

**Department of Housing and Urban Development
Planned Analysis of Fiscal Year (FY) 2014 Service Contract Inventory**

Background:

Section 743 of Division C of the Fiscal Year (FY) 2010 Consolidated Appropriations Act, P.L. 111-117 requires civilian agencies to prepare an annual inventory of their service contracts and to analyze the inventory to determine if the mix of Federal employees and contractors is effective or if rebalancing may be required.

Scope:

This planned analysis is submitted in accordance with Section 743 of Division C of the FY 2010 Consolidated Appropriations Act (P.L. 111-117) and the Office of Federal Procurement Policy Memorandum entitled "Service Contract Inventories" dated December 19, 2011. The Office of the Chief Procurement Officer (OCPO), Department of Housing and Urban Development (HUD) selected the following special Product or Service Code (PSC) functions from its FY 2014 Service Contract Inventory to be evaluated for further analysis:

Table 1: FY14 Service Inventory

PSC	Special Interest PSC Description	FY 2014 Dollars Obligated	% Total Obligations
D310	ADP BACKUP AND SECURITY SERVICES	\$1,429,651	<1%
D314	ADP ACQUISITION SUP SERVICES	\$3,949,467	1.3%
D307	AUTOMATED INFORMATION SYSTEM SERVICES	\$43,919,270	14.9%
R425	ENGINEERING AND TECHNICAL SERVICES	\$3,214,709	1.1%
R707	MANAGEMENT SERVICES/CONTRACT & PROCUREMENT SUPPORT	\$60,635	<1%
R408	PROGRAM MANAGEMENT/SUPPORT SERVICES	\$241,133,891	81.7%
R406	POLICY REVIEW/DEVELOPMENT SERVICES	\$1,362,000	<1%

HUD is electing, during this service contract inventory review, to research contracts associated with special interest functions identified by the Office of Management and Budget (OMB) in its 2010 memorandum where HUD has significant concerns about risk.

When establishing the total population of seventy-five (75) contracts for review (included on HUD's service contract inventory list submitted to MAX.gov with this plan), HUD only identified the above seven (7) PSC codes in its 2014 service contract inventory.

Methodology:

The analysis will be conducted by examining the most significant awards reported in the Federal Procurement Data System (FPDS) under the selected special interest PSCs, in addition to, utilizing findings from the RM&CU review of the data set selected and any lessons learned from prior and current Procurement Management Reviews, policies and initiatives. The population is seventy-five awards between the periods of October 1, 2013 through September 30, 2014 containing the specified PSC codes with obligations over \$25,000. The confidence level will be 100%.

For this review the OCPO Risk Management & Compliance Unit (RM&CU) plans to utilize the HUD Integrated Acquisition Management System (HIAMS) in the completion of its FY 2014 analysis. The tasks annotated in the Statement of Work (SOW) and or Performance-based Work Statement (PWS) contained within HIAMS will be compared against Federal Acquisition Regulation (FAR) Subpart 7.5 to determine if the contractors were performing inherently governmental functions. RM&CU will assess the labor categories to determine whether a program or project manager was included as part of the technical approach. Additionally, the coding associated with inherently government functions, found in the description of each identified FPDS record, will be scrutinized against the contract terms and conditions to ensure accuracy in reporting. Finally, pursuant to FAR Subpart 4.17, RM&CU will review the System for Award Management (SAM) to ensure contractor information on the amount invoiced and the direct labor hours expended on covered service contracts has been entered by the top ten contractors.

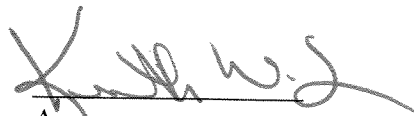
An analysis of the business size as a percentage of obligations within the population will also be calculated as part of the review.

Findings: (to be completed after the review is complete)

Actions taken or planned: (to be completed after the review is complete)

HUD Point of Contact:

If you have any questions, please contact Mr. Lawrence Chambers, Director, Risk Management and Compliance Unit, Office of Policy, Systems and Risk Management at (202) 402-6716, or at Lawrence.E.Chambers@hud.gov.



Approve

Disapprove

12/31/14
Date

Comments

Attachments