APPENDIX IV

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Also, the coordination of stock requirements and monitoring of stock levels could offset some of the advantages of inventory consolidation.

[22]1

With regard to the recommendation on page 34b, we consider the joint development of specifications or the mutual use of existing specifications as an important element of the increased interagency cooperation advocated by this report.

We acknowledge the need for improvement of our reporting system on field station acquisitions, as recommended on page $40.^{[28]}$ With reference to the recommendation on page $50.^{[33]}$ the VA will utilize such service exclusively when the Food and Drug Administration is capable of performing inspections on a timely basis and furnishing us with copies of its reports.

With reference to the leadership role of the Office of Management and Budget, we have been informed that all OMB personnel involved with supply programs and management were recently transferred to the General Services Administration. This reorganization could have a marked effect on future interagency coordination efforts.

On page 13 of the report, 182 is listed as the number of medical facilities supported by VA; apparently, no credit has been given to our serving other civil agencies, under the GSA assignment, which would raise the VA total to approximately 450. Also, on the same page, under the "Drug Inventory" entry, it should be noted that VA's central stocks are turned four times a year, instead of twice as is the case with the Defense Personnel Support Center.

On page 14 of the report, reference is made to a review which preceded a February 1971 agreement between the General Services Administration and the Department of Defense. Having understood, from involvement in studies previous to that date, that we, as a party of interest, would be involved in any future determinations, we were surprised by the February 1971