

PRETRIAL SERVICES AGENCY  
FOR THE DISTRICT OF COLUMBIA

**Report on FY 2014 Inventory**

**Background**

The Consolidated Appropriations Act of 2010 requires civilian agencies to annually submit to the Office of Management and Budget (OMB) an inventory and analysis of service contract actions beginning in fiscal year (FY) 2010. This analysis focuses on the special interest functions identified by the Agency for FY 2014 and includes:

- **Scope:** A description of the special interest functions studied by the agency, the dollars obligated to those specific product or service codes (PSCs) in FY 2014 and the rationale for focusing on the identified functions.
- **Methodology:** A description of the methodology used by the agency to support the analysis.
- **Agency Findings:** The findings, including a brief discussion of the extent to which the desired outcomes described in section 743(e)(2) of the Act are being met.
- **Actions taken or planned:** Identifies steps the agency has taken or plans to take to address any identified weaknesses or challenges.
- **Accountable official:** Identifies the official within the agency who is accountable to help ensure appropriate management attention and responsiveness.

**Scope**

For fiscal year 2014, PSA identified two special interest functions to analyze, which are identified in Table 1 below.

PSC	Product or Service Description	FY 2014 Obligations
D399	IT and Telecom – Other IT and Telecommunications	\$1,198,031
G004	Social-Social Rehabilitation	\$1,394,037

Table 1 – FY 2014 Special Interest Functions Selected for Further Analysis

PSC D399 was selected for further analysis due to the fact that it accounted for 40% of the Agency's total reportable service contract dollars. PSC G004 was selected for further analysis due to the fact that it represents 46% of the Agency's total reportable service contract dollars. Additionally, PSC G004 includes the only contract within PSA's service inventory which is awarded on other than a fixed price basis.

The purpose of the analysis is to ensure that:

- Each contract in the inventory that is a personal services contract has been entered into, and is being performed, in accordance with applicable laws and regulations;
- The Agency is giving special management attention to functions that are closely associated with inherently governmental functions;
- The Agency is not using contractor employees to perform inherently governmental functions;

- The Agency has 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 functions;
- The Agency is not using contractor employees 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.

In determining which contracts to include in the analysis, PSA took into account the number of contract actions awarded within each PSC as well as the total obligation and complexity of each. PSA selected two contract actions in PSC D399 and one contract action in PSC G004 for further analysis. A summary of how PSA selected the contracts to be reviewed is provided below:

#### PSC D399:

A total of five reportable contract actions were awarded within this PCS for a total obligation of \$1,198,031, representing 40% of the Agency's reportable service contract inventory. The two contract actions identified for further analysis were selected based on dollar value and complexity. The two contracts selected are for location monitoring services and consulting services for an electronic document and records management system needs analysis. Combined, these two contract actions have an award value of \$1,000,667.

#### PSC G004:

A total of twenty-seven reportable contract actions were awarded within this PSC for a total obligation of \$1,394,037, representing 46% of the Agency's reportable service contract inventory. This PSC includes four Indefinite Delivery/Indefinite Quantity (IDIQ) contracts and one contract issued on a Labor-Hour (LH) Basis. The IDIQ contracts were thoroughly reviewed in previous reports and therefore were not selected for further analysis. The LH contract was selected for further analysis based on the contract type and the higher risk the contract presents to the agency. The LH contract had an estimated value of \$149,680 in FY 2014.

### **Methodology**

For this analysis, a combination of methods and tools were employed, to include review of contract files and interviews with PSA Contracting Officers (COs) and Contract Specialists (CS) who have the authority to administer contracts and Contracting Officer Representatives (CORs) who oversee and manage the program(s).

### **Agency Findings**

#### PSC D399:

For fiscal year 2014, the inventory included five reportable contract actions with two selected for further analysis based on dollar value and complexity. The two contracts selected are for location monitoring services and consulting services for an Electronic Document and Records Management System.

PSA's location monitoring contract, number PSA13004511, requires the contractor to provide location monitoring services for approximately 470 defendants under pretrial community supervision. Services include installation, removal, maintenance, retrieval and accounting for all monitoring equipment. Services provided under this contract are not considered critical in such a way that could affect the ability of the agency to maintain control of its mission and operation. However, the location monitoring services provided under this contract do play an integral part in the overall supervision of the pretrial defendants. The service provided by the contractor is not considered an inherently governmental function. Contract personnel were not subject to (either by the contract's terms or by the manner of its administration) the supervision and control usually prevailing in relationships between the Government and its employees. Based on the complexity of services provided two Contracting Officer's Representatives (COR's) were assigned to assist in the management and administration of this contract. Additionally, the Contracting Officer and COR's meet no less than monthly with other members of the program office and contractor key personnel to discuss contractor performance and identify areas needing additional monitoring.

PSA's inventory also included one contract for consulting services for an Electronic Document and Records Management System (EDRMS), contract number PSA14006713. Services provided under this contract called for consulting services and records management expertise to specifically analyze existing IT system capabilities and business processes as it pertained to electronic records life-cycle management consistent with 5015.2 requirements as adopted by the National Archives and Records Administration (NARA) to support an EDRMS selection and implementation plan. Services provided are not considered critical functions in such a way that could affect the ability of the agency to maintain control of its mission and operation. The service provided by the contractor is not considered an inherently governmental function. Contract personnel were not subject to (either by the contract's terms or by the manner of its administration) the supervision and control usually prevailing in relationships between the Government and its employees. No special management attention, beyond standard contract administration by the CO and COR was warranted or given.

#### PSC G004:

PSA's inventory for this PSC included four IDIQ contracts and one labor hour contract. The IDIQ contracts have been thoroughly reviewed in a previous analysis and was not included in this year's review. Although the single labor hour contract had also been reviewed in the previous year, the higher risk this type contract represents warrants annual review.

Services provided under the labor hour contract include mental health services (psychotherapy) to trauma-impacted defendants, as well as psychological testing and services to defendants suffering from mental illness, substance related disorders, co-occurring substance use and mental health disorders, or emotional distress secondary to personality disorders. Services are not considered to be a critical function in such a way that could affect the ability of the agency to maintain control of its mission and operations. Services provided under this contract are performed by a psychologist; and while the services are not considered an inherently governmental function (IGF), they could be provided by a government employee within the Psychology Series, GS-0180. For this reason, the services provided under this contract were considered Closely Related to IGF. Services rendered by the contractor were not subject to (either by the contract's terms or by the manner of its administration) the supervision and control usually prevailing in relationships between the Government and its employees. The contract was issued as a non-personal services contract. Due to the potential risks of a labor-hour contract, additional management attention was provided. Services provided for under this

contract were for group sessions scheduled by the Government and conducted at a Government facility. Performance was monitored by the COR and others within the program office. Contract administration, to include review of billable hours invoiced, was conducted by the CO, COR and program office.

Given the psychologist services could be provided by a Government employee within the GS-0180 series, further analysis was conducted to determine if the agency has the proper mix of Government and contractor employees and more specifically, if consideration should be given to convert the services from being contracted to performance by a federal full time employee.

For fiscal year 2014, the contractor billed 1283.5 hours at an hourly rate of \$100, for a total of \$129,267. The cost for a full time federal employee, in the GS-0180 series for 2014 is estimated to be \$131,391. The basis for the federal FTE assumes a General Schedule (GS) employee at a grade 13 (Step 2) with an annual 2014 salary of \$93,851 (includes locality pay for the Washington DC area). The federal rate also assumes a 40% labor burden of \$37,540. Based on these preliminary findings, it is determined to be in the best interest of the Government to continue contracting for the part-time psychologist services.

#### Summary of Findings:

Based on the analysis, the agency has determined that:

- The Agency has no personal services contracts;
- The Agency is giving special management attention to functions that are closely associated with inherently governmental functions;
- The Agency is not using contractor employees to perform inherently governmental functions;
- The Agency has 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 functions;
- The Agency is not using contractor employees 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.

#### **Actions Taken or Planned by Agency to Address Weaknesses or Challenges**

In review of the Agency's overall procurement system, it is determined that there are sufficient internal Agency resources to manage and oversee contracts effectively. All service contracts are administered by a CO and are assigned at least one COR. During its review, no weaknesses or challenges were identified.

#### **Accountable official**

Jeff Brakebill, PSA's Head of Contracting Activity (HCA) is the senior Agency management official who will be responsible for developing Agency policies and procedures associated with the procurement and acquisitions, as well as the development and analysis of the service contract inventories for PSA.