

SUMMARY OF CLEAN UP ACT

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Section 2. Definitions

Section 3. General Sourcing Policy

- a. Federal Employees shall do all inherently governmental work, closely related to inherently governmental work, and mission essential work (which is our term for what OMB calls “commercial but reason code A” work—commercial but inappropriate for contractor performance).
- b. Consistent with competition requirements and agencies’ needs, commercial work shall shift back and forth between Federal Employees and contractors, depending on which is more efficient.
- c. No headcounts, ceilings, or limitations on federal employees that might prevent shifting work in-house in the interests of efficiency.

Note: b. is based on a DoD provision. a. and c. are “good government” principles, albeit not always followed.

Section 4. Federal Employees should be considered for performing new work.

- a. Agencies should certify that work being contracted out is not inherently governmental, closely related to inherently governmental, or mission-essential, or illegal personal services contract.
- b. Agency should explain why Contractors are used instead of Federal Employees for contracts above a certain dollar level.
- c. Report required and published.

Note: a. is the law, albeit not always followed. b. is based on Obama campaign promise to require agencies to justify to OMB every sole-source contract. Also tied into current Financial Service provisions to promote insourcing of new and outsourced work for non-DoD agencies as well as identical version already law for DoD.

Section 5. Ensuring that Inherently Governmental Functions Are Performed by Federal Employees

- a. Agencies determine which functions that are inherently governmental, closely related, or mission essential, are actually performed by contractors, reporting to Congress the functions and how many contractor employees involved.
- b. Agencies come up with plans for insourcing that work.
- c. Agencies are required to incrementally insource that work over several years.
- d. Reporting by agencies; surveillance by IG’s.

Note: a. and b. are based on a Senate intelligence authorization bill provision applying to CIA. c. is based on old defense authorization provision requiring DoD to insource contractor security guards over several years.

Section 6. Contractor Inventories

- a. Taking the inventor requirement already in law for DoD and expanding it to include other agencies, so we know for each contract the cost, the quality, whether inherently governmental, whether contracted out without competition, etc.

Section 7. Identifying Shortages of Federal Employees

- a. Agencies required to determine where they have shortages of qualified federal employees necessary to perform their missions and come up with plans to address these shortages.

Note: Based on human capital planning requirement in last year's Senate defense authorization bill.

Section 8. Provision of Expedited Hiring Authority

- a. Largely rhetorical language to expedite hiring to accommodate insourcing.

Note: Based on provision in last year's Senate defense authorization bill for health care professionals.

Section 9. Establish Alternative to A-76: Internal Reengineering

- a. Internal reengineering can avoid costs and controversies of A-76. Establishes a regular process for this reengineering to occur.

Note: Based on provision in last year's House defense authorization bill.

Section 10. Reforms to the A-76 Process

- a. limiting length of A-76 studies
- b. increasing 10 % cost differential to take into account costs of conducting A-76 studies
- c. eliminating unjustified overhead costs charged to in-house bids
- d. eliminating automatic recompetition of in-house bids
- e. GAO study to determine which agency has staff and impartiality to oversee A-76 process.

Note: a. is based on provision in last year's House defense authorization bill. b. is my own invention, but owes itself to the fact that quantifiable costs of competitions are not counted. c. is based on a 2003 DoD IG report recommendation. d. is based on a provision in law which DoD is not following. e. is my own invention but I think everyone knows that being an advocate for using A-76 in a certain way leaves OMB unqualified to impartially administer the process.

Section 11. A-76 is Temporarily Suspended...

- a. until reforms required in this bill have been substantially implemented, as determined by OMB Director and IG's of 5 largest departments.