



Peace Corps

FY 2019 Service Contract Inventory (SCI) Report

Introduction

Section 743 of Division C of the FY 2010 Consolidated Appropriations Act, P.L. 111-117, requires civilian agencies to prepare an annual inventory of their service contracts. In addition, agencies are to perform an analysis of the data in their inventories to gain a better understanding of how contract services are being used to support mission and operations and whether the contractors' skills are being utilized in an appropriate manner. This FY 2019 report provides information on Peace Corps service contracts, in accordance with implementing guidance provided by OMB Memorandum to Chief Acquisition Officers and Senior Procurement Executives, and will be submitted through OMB's MAX system.

a) Proposed Requirements for Services Analyzed and Dollars Obligated in FY2019

In accordance with the Peace Corps' Fiscal Year (FY) 2018 Service Contract Inventory (SCI) Report and FY 2019 SCI Planned Analysis, the Agency studied the special interests function (SIF)/product service codes (PSC) D319, R408 & V302. These PSC codes were selected because they represent some of the service contract expenditures that had not been previously analyzed. Additionally, these PSC codes have the potential for inherently governmental functions to be performed by contractors. Peace Corps' review was limited to service contracts that met the reporting requirements outlined in the Federal Acquisition Regulation (FAR) Subpart 4.1703(a). In totality, the Agency reviewed seven contracts. The total dollar obligation for the reviewed PSC codes are depicted in Table 1 below:

Table 1: Reviewed FY 2019 SIF/PSC

PSC Code	Product or Service Description	FY 19 Obligation	% of total obligation
D319	IT & Telecom – Annual Software Maintenance Services Plans	\$2,235,281.76	2.15%
R408	Support-Professional: Program Management/Support	\$36,081,366.39	34.79%
V302	Transportation/Travel/Relocation-Relocation: Travel Agent	\$1,528,752.08	1.47%

b) Methodology Used to Support Analysis

Interviews and surveys were conducted with the Contracting Officer's Representatives (COR) for specific contracts of interest. The interview and survey questions addressed changes to contract scope, inherently governmental functions performed, oversight methods, critical functions performed, degree of monitoring by the COR, and assessment of contractor performance.

c) Summary of Findings

The CORs interviewed were aware of their oversight responsibilities and were able to discuss the contract requirements, how requirements were added or removed from the contract, and the method by which performance issues are addressed. The teams were also aware of the prohibition on contractor performance of inherently governmental functions. After the analysis, it was determined that the service contract employees performing under these contracts are not performing any Inherently Governmental Functions, any Functions Closely Associated to Inherently Government Function, or any Critical Functions.

Overall, the findings indicated were inconsequential in that they did not impact the Agency's ability to maintain control of its mission and operations, the contractors were sufficiently monitored, and no contractors were found to have performed inherently governmental functions.

There was sufficient government expertise to oversee onsite contractor resources and performance of the contract. Additionally, there were sufficient control mechanisms and a sufficient number of federal government employees to ensure that contractors' roles have not expanded during performance to become an inherently governmental function. All the technical guidance was provided by a FAC-COR certified COR.

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.

Contractors were found to be providing IT systems development and support, however, they were provided as part of a larger team that includes federal employees to ensure there is continuity of services should the contractor leave.

d) Explanation of Actions Planned

Peace Corps will continue to monitor and manage all contracted work in accordance with laws, regulations and policies to ensure that the performance and management of inherently governmental and critical functions maintain the right balance between Federal employees and contractors.

e) Explanation of Actions Taken from FY 2018 Inventory

No action required based on the FY2018 retrospective analysis results.

f) Responsible Officials

Sonja Truehart-McKinney, Senior Procurement Executive (SPE), Office of the Chief Financial Officer, Acquisition and Contract Management is responsible for the development of agency policies, procedures, and training associated with OFPP Policy Letter 11-01 addressing the performance of inherently governmental and critical functions.

Victor De La Paz, Chief Financial Officer (CFO), Office of the Chief Financial Officer, is responsible for ensuring appropriate internal management attention is given to the development and analysis of service contract inventories.