studies had been made, they had not led to a decision regarding unified management. The study was begun in January 1972. When we last appeared before this Subcommittee, the study group had completed its report and had made recommendations which were then being reviewed by the agencies involved. The recommendations closely paralleled those contained in our report.

In a memorandum dated June 4, 1974, to the heads of DOD, HEW, VA, and GSA, the Director, OMB formally approved the recommendations of the study group and requested that:

--The Administrator, GSA, establish an interagency committee under the leadership of GSA's Office of Federal Management Policy to develop a single system of management for the procurement and supply of medical items and nonperishable subsistence items. It is important to note that the recommendations of the OMB study group recognized that a single system of management did not require that all operational responsibility for a commodity be assigned to one agency as a single manager. Instead, the recommendations envisioned that the benefits of single managership were attainable through a system that built on the purchasing competence and experience which existed in the major buying agencies--DOD and VA.

--The Secretary, HEW, assume full responsibility for developing and, through FDA, implementing an Executive Branch plan for carrying out the study group's recommendation that a Government-wide quality assurance program for drugs and medical items be developed.

GSA

Soon after OMB's memorandum of June 4, 1974, a GSA-led interagency group was formed and work was begun to carry out the study's recommendations regarding the development of a single management system. In September 1974, a charter was