MAR 31 2010

PROCUREMENT MEMORANDUM 2010-07

ACTION

MEMORANDUM FOR:  BUREAU PROCUREMENT OFFICIALS
                    HEADS OF CONTRACTING OFFICES

FROM:  Helen Hurcombe
       Senior Procurement Executive and
              Director for Acquisition Management

SUBJECT:  Service Contract Inventory

Background
The Omnibus Appropriations Act for 2010, (Public Law 111-117), was signed into
law on December 16, 2009. Division C, section 743 of the Act strengthens the
Administration’s focus on better management of the multi-sector workforce by
requiring civilian agencies to create an annual inventory of services contracts and
evaluate whether work currently performed by contractors should be in-sourced.

Purpose
This Procurement Memorandum provides policy and guidance on developing the
Department of Commerce Service Contract Inventory as required by the
Omnibus Appropriations Act for 2010.

Applicability
The requirements of this policy are applicable to all Department of Commerce
service contracts awarded or extended through the exercise of an option on or
after April 1, 2010. For purposes of this policy, awards include all contracts, task
orders against Federal Supply Schedules, Indefinite-Delivery Indefinite-Quantity
Contracts, Government-wide Acquisition Contracts, and Multi-Agency Contracts.

Effective Date
This policy is effective April 1, 2010.

Required Actions
Each Senior Bureau Procurement Official (BPO) shall develop an inventory of
service contracts awarded on or after April 1, 2010. The template provided in
Appendix A – Contracted Services Report shall be used to capture the required
data elements as follows:
a. Contract/order number
b. Name of contractor
c. Total dollar amount obligated
d. Funding source for the contract
e. Date of award
f. Contract type
g. Whether the contract is a personal services contract
h. Whether the contract was awarded on a noncompetitive basis, regardless of the date of award
i. Place of performance
j. Total dollar amount invoiced for services under the contract
k. Name of office administering the contract
l. Name of office whose requirements are being met through contractor performance of the service
m. Number of direct labor contractor employees (expressed in terms of FTEs)
n. Location of direct labor contract employees
o. Number of direct labor subcontractor employees (expressed in terms of FTEs)
p. Location of direct labor subcontractor employees
q. Description of services purchased (provide plain language description)
r. Description of the role the services played in achieving agency objectives

Reporting and Oversight
Quarterly, beginning July 30, 2010, each Senior Bureau Procurement Official shall submit a cumulative report of service contracts awarded on or after April 1, 2010 to the Office of Acquisition Management (OAM). The Report submission shall include a certification by the BPO that:

- all service contract awards have been entered into the Federal Procurement Data System (FPDS);
- all personal services contracts have been entered into, and are being performed, in accordance with applicable laws and regulations;
- special management attention is being given to functions that are closely associated with inherently governmental functions;
- contractor employees are not used to perform inherently governmental functions;
- there are specific safeguards and monitoring systems in place to ensure that work being performed by contractors has not changed or expanded during performance to become an inherently governmental function;
- contractor employees are not used to perform critical functions in such a way that could affect the ability of the agency to maintain control of its mission and operations; and
- there are sufficient internal agency resources to manage and oversee contracts effectively;
Electronic copies of the report shall be submitted to Bill Voitk at wvoitk@doc.gov. In order to validate accuracy of the data submission, the Office of Acquisition Management will review the report against data provided in FPDS. The Office of Acquisition Management will consolidate the Department's annual inventory of service contracts and submit it to the Office of Management and Budget not later than December 31st each year.

If you have any questions, please contact Virna Evans at yevans@doc.gov or (202) 482-3483.

cc: Acquisition Community
    Acquisition Council