

Department of State
FY 2015 Service Contract Inventory
Planned Analysis Report



Prepared by:
The Bureau of Administration, Office of the Executive Director,
Collaborative Strategy and Management Division (A/EX/CSM)

For Submission to:
The Office of Management and Budget (OMB)

February 2016

Department of State

FY 2015 Service Contract Inventory Planned Analysis

I. Background

The Service Contract Inventory is a tool designed to help agencies develop a better understanding of how contracted services are being used to support mission and operations, and to determine whether contractor skills are being utilized in an appropriate manner. Section 743 of Division C of the Fiscal Year (FY) 2010 Consolidated Appropriations Act, Public Law (P.L.) 111-117, requires civilian agencies to prepare an annual inventory of their service contracts. It also requires that civilian agencies analyze their inventory to determine if the mix of Federal employees and contractors is effective or requires rebalancing.

Prior to issuing their inventories, civilian agencies are required to submit a planned analysis to the Office of Management and Budget's (OMB) Office of Federal Procurement Policy (OFPP). This document, created by the Bureau of Administration, Office of the Executive Director, Collaborative Strategy and Management Division (A/EX/CSM), fulfills that requirement for the Department of State.

II. FY 2015 Product and Service Codes (PSC) Selected for Review

In accordance with OMB guidelines and recommendations, this planned analysis is designed to inform OFPP of the PSC that the Department of State will analyze from the FY 2015 inventory. Table 1-1: "FY 2015 Product and Service Codes for Review" (see next page) displays the PSC that will be analyzed. In addition to providing a description of the PSC, the table reflects the dollars obligated for each item.

III. Rationale for Selection

For its FY 2015 review, the Department of State will identify PSC that were not the primary subject of a focused analysis during the prior year. In FY 2014, the agency's efforts were concentrated on contracts in Africa and PSC representing some of the largest financial obligations. For FY 2015, the Department of State's analysis will focus on the ten PSC representing the largest financial obligations. An analysis of these contracts will help the agency guard against contractor duties transforming into inherently governmental functions, and ensure that sufficient oversight of those contractors is in place. The analysis will also help ensure that an over-reliance on contractor support does not exist.

FY 2014 PRODUCT AND SERVICE CODES FOR REVIEW		
Top 10 Largest Obligations		
PSC	PSC Description	Action Obligation
R408	PROGRAM MANAGEMENT/SUPPORT SERVICES	\$ 1,032,926,179
S206	HOUSEKEEPING - GUARD	\$ 925,338,543
Y1AA	CONSTRUCTION OF OFFICE BUILDINGS	\$ 482,168,368
D399	IT AND TELECOM- OTHER IT AND TELECOMMUNICATIONS	\$ 356,805,224
R706	SUPPORT- MANAGEMENT LOGISTICS SUPPORT	\$ 238,208,860
R799	SUPPORT- MANAGEMENT OTHER	\$ 199,606,850
R430	SUPPORT- PROFESSIONAL: PHYSICAL SECURITY AND BADGING	\$ 197,436,338
C1AA	ARCHITECT AND ENGINEERING- CONSTRUCTION OFFICE BUILDINGS	\$ 146,478,083
R499	SUPPORT- PROFESSIONAL OTHER	\$ 115,288,776
C211	ARCHITECT AND ENGINEERING- GENERAL LANDSCAPING, INTERIOR LAYOUT, AND DESIGNING	\$ 7,810,493,805
	Total Obligations	\$ 1,032,926,179

Table 1-1: FY 2015 Product and Service Codes for Review

The PSC selected for the FY 2015 review are intended to provide the Department of State with analytical and functional data that will enable more efficient use of agency assets and support mission achievement.