

U.S. Office of Special Counsel (OSC)

Analysis of FY 2013 Services Contract Inventory

December 12, 2013

This memorandum serves as the report on the OSC analysis of the FY 2013 service contract inventory and the use of contractors for special interest functions. When we conducted our inventory, there were zero contracts that were over the amount of the \$25,000.00, and that were included in OMB's illustrative list of Special Interest Functions.

A. Special Interest Functions studied by OSC

The OSC has three items over the minimum amount of \$25,000.00 for FY 2013:

Product or Service Code	Product or Service Description	Description of Requirement	total dollars obligated	Analysis
7690	MISCELLANEOUS PRINTED MATTER	ONLINE LEGAL SERVICES	\$46,818.00	Commercial; it is inherently non-governmental.
7030	ADP SOFTWARE	IGF::CL::IGF VLA FOR MICROSOFT PRODUCTS	\$30,912.08	Commercial; it is inherently non-governmental.
R710	SUPPORT-MANAGEMENT: FINANCIAL	OTHER FUNCTION IGF::OT::IGF FINANCIAL AUDIT SUPPORT	\$27,502.17	This was a service provided for, our agency financial statements audit, which by statute, must be performed by an outside commercial auditing firm.

B. Methodology used to support the analysis.

Looking at our contract functions in FY 2011, we had nine contracts that qualified as being above the \$25,000.00 limit, so our choice of contracts to study was based on the amount expended for the service provided. So we used price first, then the ability of any of our employees to perform the contracted service. This year with such a small amount of contracts being above \$25,000, we have reviewed all of these even though they were not on the list of Special Interest Functions.

C. Findings

The following findings are noted as a result of the OSC analysis:

- a. None of these three items was considered a special interest function for FY 2013.
- b. Of the three contracts above the dollar threshold, one is a subscription service and another is for software licenses; both of these are Commercial by their very nature and cannot be performed by the government. The third contract is for the annual Financial Audit and is required by law to be performed by an independent, commercial firm. Thus these contracts are not associated with inherently governmental functions, and cannot be performed by the government.
- c. These contracts are in ancillary support of the agencies mission, but not a central part of performing our core mission. Thus the agency is not using contractors/contract employees in such a way that could affect the ability of the agency to maintain control of its mission and operations.
- d. All of our new large item purchase orders are processed via assisted procurement agreement with the Interior Business Center, and OSC has no Contracting Officer among OSC staff. The Contracting Office function being under the control of the Interior Business Center provides checks and balances and reduces the likelihood that inherently government work would be disproportionately allocated to contractors to carry.

D. Actions Taken or Planned

OSC closely monitors all the services and product data provided annually by IBC every end of fiscal year. We receive a spreadsheet from IBC outlining these costs. We also run travel reports and purchase/travel card reports. Being such a small agency, our Chief Financial Officer is able to easily monitor all expenditures. Procurements will be done in consultation with the Human Resources Director to ensure there is no conflict with the agency's or governmental Human Capital plans or policies. We do not plan on taking any additional actions related to service contracts awarded with OSC funds.