



May 18, 2017

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, Consumer Financial Protection Bureau, Office of Procurement
SUBJECT	Service Contract Inventory – FY 2016 Service Contract Inventory and Planned Analysis and FY 2015 Service Contract Inventory Analysis

Section 743 of Division C of the FY 2010 Consolidated Appropriations Act, Pub. L. 111-117, and 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” require civilian agencies to submit data on an annual basis with respect to service contract inventories, as follows¹:

- 1) An analysis of FY 2015 inventory,
- 2) Planned analysis of selected Product Service Codes (PSC) for FY 2016 (analysis to be completed in FY 2017).

The purpose of this memorandum is to identify the FY 2016 service contract inventory and CFPB-specific special interest functions planned for analysis in FY 2017, and the FY 2015 service contract inventory analysis.

Attachment 1 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.

¹ See also, Sept. 20, 2016 memo on “FY 2016 Service Contract Inventories” from Anne Rung, Administrator for Federal Procurement Policy.

Table 1 identifies special interest functions from the CFPB's FY 2016 inventory which will be the subject of a focused analysis in FY 2017.

TABLE 1: FY 2015 SPECIAL INTEREST FUNCTIONS FOR ANALYSIS IN FY 2016

Product Service Code (PSC)	PSC Description	FY 2016 Obligation \$	% Total Obligations
D399	IT and Telecom – Other IT and Communications	\$33,193,871	17%
R701	Support – Management: Advertising	\$15,657,018	8%
R711	Support – Management: Banking	\$13,219,504	7%

Two of the top three PSCs by obligation for FY 2016 were chosen for FY 2015 analysis (D304 and C1AA) and so we have excluded those PSCs this year. We selected PSC D399 because it represents the single largest service contract PSC obligation for FY 2016. We also selected R701 and R711 since these PSCs fell within the top five by obligation and encompass key mission-critical functions unique to our agency: promoting awareness of our agency and the services we offer, and returning money directly to harmed consumers.

In FY 2016, the CFPB incurred obligations for five of the OMB-identified special interest functions – D302, D307, R408, R423, and R707 – as shown in Attachment 1. Three of these (D302, D307, and R408) also appear among the top ten PSCs by obligation and may be considered for analysis in a future report.

As part of the FY 2016 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.

Attachment 2 is the FY 2015 Service Contract Inventory Analysis.

Questions regarding this memorandum may be referred to Joshua Galicki (email: Joshua.Galicki@cfpb.gov) or Karen Morris (email: Karen.Morris@cfpb.gov).

Enclosure(s)

Attachment 1: FY 2016 Service Contract Inventory Summary

Attachment 2: FY 2015 Service Contract Inventory Analysis