

January 2, 2015

Memorandum for the Executive Office of the President, Office of Management and Budget, Office of Federal Procurement Policy

FROM David P. Gragan, Senior Procurement Executive, Office of Procurement

SUBJECT Service Contract Inventory – FY 2014 Special Interest Functions for Analysis

The Executive Office of the President, Office of Management and Budget's (OMB) memoranda dated 05 November 2010 and 19 December 2011 on "Service Contract Inventories" requires civilian agencies to submit to the Office of Federal Procurement Policy (OFPP) an analysis of FY 2013 inventory, FY 2014 inventory, and planned analysis of selected Product Service Codes (PSC) for FY 2014, to be completed next year. The purpose of this memorandum is to identify FY 2014 service contract inventory and CFPB-specific special interest functions planned for analysis in FY 2015.

The FY 2014 service contract inventory is attached as Appendix B and Appendix C.¹ Appendix B includes the inventory of all service contracts over \$25,000 awarded by the CFPB or on the CFPB's behalf by the Bureau of the Fiscal Service (BFS) or the General Services Administration. Appendix C is a summary report of the CFPB's ten largest service contract obligations and special interest functions as identified by OMB. No additional special interest functions were identified by the CFPB that are not already listed on the summary report.

The below table identifies special interest functions from the CFPB's FY 2014 inventory which will be the subject of a focused analysis in FY 2015.

Product Service Code (PSC)	PSC Description	FY 2014 Obligation \$	% Total Obligations
R408	Support – Professional: Program Management/Support	\$25,853,343	18.96%
D304	IT & Telecommunications – Telecommunications and Transmission	\$22,960,594	16.84%

¹ Appendix labels are consistent with the standard inventory format and labels identified in OMB's memorandum dated 05 November 2010, "Service Contract Inventories."

The above PSCs were chosen because in FY 2014, they represented the two largest percentages of total service contract obligations. No other PSC was over 10%, with the next largest PSC, D309, at 8.1% of service contract expenditure. Thus, the decision was made to include the two largest, most significant PSCs for further analysis. Furthermore, PSC R408 (Support – Professional: Program Management/Support), is included on the list of OMB's special interest functions. As part of the FY 2014 inventory analysis, the CFPB will monitor/evaluate contracted services to determine whether contractor personnel perform critical agency functions that could affect the CFPB's ability to maintain control of its mission and operations.

In FY 2014, the CFPB incurred obligations for four (4) of the OMB-identified special interest functions – D302, D307, R408, and R707. Of the OMB-identified special interest functions, the CFPB has selected the most significant PSC, R408, for further analysis in the next fiscal year. As PSC D302 (IT and Telecom – Systems Development) was selected for study the prior year, it was omitted from this selection in favor of the two PSCs with significantly larger contract obligations. PSC D307 (IT and Telecom – IT Strategy and Architecture) and PSC R707 (Contract, Procurement and Acquisition Support Services) encompassed only 5.27% and .19% of service contract obligations in FY 14, and were thus not selected for further analysis.

Questions regarding this memorandum may be referred to Scott Yurcheshen (202-435-9650; email: Scott.Yurcheshen@cfpb.gov) or Hoa Crews (202-435-7422; email: Hoa.Crews@cfpb.gov).

Enclosures:

Appendix B Service Contract Inventory
Appendix C Service Contract Inventory Summary