts to examine the potential telecommunications expertise shortfalls discussed in the report.

In written comments, SSA stated that it did not agree that our statement that agencies tended to transition easier items first to demonstrate progress before they transitioned items that needed a long lead time applied to SSA. Specifically, the agency stated that it did not delay the transition of more complex requirements to demonstrate progress on simpler requirements and that it had begun its overall transition activities concurrently. We do not dispute this statement regarding SSA. Instead, our concern was with the agency's lack of an integrated transition time line. Our point about transitioning easier items before more complex ones applied across the government but not necessarily to each individual agency. SSA's letter is reproduced in appendix III.

An official from the DOD Inspector General's Office of Communications and Congressional Liaison responded via e-mail that department had no comments on our draft report. In addition, a Paralegal Specialist from OMB's General Counsel Office responded via e-mail that the agency had no comments at this time on our draft report.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time we will send copies to other interested congressional committees; the Administrator of General Services; the Secretaries of the Department of Defense and the Army; the Administrator of the Social Security Administration, and the Directors of the Office of Management and Budget and the Office of Personnel Management. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff members have any questions about this report, please contact me at (202) 512-4456 or chac@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made contributions to this report are listed in appendix II.



Carol R. Cha
Director
Information Technology Acquisition Management Issues

Appendix I: Objectives, Scope, and Methodology

Our objectives were to determine (1) what factors contributed to the delay in transitioning services to Networx and the consequences the federal government experienced as a result of the delayed transition, and (2) to what extent the General Services Administration (GSA) is documenting and applying lessons learned as it prepares for the next telecommunications contract transition.

To identify factors contributing to transition delays, we analyzed key GSA Networx programmatic documentation, including various management briefings and reports, transition plans and status reviews, and program risk logs. We also assessed GSA's lessons-learned documentation, including Deloitte Consulting's September 2011 Lessons Learned Report, and GSA's July 2012 Network Services Programs Lessons Learned Report and September 2012 Networx Lessons Learned Report, which were based on Deloitte's study. Deloitte Consulting analyzed stakeholder feedback on the Networx transition, and GSA incorporated the results of the study into its reports. In addition, we analyzed relevant statutes, the Federal Acquisition Regulation, and GSA guidance about the fair opportunity process to understand its impact on the transition.

To help address the first objective, we also selected two agencies—the U.S. Army Corps of Engineers and the Social Security Administration (SSA)—for case study review, based on the extent of delay in transitioning and the amount spent on telecommunications. Specifically, as of November 2012, these two agencies had the most FTS2001 services remaining to be disconnected. The Army Corps of Engineers had about 16 percent of its services remaining and SSA had about 9 percent of its services remaining. In addition, according to GSA documentation, in fiscal year 2011, SSA had the third-highest spending (behind the Departments of Defense and Homeland Security) on FTS2001 and Networx, which was about \$121 million, while the Corps spent about \$15 million (the 12th-highest spending). Although the results from these two agencies may not be generalized to all agencies, they provide examples of the factors contributing to the delay in transitioning and the consequences thereof.

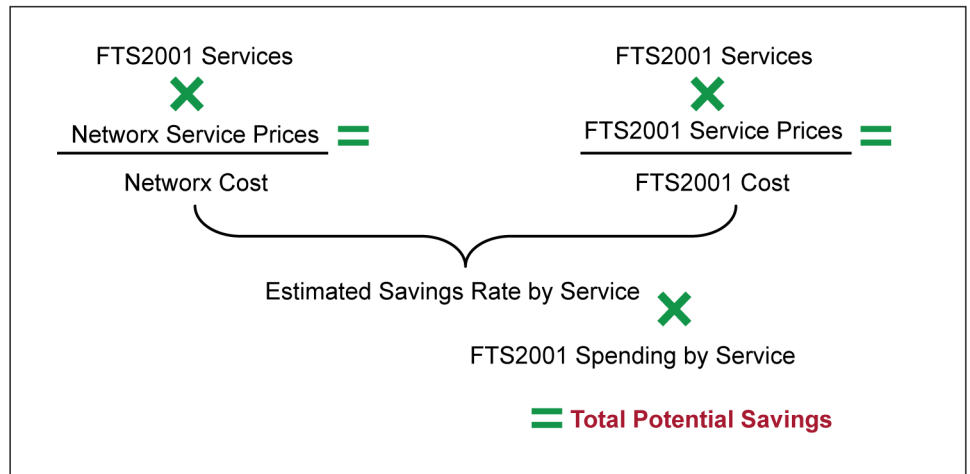
We relied on our past work on the FTS2000-to-FTS2001 transition and FTS2001-to-Networx transition, as well as on project planning and

management, to identify transition project best practices.¹ We compared SSA's and U.S. Army Corps of Engineers' transition plans with key best practices. We also assessed their project status and risk reports, and analyzed SSA's contractor performance reports for one of its transition component projects.

To identify consequences occurring as a result of the delays, we determined the extent to which GSA incurred additional costs and the extent to which agencies missed savings. Specifically, we compared GSA's latest transition cost estimates with its 2004 cost estimate. We also assessed GSA's April 2010 analysis of the federal government's potential savings resulting from transitioning from FTS2001 to Networx. (Figure 4 illustrates GSA's analysis.) Specifically, GSA calculated that agencies could save 28.4 percent of the cost of FTS2001 services by moving those services to Networx. For example, using this savings rate, it determined that in January 2010, agencies could have saved \$22.4 million that month. To assess the reasonableness of GSA's savings rate calculation, we conducted a detailed walkthrough of the formula, analysis, and supporting documentation with GSA Networx Program officials. From this exercise, we determined GSA's estimated savings rate to be sufficiently reliable for the purpose of this audit.

¹GAO, *FTS2001: Transition Challenges Jeopardize Program Goals*, [GAO-01-289](#) (Washington, D.C.: Mar. 30, 2001); *Telecommunications: Full Adoption of Sound Transition Planning Practices by GSA and Selected Agencies Could Improve Planning Efforts*, [GAO-06-476](#) (Washington, D.C.: June 6, 2006); *Telecommunications: Agencies Are Generally Following Sound Transition Planning Practices, and GSA Is Taking Action to Resolve Challenges*, [GAO-08-759](#) (Washington, D.C.: June 27, 2008); and *GAO Schedule Assessment Guide: Best Practices for Project Schedules*, exposure draft, [GAO-12-120G](#) (Washington, D.C.: May 30, 2012).

Figure 4: GSA's Analysis of Potential Savings



Source: GAO analysis of GSA data.

To calculate savings agencies may have missed by remaining on FTS2001 after the transition was to be complete (i.e., as of July 2010), we applied the 28.4 percent savings rate to total agency spending on FTS2001 services between July 2010 and March 2013, as reported by GSA.

To assess the reliability of the cost data, we tested the data to identify obvious problems with completeness or accuracy and interviewed GSA Networkx Services Program officials about the data, the automated systems used to collect them, and processes in place to verify them. For the purposes of our report, we determined that the cost data were sufficiently reliable. We did not test the adequacy of GSA's cost accounting systems. Our evaluation of these cost data was based on what we were told by GSA and the information the agency could provide.

We also reviewed government-wide plans that involved the use of Networkx to determine the extent to which delays contributed to non-financial consequences. Specifically, we assessed documentation on the Office of Management and Budget's (OMB) plans for implementing the Trusted Internet Connection relative to the progress of the Networkx transition.

To determine the extent to which GSA is documenting and applying lessons learned, we compared GSA's lessons learned process with key activities we previously identified as best practices. These key practices

are discussed in a September 2012 GAO report, *Federal Real Property Security: Interagency Security Committee Should Implement a Lessons Learned Process*, and in the U.S. Army's Lessons Learned Center's *Establishing a Lessons Learned Program: Observations, Insights, and Lessons*.² We compared GSA's lessons-learned documentation, including its lessons-learned reports, lessons-learned management plan, lessons-learned database, and lessons-learned process analysis with these key practices. Based on our analysis, we assessed whether GSA satisfied, partially satisfied, or had not satisfied the key practices. "Satisfied" means GSA provided complete evidence that satisfied the entire criteria. "Partially satisfied" means GSA provided evidence that satisfied a portion of the criteria. "Not satisfied" means GSA provided no evidence that satisfies any of the criteria.

For both objectives, we met with GSA, OMB, SSA, and U.S. Army Corps of Engineers officials, and representatives from all of the FTS2001 and Networkx contractors, including Sprint, Verizon, AT&T, CenturyLink, and Level 3 Communications.

We conducted this performance audit from December 2012 to December 2013, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

²GAO, *Federal Real Property Security: Interagency Security Committee Should Implement A Lessons Learned Process*, [GAO-12-901](#) (Washington, D.C.: Sept. 10, 2012) and Center for Army Lessons Learned, *Establishing a Lessons Learned Program: Observations, Insights, and Lessons* (Fort Leavenworth, Kans.: June 2011).

Appendix II: Comments from the General Services Administration



The Administrator

November 18, 2013

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Dodaro:

The U.S. General Services Administration (GSA) appreciates the opportunity to review and comment on the draft report, "GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays" (GAO-14-63). The U.S. Government Accountability Office (GAO) recommends that GSA examine potential Governmentwide expertise shortfalls, and that it provide agencies guidance on project planning and fully archive, share, and prioritize lessons learned.

We agree with the findings and the recommendations in the draft report and will take appropriate action. The recommendations include:

- examine potential Governmentwide telecommunication expertise shortfalls and use the study to shape the NS2020 strategic approach;
- ensure that project planning guidance to agencies on the future transition calls for establishing transition plans with detailed timelines that take into account priorities relative to agencies' mission-critical systems, contingency plans, and identified risks, and are updated to reflect the current status and endpoint of the transition;
- populate and maintain on an ongoing basis the agency's transition lessons learned database with the lessons GSA has identified and make it available for user searches by those involved in developing the next transition strategy;
- prioritize the lessons, taking into particular consideration the factors GAO reported as contributing to delays, and determine the resources needed to apply them; and
- ensure that the lessons are applied, based on priority and available resources, to the next transition strategy.

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405
Telephone: (202) 501-0800
Fax: (202) 219-1243

**Appendix II: Comments from the
General Services Administration**

If you have any additional questions or concerns, please do not hesitate to contact me at (202) 501-0800 or Ms. Lisa Austin, Acting Associate Administrator, Office of Congressional and Intergovernmental Affairs, at (202) 501-0563.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Dan Tangherlini', with a stylized flourish at the end.

Dan Tangherlini
Administrator

Appendix III: Comments from the Social Security Administration



SOCIAL SECURITY
Office of the Commissioner

November 18, 2013

Ms. Carol R. Cha
Director, Information Technology Acquisition
Management Issues
United States Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Ms. Cha:

Thank you for the opportunity to review the draft report, "TELECOMMUNICATIONS: GSA Needs to Share and Prioritize Lessons Learned to Avoid Future Transition Delays" (GAO-14-63). We have enclosed our response to the audit report contents.

If you have any questions, please contact me at (410) 966-9014. Your staff may contact Gary S. Hatcher, Senior Advisor for Records Management and Audit Liaison Staff, at (410) 965-0680.

Sincerely,

A handwritten signature in black ink that reads "Katherine Thornton".

Katherine Thornton
Deputy Chief of Staff

Enclosure

SOCIAL SECURITY ADMINISTRATION BALTIMORE, MD 21235-0001

**COMMENTS ON THE GOVERNMENT ACCOUNTABILITY OFFICE DRAFT
REPORT, "TELECOMMUNICATIONS: GSA NEEDS TO SHARE AND PRIORITIZE
LESSONS LEARNED TO AVOID FUTURE TRANSITION DELAYS" (GAO-14-63)**

GENERAL COMMENTS

When discussing the transition to Networx, the Government Accountability Office (GAO) states, "agencies tended to transition easier items first, to demonstrate progress, before they transitioned items that needed a long lead time...." (see the Highlights page). GAO makes a similar statement on page 18.

We do not agree with the statement for our specific transition activities. In the report, GAO acknowledges we had multiple telecommunications requirements packages that could not be bundled into one competition. We did not delay the transition of more complex requirements to "demonstrate progress" on simpler requirements. We began our overall transition activities concurrently. The completion of "simpler" sets of requirements occurred first because they contained simpler requirements that took less time.

Appendix IV: GAO Contact and Staff Acknowledgments

GAO Contact

Carol R. Cha at (202) 512-4456 or chac@gao.gov

Staff Acknowledgments

In addition to the contact named above, Eric Winter (Assistant Director), Melina Asencio, Virginia Chanley, Cheryl Dottermusch, Franklin Jackson, Lee McCracken, Jena Sinkfield, and Jack Wang made key contributions to this report.

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