

General Service Administration (GSA)

REPORT ON THE FISCAL YEAR (FY) 2020 SERVICE CONTRACT INVENTORY AND PLANNED FY 2021 ANALYSIS

Executive Summary

OMB memorandum, “Service Contract Inventories” (SCI) (December 19, 2011), tasks agencies to conduct a meaningful analysis of the service contracts that are funded by agency dollars in their contract inventories for purposes of determining if contract labor is being used in an appropriate and effective manner and if the mix of federal employees and contractors at the agency is effectively balanced. This report constitutes GSA’s analysis of the Fiscal Year (FY) 2020 Service Contract Inventory.

The GSA Office of Government-wide Policy (OGP) utilized the agency cross-organizational workgroup to analyze GSA's FY2020 Service Contract Inventory. The team consisted of representatives from the Public Building Service (PBS), Federal Acquisition Service (FAS), and Office of Internal Acquisition (OIA).

Based on GSA’s analysis, it has been determined that contractor performance at GSA continues to be an acceptable choice for the analyzed services. No evidence of overreliance on contracted functions was found in any of the

transactions reviewed. In addition, adequate safeguards and monitoring systems are in place to ensure that work performed by contractors does not become inherently governmental, and that there are sufficient internal resources available to effectively manage and oversee contracts. Based on the results of the analysis, it was determined that contractor performance remains an acceptable choice for contracted services and there is no evidence of overreliance on contracted functions at GSA.

A. Analysis

Table A lists: (1) the product and service code (PSC) studied by the agency; and (2) the number of transactions and total dollars obligated for the specific product and service code reviewed for FY2020.

For FY 2020, GSA continued its focus on a multi-year effort to analyze the PSC codes identified as the most frequently used Professional Services related PSC found in the top 30 spending categories at GSA. For FY 2020, the PSC chosen for analysis was as follows:

- PSC R499 – Support - Professional: Other

The actions awarded under this PSC code consisted of 281 service contract actions, totaling approximately \$1.3 billion in total contract obligations or 8.4% of FY 2020 Service Contract Inventory obligations. The PSC code reviewed for the FY 2020 retrospective analysis is further broken down in the table below:

TABLE A
Summary of FY2020 R499 Actions by Transactions and Dollars

Contracting Agency Code	Contracting Service*	R499	
		# of Contracts	Total Obligations
4705	OIA	103	\$906,765,529.25
4732	FAS	111	\$223,302,056.11
4740	PBS	67	\$169,186,089.15
4700	ALL GSA	281	\$1,299,253,674.51

*Qualifying Service Contracts for the FY2020 evaluation period were confined to the above three contracting components of the agency.

Table B

FY2020 - Top 30 GSA Spending PSCs as a Percentage of Agency Service Contract Total Spend

PSC Code	PSC Description	SUM of Total Dollars Obligated	Percentage of FY20 Service Contract Total Spend
Z2AA	REPAIR OR ALTERATION OF OFFICE BUILDINGS	\$2,933,059,435	18.9%
Y1AA	CONSTRUCTION OF OFFICE BUILDINGS	\$1,980,645,119	12.8%
D399	IT AND TELECOM- OTHER IT AND TELECOMMUNICATIONS	\$1,607,004,455	10.4%
R499	SUPPORT- PROFESSIONAL: OTHER	\$1,299,253,675	8.4%
D302	IT AND TELECOM- SYSTEMS DEVELOPMENT	\$990,538,787	6.4%
D318	IT AND TELECOM- INTEGRATED HARDWARE/SOFTWARE/SERVICES SOLUTIONS, PREDOMINANTLY SERVICES	\$815,730,616	5.3%
Y1AZ	CONSTRUCTION OF OTHER ADMINISTRATIVE FACILITIES AND SERVICE BUILDINGS	\$635,400,204	4.1%
D301	IT AND TELECOM- FACILITY OPERATION AND MAINTENANCE	\$446,552,777	2.9%
G099	SOCIAL- OTHER	\$406,926,941	2.6%
Z1AA	MAINTENANCE OF OFFICE BUILDINGS	\$325,954,865	2.1%
R408	SUPPORT- PROFESSIONAL: PROGRAM MANAGEMENT/SUPPORT	\$322,778,867	2.1%
D321	IT AND TELECOM- HELP DESK	\$279,781,071	1.8%
Y1JZ	CONSTRUCTION OF MISCELLANEOUS BUILDINGS	\$266,870,885	1.7%
C1AA	ARCHITECT AND ENGINEERING- CONSTRUCTION: OFFICE BUILDINGS	\$230,676,868	1.5%

R425	SUPPORT- PROFESSIONAL: ENGINEERING/TECHNICAL	\$187,469,526	1.2%
S201	HOUSEKEEPING- CUSTODIAL JANITORIAL	\$166,074,738	1.1%
R704	SUPPORT- MANAGEMENT: AUDITING	\$157,177,273	1.0%
D307	IT AND TELECOM- IT STRATEGY AND ARCHITECTURE	\$154,792,971	1.0%
R699	SUPPORT- ADMINISTRATIVE: OTHER	\$145,724,343	0.9%
R611	SUPPORT- ADMINISTRATIVE: CREDIT REPORTING	\$138,970,419	0.9%
C211	ARCHITECT AND ENGINEERING- GENERAL: LANDSCAPING, INTERIOR LAYOUT, AND DESIGNING	\$129,970,160	0.8%
R710	SUPPORT- MANAGEMENT: FINANCIAL	\$127,034,217	0.8%
D308	IT AND TELECOM- PROGRAMMING	\$111,749,828	0.7%
D325	IT AND TELECOM- DATA CENTERS AND STORAGE	\$104,185,481	0.7%
D310	IT AND TELECOM- CYBER SECURITY AND DATA BACKUP	\$103,707,453	0.7%
Y1QA	CONSTRUCTION OF RESTORATION OF REAL PROPERTY (PUBLIC OR PRIVATE)	\$89,676,918	0.6%
AD96	R&D- DEFENSE OTHER: OTHER (MANAGEMENT/SUPPORT)	\$74,647,269	0.5%
R429	SUPPORT- PROFESSIONAL: EMERGENCY RESPONSE/DISASTER PLANNING/PREPAREDNESS SUPPORT	\$71,643,478	0.5%
D306	IT AND TELECOM- SYSTEMS ANALYSIS	\$65,055,429	0.4%
B540	SPECIAL STUDIES/ANALYSIS- BUILDING TECHNOLOGY	\$63,631,448	0.4%
Total		\$14,432,685,516	93%

B. Methodology

1. **Select Product Service Codes.** PSC R499 was selected for FY 2020 review. This selection reflects GSA's continued focus on a multi-year effort to analyze the PSC codes identified as the most frequently used Professional Services-related PSC found in the top 30 service contract spending categories at GSA.
2. **Identify Contracts for Review.** The FY 2020 Standard Service Contract Inventory report contained 2,371 GSA contract actions totaling over \$15.5 billion in total contract value. Using data obtained from the Federal Procurement Data System-Next Generation (FPDS-NG) for PSC R499, the FY 2020 inventory analysis contained 281 distinct contracts, totaling approximately \$1.3 billion in total obligations. Identified actions falling under the selected PSC were chosen for evaluation. All contract actions are summarized in Table A, above.
3. **Develop and Populate Survey Templates.** GSA developed surveys based on guidance issued by Office of Management and Budget (OMB), as shown in Attachment A, and issued the guidance to workgroup members from each applicable component of GSA.
4. **Perform Contract Reviews.** Each component conducted their assessment of the applicable contracts within their purview and submitted their summary analysis to the Office of Acquisition Policy.
5. **Analyze Results and Summarize Findings and Actions/Recommendations.** The Office of Acquisition Policy compiled the results and prepared high level findings, actions and recommendations further discussed in Sections C and D, below.

C. Agency Findings

1. No contracts were identified that involved contractor employee performance of inherently governmental functions.
2. All service contracts reviewed were found to contain adequate safeguards and monitoring systems to ensure that work performed by contractors did not become inherently governmental, and that there were sufficient internal resources available to effectively manage and oversee those contracts.
3. Past performance ratings for the contracts reviewed were all Satisfactory or better.
4. No contracts were found to have contract employees performing critical functions in such a way that could affect GSA's ability to maintain control of its mission and operation.

5. There was no evidence of overreliance on contractor performance.
6. The survey revealed contractor performance remains an acceptable choice for the contracted services in the contracts that were reviewed. The GSA SCI team continues to recommend the discontinuation of the annual retrospective review process, as agency controls appear to be sufficient.

D. Actions taken or planned by the agency to address any identified weaknesses or challenges.

- No action required based on the FY2020 retrospective analysis results.

Planned Analysis

For the FY 2021 analysis, GSA plans to continue evaluating the PSC codes identified as the most frequently used Professional Services related PSCs found in the top 30 spending categories at GSA. Additionally, GSA will review one PSC related to GSA Public Building Service' (PBS) core business - repair and alteration of office buildings.

The following PSCs will be considered for analysis:

- PSC R408 – Support - Professional: Program Management/Support
- PSC Z2AA – Repair or Alteration of Office Buildings

Based upon the currently available data, the planned Professional Services related PSC selected for evaluation in the FY 2021 review cycle consists of 361 service contract actions, totaling approximately \$360 million in total contract obligations or 2% of FY 2021 Service Contract Inventory obligations. The planned Repair/Alteration PSC selected for evaluation in the FY 2021 review cycle consists of 5,498 service contract actions, totaling approximately \$1.2 billion in total contract obligations or 6.6% of FY 2021 Service Contract Inventory obligations.

E. Accountable Official:

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Attachment A – Service Contract Analysis Template

Q#	Contract #	Yes/No/NA	Comments
1	Identify the contract/task order description to include:		
1a	a) Contract#/ Order #		
1b	b) Company Name		
1c	c) Contract Type		
1d	d) Total Award Amount		
1e	e) Period of Performance		
2	Is the contract a personal services contract? If the contract is a personal services contract is it being performed, in accordance with applicable laws and regulations (Yes, No, Not Applicable).		
3	Is special attention being given, as set forth in FAR 37.114, to functions that are closely associated with inherently governmental functions[1] (See OMB guidance)? (Yes, No, Not Applicable).		
4	Does this contract use contractor employees to perform inherently governmental functions? (Yes, No, Not Applicable).		
5	Is the performance under the award considered a “*critical function”[2] (Yes, No, Not Applicable).		
6	Are there 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 function? (Yes, No, Not Applicable) (If yes, provide how).		
7	Are contractor employees performing critical functions in such a way that could affect the ability of the agency to maintain control of its mission and operations (Yes, No, Not Applicable)?		

8	Are there sufficient internal agency resources to manage and oversee contracts effectively? (Yes, No, Not Applicable) (If yes, please describe).		
9	What are the functions/services being performed by the contract employees under the subject award? Please provide a summary from the SOW.		
10	Are any functions restricted by the contract (i.e. approval of documents, attendance at meetings, firewalled activities, etc? How is it monitored? How effective is the monitoring?		
11	How is/was the contract performance: (Good - Fair - Poor)?		
12	Questions for the requesting office (the program manager was specifically requested to provide this information):		
12a	a) How many FTEs are located in the program office that this award supports?		
12b	b) Is recruitment of Federal employees an issue/obstruction (Can refer question to management)?		
13	Name of the Program Office this contract supports.		
14	Number of contractors or contractor FTE under this award.		