

**U.S. Department of Energy**



**Competitive Sourcing Program**  
***Human Resources Guidebook***

**Draft**

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## INTRODUCTION

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### Background

Competitive sourcing is one of the five President's Management Agenda initiatives designed to make the government more cost-effective, while encouraging innovation in its operation. Like all federal agencies, DOE has been tasked by the President to use competitive sourcing as a tool to improve the efficiency and performance of the federal government. The resulting competitions will determine whether to have the competed activities performed in-house by DOE employees in a more efficient and productive way, to arrange to have them provided by another federal agency, or to contract out the functions to the private-sector. Experiences elsewhere in the federal government demonstrate that these competitions will lead to significant cost savings, whether competitions are won by more efficient federal organizations or by the private-sector.

The Secretary of Energy has designated lead responsibility for the DOE Competitive Sourcing Program to the DOE Competitive Sourcing Executive Steering Group (CSESG). The CSESG includes the Deputy Secretary, the Under Secretary for Energy, Science and Environment, Under Secretary for Nuclear Security and the Director, Office of Management, Budget and Evaluation/Chief Financial Officer. Advisory members may include representatives from General Counsel, Congressional and Intergovernmental Affairs, Public Affairs, affected line organizations, and representatives from the National Headquarters of employee unions. To assist with managing this day to day effort plus policies and procedures, the Secretary has also established the DOE Office of Competitive Sourcing/A-76 (OCS) within the Office of Management, Budget, and Evaluation/CFO. The newly revised Office of Management and Budget (OMB) Circular A-76 also requires the appointment of a Competitive Sourcing Official (CSO) who serves as the Department's focal point for competitive sourcing issues. Within DOE, the CSO is subordinate to the CSESG and accomplishes his assigned responsibilities under their direction.

The DOE Competitive Sourcing Program will bring about significant changes in the way that DOE conducts its operations. This program and the resulting changes will have a significant impact on DOE employees. For those organizations that win their competition, new business operations may require a smaller workforce with different skills; some employees may lose their jobs, and those employees remaining will have to learn to work in a new way. If the private-sector wins the competition, government personnel transition to new positions can be daunting.

Human Resources (HR) plays a key role in helping DOE facilitate this change. The expertise of HR is needed as the Department prepares to implement the competitive sourcing initiative and also to support specific competitions.

### ***Purpose of this Competitive Sourcing Program Human Resources Guidebook***

The purpose of this *DOE Competitive Sourcing Program Human Resources Guidebook (HRG)* is to provide HR Specialists with an understanding of the key role Human Resources play in the success of the DOE Competitive Sourcing Program. It is designed to supplement the *DOE Competitive Sourcing Procedures Guide (CSPG)* with information, strategies, and tips at each step of the competition process that are specific to DOE HR involvement. In addition, while the *CSPG* focuses on the competitive sourcing process with the role of the HR Specialist as an **advisor**, this *HRG* also includes the more substantial and **proactive** role of HR professionals in managing human capital resources during the broader aspects of the competitive sourcing initiative.

### ***How to Use this HRG***

This guidebook is written to be a user-friendly desk reference book. The chapters are organized according to the major process steps in the competitive sourcing/A-76 process. Each chapter contains an overview of a process step; a description of the key HR tasks associated with that process step, a task checklist for easy reference, and related frequently asked questions. Accompanying chapters are helpful hints and web-links to more detailed information on given subjects.

The tasks and directions listed in this *HRG* are not exhaustive, and HR Specialists should consult appropriate legal and regulatory references as-needed. This *HRG* is intended to be a living document, so check back often to see what is new. Your questions and comments about the material in the *HRG* are welcomed; they should be sent to the DOE OCS. All questions will be answered via email either by the site contact or an appropriate subject matter expert. Your questions, comments, and testimonials may also be added to the Human Capital Management (HCM) web page as well as the SHARE A-76! web page so that others may learn from “real world” experiences.

### **Impact of the Revised OMB Circular A-76**

In 2001 Congress convened the Commercial Activities Panel to review the public-private competition process. The major finding of this panel was that public private competition works to improve government. To improve the competition process, they recommended that rules that govern competitions be more aligned with the Federal Acquisition Regulation (FAR), the time to complete competitions be reduced, and the appointment of competition officials, including the Human Resources Advisor, is included in a formal announcement to the public. On May 29, 2003, the Office of Management and Budget (OMB) issued a revised Circular A-76, the policy document that governs the competition process. This *HRG* reflects those changes.

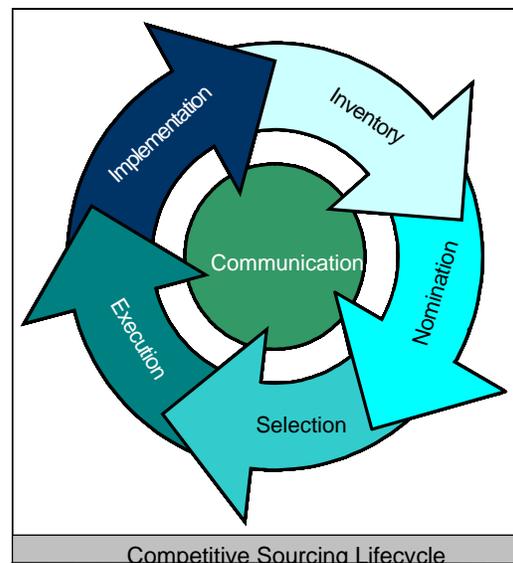
## COMPETITIVE SOURCING OVERVIEW

Competitive sourcing is a process that compares private-sector and government costs to determine the most cost-effective way for the government to "buy" services.

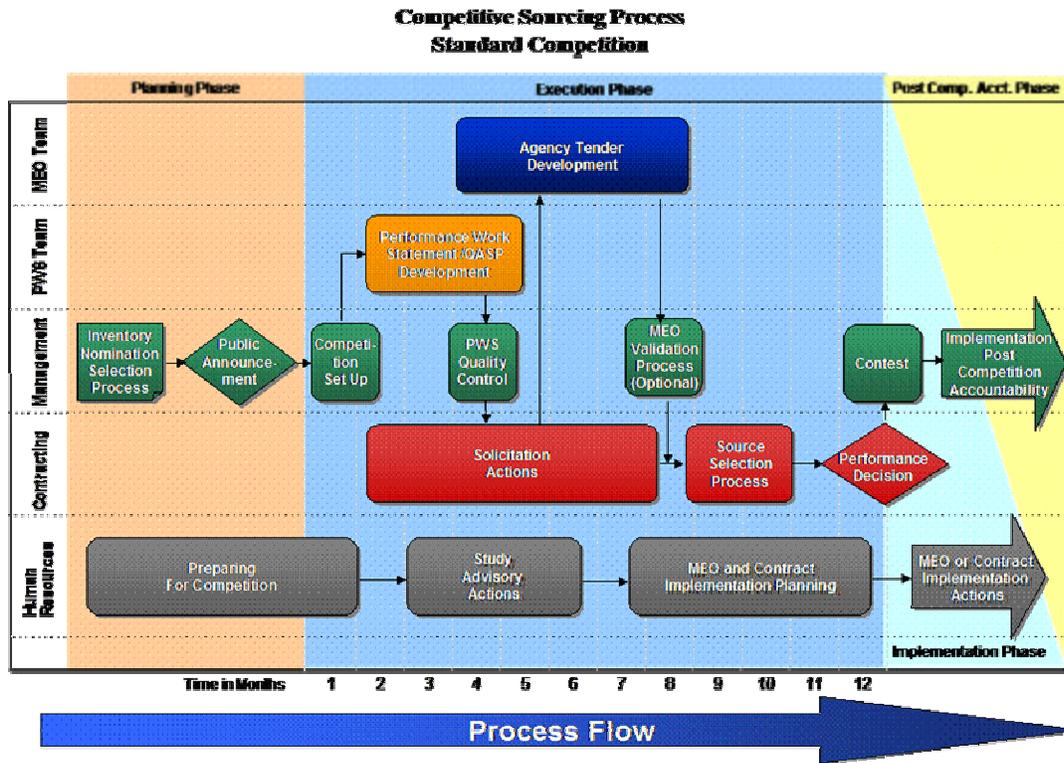
Competitive sourcing is conducted using a formal, standardized public-private competition process mandated by the *Office of Management and Budget (OMB) Circular No. A-76 (Revised), Performance of Commercial Activities, May 29, 2003*. This competition process is most commonly referred to as an "A-76 competition," but the term "competitive sourcing" is also used interchangeably. The outcome of the competition is the determination of whether it is more cost-effective for a commercial activity or function to be performed by a private-sector source, by an in-house government workforce, or by a public-reimbursable (another agency) source.

The Department employs a defensible, repeatable methodology for identifying potential competitions, nominating potential competition candidates, analyzing nominated candidates for competition feasibility, executing competitions, and implementing the results. The Competitive Sourcing Lifecycle (Figure 1) is a framework designed to bring into focus the activities of the DOE Competitive Sourcing Program. This process will work in DOE's unique environment and focuses on mission requirements. Mandated lifecycle requirements are discussed in the *DOE Competitive Sourcing Program Operating Guidelines (Operating Guidelines)*; however the mechanics of executing the lifecycle are contained in the *CSPG*.

**Figure 1**  
**DOE Competitive Sourcing Lifecycle**



The DOE Competitive Sourcing Lifecycle is presented as a process flow chart in Figure 2. This process flow chart expands on the execution step of the lifecycle and shows the basic process steps and who is responsible for performing them; e.g., contracting, management, the Performance Work Statement (PWS) Team, or the Most Efficient Organization (MEO) Team.



The competitive sourcing process may be difficult to understand at first, with many new acronyms and terms that are unfamiliar; therefore, this *HRG* will go through each process step giving an overview and will reference additional sources for more detailed information. The HR Specialist will be comforted to know that although the competitive sourcing process may be new, the HRA representatives responsibilities and tasks associated with competitive sourcing are very familiar.

In accordance with OMB Circular A-76, the Secretary of Energy appoints a Competitive Sourcing Official (CSO) who serves as the Department’s focal point for competitive sourcing under the direction of the DOE’s CSESG. The roles and responsibilities for the CSESG, CSO, other Competitive Sourcing Officials, organizations, and teams are described in the Operating Guidelines.

The competitive sourcing process begins with preparation of the FAIR Act Inventory to determine which “commercial” functions are candidates for competition. After evaluating candidates, the Department publicly announces those functions that will be subjected to competition. The Department assigns a Functional Team Official to lead each competition, and the CSO appoints a PWS Team Leader and an Agency Tender Official to conduct the competition. The Department’s work requirements are developed by the PWS Team and documented in a performance-oriented Statement of Work. The MEO Team develops the government’s Agency Tender, and bids/offers to perform the work. The contracting office solicits bids/offers/tenders from the private-sector and from publicly reimbursable sources to compare them to the government’s tender to determine the winner of the competition. Ultimately, the decision as to the winner of the competition may be based on cost, except when using a tradeoff source selection process. When using the tradeoff source selection process, DOE considers making an award to other than the lowest priced source.

The CSO will appoint other competition officials to perform various oversight functions for each competition. Among these officials is the Human Resource Advisor (HRA). The HRA must be an inherently governmental official, must participate on the MEO Team, and must be independent of the PWS Team, the Contracting Officer (CO), the Source Selection Authority (SSA), and the Source Selection Evaluation Board (SSEB).

The HRA shall be responsible for all of the requirements of HR in this guidebook, but may delegate assignments to HRA representatives or other authorized agents as necessary. See Appendix B, Summary of Key Human Resources Tasks, for a complete list of duties and responsibilities.

The DOE OCS has developed the *CSPG* as a comprehensive step-by-step guide for conducting competitions. It is designed for the Functional Team Official and the PWS and MEO Teams and is not intended to provide policy, but is intended to provide guidance to enable competitions to be completed in an efficient and successful manner.

The *CSPG* organizes the competition process into 10 specific steps, beginning with competition planning and ending with the post competition accountability, identifying important milestones throughout the process. Figure 2 shows the competitive sourcing process flow chart with the corresponding *CSPG* steps.

## HUMAN RESOURCES ROLE IN THE COMPETITIVE SOURCING PROCESS

The Human Resources (HR) role in the competitive sourcing process does not directly correspond with each step in the DOE Competitive Sourcing process flow chart or the CSPG's 10-Step process. HR's role is actually broader in scope and encompasses actions that are overlapping and ongoing during the competitive sourcing process.

For simplicity, the HRA representative responsibilities and tasks can be broken into four main categories:

1. Preparing for Competition
2. Competition Advisory Actions
3. MEO and Contract Implementation Planning; and
4. MEO or Contract Implementation Actions

These four categories are shown on the process flow chart in Figure 2. Using the flow chart, it is easy to see how the HR responsibilities and tasks overlap multiple steps in the competitive sourcing process.

Most of the responsibilities and tasks associated with these four categories will be very familiar to the HRA representative as common personnel actions; however, when and how they are performed may require thinking more as a business consultant first and a traditional HR Specialist second. Initially, management may not be aware of how HR Specialist expertise can help achieve a successful competitive sourcing effort, so it is a good idea to be proactive in providing support. Perhaps the most compelling reason for HRA representatives to be proactive in supporting the competitive sourcing effort is for early identification of issues so they may be discussed and resolved well in advance of making final decisions. The HRA representatives active involvement is key to ensuring a smooth transition through these organizational changes.

HRA representatives also have a responsibility to know and understand the competitive sourcing process so they can provide timely, accurate, and complete information about the process to management and employees. Misinformation is often the primary cause of undue fear and anxiety among government personnel. Presenting a message that is uniform and consistent throughout DOE will contribute greatly to the Competitive Sourcing Program's success.

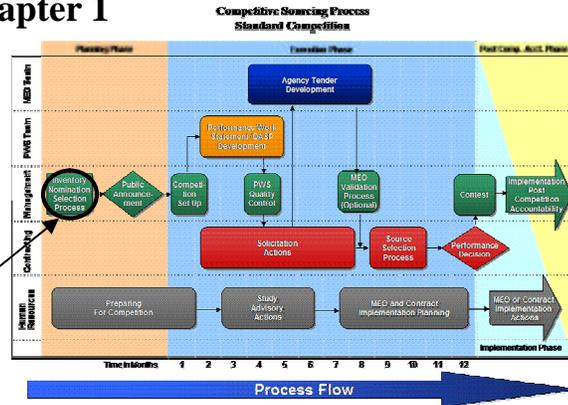
Understanding that the CSO and the Functional Team Official will be thinking of the process in terms of the competitive process steps above, this HRG is set up in chapters that correspond with the basic process steps. The chapters are:

1. Inventory Process
2. Competition Planning
3. Public Announcement
4. Performance Work Statement and Quality Assurance Surveillance Plan Development
5. Solicitation Actions
6. Development of the Agency Tender
7. MEO Validation Process
8. Source Selection Process
9. Performance Decision
10. Contests
11. Streamlined Competition
12. Performance Decision Implementation

Visit the DOE Office of Competitive Sourcing Homepage at <http://www.ma.mbe.doe.gov/a-76/>

The DOE Competitive Sourcing Procedures Guide is available at DOE Office of Competitive Sourcing Homepage at <http://www.ma.mbe.doe.gov/a-76/>

## Chapter 1



## INVENTORY PROCESS

### Inventory Process Overview

OMB requires all agencies to prepare two annual inventories of activities or functions performed by government personnel. The foundation of this requirement is the Federal Activities Inventory Reform Act of 1998, or FAIR Act, which requires all agencies to submit a complete inventory of all government personnel, reported by full-time equivalents (FTE), that perform commercial activities. The revisions to OMB Circular A-76 of May 29, 2003, added the requirement that each agency submit the following by electronic mail (e-mail) to OMB: (a) an inventory of commercial activities performed by government personnel; (b) an inventory of inherently governmental activities performed by government personnel; and (c) an inventory summary report. An agency may provide aggregate data for uniformed services personnel and foreign nationals performing inherently governmental activities. For the annual inventories, an agency shall use the format and data requirements found at the OMB web site <http://www.whitehouse.gov/omb/procurement/index.html>.

In the FAIR Act Inventory, the commercial activities are categorized by function codes and reason codes. The function codes represent a standardized way to describe activities. Function code categories range from A through Z (e.g., W is Automated Data Processing, W500 is Data Maintenance, W600 is Data Operations). The reason codes are A through F define commercial functions and indicate the availability of the function for competition.

The FAIR Act Inventory is due to OMB by June 30<sup>th</sup> of each year. After submission, OMB reviews each agency inventory, consults with the agency regarding inventory content, and then publishes a notice in the *Federal Register* that annual agency inventories are available. The agency then makes the inventories available to Congress and the public. The new OMB Circular A-76 allows challenges to the inventory only when a job function is reclassified from governmental to commercial or vice-versa, or in response to the agency's use of reason codes.

Beyond OMB and Congressional reporting, DOE uses the FAIR Act Inventory to assist in identifying candidates (functional areas) for competition.

### Inventory Process - Description of Key Tasks

In DOE, all HR Specialists do not participate directly in compiling or submitting the FAIR Act Inventory. However, it is important that the HR Specialist understand that ongoing, day-to-day HR responsibilities contribute directly to the agency's ability to prepare an accurate inventory of activities. Management may request HR support in updating position descriptions (PDs).

The DOE OCS may request HR's input to assist in identifying functions for competition and to plan for HR resources necessary to support the competitions. This input will become more important as the Department has multiple competitions underway.

The seven HR tasks listed in this chapter support the inventory process and help the Department to prepare for conducting competitions.

**HR TASKS:**

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

**A. Prepare for competition:****A-1. Work with management to ensure that all position descriptions are up -to-date and reflect work the employee is currently performing**

Current, accurate position descriptions (PDs) will save time in identifying functional areas for competition and in conducting the competitions.

Having current position descriptions is not a new requirement and is the ongoing goal of management. However, the reality is that many PDs are out of date and do not reflect the work the employee is currently performing. Since out-of-date PDs do not have an impact on day-to-day operations, management may not be aware of the importance of accurate PDs to the inventory process. The CSESG, the OCS, and managers rely on the inventory to identify functions for competition. If this inventory is incorrect, then management may identify positions/functions for competition that do not make good business sense to offer for competition—i.e., there may be no expectation that there will be any competition to perform the function, the results of the competition would be expected to provide little cost savings, correcting the PWS to accurately reflect the work to be performed could prolong the competition process, or impact mission capability.

In addition to being important for compiling the inventory, PDs, when accurate, provide invaluable data to the PWS Team and MEO Team for developing the PWS and MEO. Having the PDs up to date and accurate will save considerable time during the competition.

**A-2. Review PDs to ensure that classification is correct and applied consistently**

Just as having accurate and current PDs is important, accuracy in the position classification is also vital to the competition process. Often, when the OCS is evaluating the inventory, an occupational series may provide the basis for identifying a similar group of positions as a candidate for competition. If the classification is inaccurate, has not been applied consistently, or does not reflect the latest standards, a group of positions may be identified that really do not fit together in a logically structured, coherent business unit.

**A-3. If requested, provide input for identifying and packaging positions for the upcoming competitions**

After the inventory process is complete, the CSESG will need to make decisions about what positions/functions should be competed. Once functional nominations have been identified, the CSESG will give approval to begin feasibility studies. The feasibility study is a tool for pre-announcement A-76 planning, which will establish logical study parameters and a solid foundation for executing an A-76 competition. The result of the feasibility study is the presentation of a full set of recommendations on the scope of the study, mission impacts and risks, estimated savings, study type, and proposed timeline. The result of the feasibility study becomes the blueprint for the future competition. During the feasibility study HR may be asked to contribute information necessary to the understanding of potential HR issues related to a particular proposed study.

**A-4. Identify and plan for HR resources to support planned competitions**

As the DOE Competitive Sourcing initiative matures, there will be multiple competitions ongoing at various stages of completion. HR needs to assess the availability of HR Specialists to support these competitions. HR will need to evaluate program requirements, identify related work requirements, and budget appropriately to provide the necessary HR support.

HR will need to consider the size of the competitions and potential conflict of interest for HR personnel supporting both the PWS Team and the MEO Team. The potential for conflict of interest will be addressed in more detail in the chapters on the PWS and the Agency Tender. HR support to competitions can be provided in a variety of ways, depending on the nature of HR involvement and the availability of HR resources. Appendix C: HR Support to Competitions presents a few options.

***A-5. Identify and plan to implement options, such as early out, buy -out, and retirement, etc., that can be made available to employees prior to decisions on planned competitions***

The use of options such as early-out, buy-out, and retirement should be considered when making decisions on which functions should be subject to competition and how and when they should be studied. HR should be able to provide management with information to enable them to understand the impacts of implementing these options prior to or after competition announcement so that good business decisions can be made.

***A-6. Collect and prepare HR and financial data to support the Competitive Sourcing Program***

The Competitive Sourcing Program initiative is not a one-time event; it represents an ongoing initiative. To increase the effectiveness of HR responsiveness to the OCS and the Functional Team Official, HR should work with budget personnel in collecting and maintaining the following data:

- Data for calculating one-time conversion costs; i.e., relocation costs, retraining costs, statistics on personnel who take different options, etc.
- Recruiting timelines and costs
- Early-out costs, buy-out costs, outplacement costs, severance costs
- Other workforce data

***A-7. Plan for competitive sourcing training for all HR personnel***

All HR personnel should have basic training in competitive sourcing so that they can answer employee questions correctly and consistently. HRA representatives who are assigned to support individual competitions may benefit from attending training along with the MEO Team.

***HR TASKS:***

- A. Prepare for Competition***
- B. Competition Advisory Actions***
- C. MEO and Contract Implementation Planning***
- D. MEO or Contract Implementation***

## Inventory Process - Checklist of Key Tasks

	INVENTORY PROCESS KEY TASKS		0
<b>A. PREPARE FOR COMPETITION</b>	<b>A-1.</b> Work with management to ensure that all PDs are up-to-date and reflect work the employee is currently performing.	Department-wide	
	<b>A-2.</b> Review PDs to ensure that classification is correct and applied consistently.	Department-wide	
	<b>A-3.</b> If requested, provide input for identifying and packaging positions for the upcoming competitions.	Department-wide	
	<b>A-4.</b> Identify and plan for HR resources to support planned competitions.	Department-wide	
	<b>A-5.</b> Identify and plan to implement options, such as early out, buy-out, and retirement, etc., that can be made available to employees prior to decisions on planned competitions.	Department-wide	
	<b>A-6.</b> Collect and prepare HR and financial data to support the competitive sourcing program.	Department-wide	
	<b>A-7.</b> Plan for competitive sourcing training for all HR personnel.	Department-wide	

## Frequently Asked Questions

### *What is the FAIR Act?*

In October 1998, President Clinton signed into law the "Federal Activities Inventory Reform Act of 1998" (Public Law 105-270), commonly referred to as the FAIR Act. This law requires most executive agencies to submit to Congress an annual listing or inventory of activities that are commercial activities, or not inherently governmental, and to make this inventory available to the public. Not all commercial activities are subject to competition. The FAIR Act Inventory identifies DOE commercial activities by organizational unit, city, state, reason code (classification of commercial activities into various categories ranging from available for competition to exempt from competition), function code (type of work performed), and year initially posted in the inventory. The DOE FAIR Act Inventory can be found at <http://www.ma.mbe.doe.gov/a-76/>. OMB provided additional guidance on the FAIR Act Inventory submissions in the May 29, 2003, revised OMB Circular A-76. The guidance provides that an agency shall prepare two annual inventories that categorize all activities performed by government personnel as either commercial or inherently governmental.

### *What is a commercial activity?*

"A commercial activity is a recurring service that could be performed by the private-sector and is resourced, performed, and controlled by the agency through performance by government personnel, a contract, or a fee-for-service agreement. A commercial activity is not so intimately related to the public interest as to mandate performance by government personnel. Commercial activities may be found within, or throughout, organizations that perform inherently governmental activities or classified work."—OMB Circular A-76. In general, a commercial activity is one that can be found in the yellow pages of a telephone book. Each agency is required to conduct an inventory of its commercial activities and to post the inventory for public review.

***What is an inherently governmental activity?***

An inherently governmental activity is an activity that is so intimately related to the public interest as to mandate performance by government personnel. These activities require the exercise of substantial discretion in applying government authority and/or in making decisions for the government.

Inherently governmental activities normally fall into two categories: exercise of sovereign government authority or the establishment of procedures and processes related to the oversight of monetary transactions or entitlements. An inherently governmental activity involves:

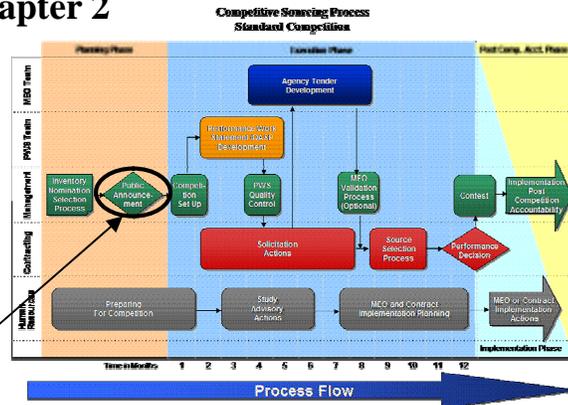
- Binding the United States to take or not to take some action by contract, policy, regulation, authorization, order, or otherwise;
- Determining, protecting, and advancing economic, political, territorial, property, or other interests by military or diplomatic action, civil or criminal judicial proceedings, contract management, or otherwise;
- Significantly affecting the life, liberty, or property of private persons; or
- Exerting ultimate control over acquisition, use, or disposition of United States property (real or personal, tangible or intangible), including establishing policies or procedures for collection, control, or disbursement of appropriated and other federal funds.

While inherently governmental activities require exercise of substantial discretion, not every exercise of discretion is evidence that an activity is inherently governmental. Rather, the use of discretion shall be deemed inherently governmental if it commits the government to a course of action when two or more alternative courses of action exist and decision making is not already limited or guided by existing policies, procedures, directions, orders, and other guidance that (1) identify specified ranges of acceptable decisions or conduct and (2) subject the discretionary authority to final approval or regular oversight by agency officials.

An activity may be provided by contract support (i.e., a private sector source or a public reimbursable source using contract support) where the contractor does not have the authority to decide on the course of action, but is tasked to develop options or implement a course of action, with agency oversight. An agency shall consider the following to avoid transferring inherently governmental authority to a contractor:

- Statutory restrictions that define an activity as inherently governmental;
- The degree to which official discretion is or would be limited, i.e., whether involvement of the private sector or public reimbursable provider is or would be so extensive that the ability of senior agency management to develop and consider options is or would be inappropriately restricted;
- In claims or entitlement adjudication and related services: a) the finality of any action affecting individual claimants or applicants, and whether or not review of the provider's action is de novo on appeal of the decision to an agency official; (b) the degree to which a provider may be involved in wide-ranging interpretations of complex, ambiguous case law and other legal authorities, as opposed to being circumscribed by detailed laws, regulations, and procedures; (c) the degree to which matters for decisions may involve recurring fact patterns or unique fact patterns; and (d) the discretion to determine an appropriate award or penalty;
- The provider's authority to take action that will significantly and directly affect the life, liberty, or property of individual members of the public, including the likelihood of the provider's need to resort to force in support of a police or judicial activity; whether the provider is more likely to use force, especially deadly force, and the degree to which the provider may have to exercise force in public or relatively uncontrolled areas. These policies do not prohibit contracting for guard services, convoy security services, pass and identification services, plant protection services, or the operation of prison or detention facilities, without regard to whether the providers of these services are armed or unarmed;
- The availability of special agency authorities and the appropriateness of their application to the situation at hand, such as the power to deputize private persons; and
- Whether the activity in question is already being performed by the private-sector.

## Chapter 2



## COMPETITION PLANNING

### Competition Planning Overview

During competition planning, DOE will be nominating and selecting candidates for competition. In the nomination process, the FAIR Act commercial activities inventory is examined and nomination criteria are applied. Nomination criteria may include potential for cost savings, possibility of mission degradation, ability to be completed within the timeframe prescribed by OMB Circular A-76, etc. Using these criteria, a list of study candidates is developed, which must be formally selected for competition, prior to public announcement.

The DOE OCS will conduct feasibility studies to determine whether or not the nominations are likely to produce competitions that can be practically competed and can be expected to provide cost-savings to the taxpayer. This feasibility process is crucial in that it can help to eliminate candidates from consideration that are not likely to produce good results for the agency despite their compatibility with the nomination criteria.

Feasibility studies generally include the following:

- Scope: Determine the activities and full-time equivalent positions to be competed.
- Grouping: Conduct preliminary research to determine appropriate grouping of activities as business units.
- Workload Data and Systems: Assess availability of workload data, work units, quantifiable outputs.
- Baseline Costs: Determine the activity's baseline costs as performed by the incumbent service provider.
- Type of Competition: Determine the use of a streamlined or standard competition.
- Schedule: Develop preliminary competition and completion schedules.
- Business Case Analysis: Provide a cost-benefit analysis, marketability analysis, and recommendation for competition.  
(These tasks are aligned with the requirements of OMB Circular A-76.)

During Planning, the Functional Team Official prepares for the competition. For a typical competition, this planning phase would last up to six weeks to accomplish the following key tasks:

- Identify roles and responsibilities for the key competition team members and ad hoc members
- Develop training plan
- Develop Communication Plan
- Develop data collection methodology and plan
- Develop Plan of Actions and Milestones

*The DOE Human Capital Management website is a valuable resource for identifying all the tools available to the HR Specialist, <http://www.ma.mbe.doe.gov/pol/HCSindex.html>*

*See the CSPG, Step 1: Planning, for more details on this step.*

It is also during Planning that the Functional Team Official will conduct the Workforce Briefing. The Workforce Briefing is an opportunity for the Functional Team Official to educate the workforce on more details of the competition process including the proposed schedule. This process step corresponds to Step 1: Planning, in the CSPG.

### Competition Planning - Description of Key Tasks

During the Competition Planning phase, the HRA representative will initiate seven tasks to continue “preparing for competition” and initiate two tasks to begin “implementation planning.” To facilitate a smooth transition to the MEO or to a contract, implementation planning should begin early in the competition process.

#### A. Prepare for Competition:

##### ***A-8. Develop an HR Action Plan to identify and schedule HR actions and resources that will be required during the competition***

The HR Action Plan should be prepared during competition planning. It should identify roles and responsibilities as well as identify schedule and significant milestones. It will assist team members in meeting timelines and help keep the Functional Team Official informed of critical dates and events. Each Action Plan will have different timelines based on the size and scope of the organization change effort. Major items in the Action Plan should address:

- Ensuring that HRA representatives are trained to perform required tasks; e.g., Reductions in Force (RIF).
- Ensuring there are adequate resources to perform personnel actions; e.g., benefits counselors.
- Identifying HRA representatives to support the effort.
- Briefing bargaining unit(s).
- Communicating with and educating the workforce.
- Reviewing and assisting in the revision of PDs.
- Verifying employee payroll information.
- Verifying performance ratings and staffing patterns.
- Ensuring RIF information is accurate and available (e.g., competitive area, levels, General Schedule/Federal Wage Schedule tables, etc.).
- Conducting Impact and Implementation bargaining.
- Determining employee qualifications and, as-needed, executing a mock RIF and executing actual RIF (including employee notices and enclosures).
- Conducting counseling and effecting required actions.
- Conducting outplacement efforts.
- Coordinating Right of First Refusal offers for competitions.

This early planning will give the HRA representative the ability to provide input to the overall competition schedule to accommodate HR actions where necessary.

##### ***A-9. Establish an HR Technical Reference Library for the Competition***

It is recommended that the HR Office establish a Technical Reference Library to aid in locating and retrieving important documents and information for the duration of the competition. At a minimum, the library should contain:

- Collective bargaining agreements;
- Labor wage rate determinations and FWS and GS pay tables;
- Organizational charts and mission statements for the existing organization;
- Position classification reference materials;

#### HR TASKS:

A. Prepare for Competition

B. Competition Advisory Actions

C. MEO and Contract Implementation Planning

D. MEO or Contract Implementation

#### HR TASKS:

A. Prepare for Competition

B. Competition Advisory Actions

C. MEO and Contract Implementation Planning

D. MEO or Contract Implementation

- PDs for the existing organization;
- PDs for all organizations affected by the competition; and,
- Retention registers and definitions of competitive areas and competitive levels.

For the HRA representative it is imperative to keep all competition-related documents, which you are working on and that are in your possession, away from the Team meeting area, organized in a separate file cabinet and to control its access to prevent their loss or exposure to unauthorized personnel. The information for the PWS and the MEO organization must be secured and access limited to only those personnel with a need to know.

***A-10. Assist the Functional Team Official with developing the Competition Action Plan and Communication Plan***

During the competition planning sessions, the HRA representatives should be prepared to discuss their role during the competition and to assist in developing the Action Plan and Communication Plan. The Action Plan establishes all of the separate actions to implement by certain dates to complete the organization change effort on time. The Communication Plan identifies dates in the process to release specific information to all relevant parties during the competition effort.

As part of the Action Plan and Communication Plan, the HRA representatives will be named and must be available to address employee and manager's questions and concerns throughout the effort.

***A-11. Plan to attend Agency Tender training with MEO Team***

During Competition Planning, the HRA representative should plan to attend training with the MEO Team. This will provide an opportunity for the HRA representative to understand this part of the competition process and how he or she can contribute.

***A-12. Review and evaluate existing recruitment and promotion actions for employees included in the competition***

The HRA representative should review existing recruitment and promotion actions to determine their immediate need, then discuss these actions with the Functional Team Official to determine if filling a vacancy or effecting a promotion could be delayed until completion of the competition. Additionally, it is a good idea to review all recruitment actions during the course of the effort to determine if full-time permanent positions could be filled as temporary, part-time, or term appointments. Delaying current and anticipated recruitment actions for the organization under competition can help to reduce unwanted RIF impact.

If it is necessary to fill positions, prospective employees must be advised that the position will be included in a competition and that the position could be eliminated as a result of the decision and they could be displaced by more senior employees or even separated.

***A-13. Plan and recommend actions to manage employee attrition during the competition***

Once a function is selected for competition, there is frequently a loss of personnel. Here, the role of the HRA representative is to design short-term strategies to offset this loss of expertise. Strategies may include using temporary hires, term appointees, reemployed annuitants, loaned labor, and effectively managing separation dates.

Employees considering a transfer to another agency upon announcement of a competition should be apprised of the fact that their new agency may also be subject to a competition. This may help employees to better weigh risks associated with a decision to transfer.

***C. MEO and Contract Implementation Planning:***

***C-1. Review competitive areas, levels, and service computation dates***

DOE Offices have already established their competitive areas, which are typically single activities either in a single or in multiple local commuting area(s). Combining two or more existing competitive areas, as appropriate, may reduce the need to conduct multiple RIFs.

The HRA representative should advise managers regarding combining competitive areas, when appropriate, to ensure appropriate and efficient RIF competition when implementing competition results. Consider discussing the advantages and disadvantages of different competitive area configurations with the Functional Team Official. A new competitive area, if determined appropriate, must be established at least 90 days before the RIF's effective date, and employee retention registers may need to be updated.

***C-2. Identify and plan to implement options, such as early-out, buy-out, retirement, priority placement, training, etc., that are available as management tools***

Advice should be provided regarding the use of the listed personnel management tools.

**Competition Planning - Checklist of Key Tasks**

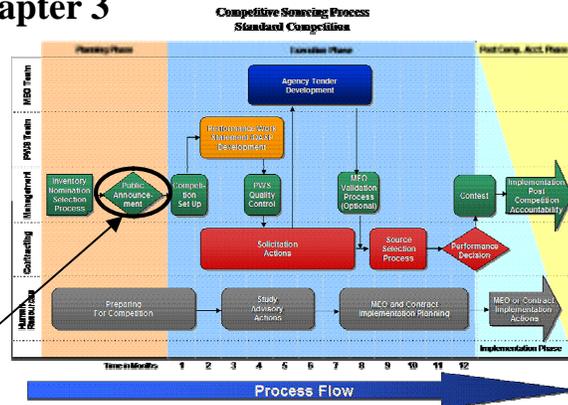
COMPETITION PLANNING KEY TASKS			0
<b>A. PREPARE FOR COMPETITION</b>	<b>A-8.</b> Develop an HR Action Plan to identify and schedule HR actions and resources that will be required during the competition.	Competition specific	
	<b>A-9.</b> Establish an HR Technical Reference Library for the competition.	Competition specific	
	<b>A-10.</b> Assist the Functional Team Official with developing the Competition Action Plan and Communication Plan.	Competition specific	
	<b>A-11.</b> Plan to attend Agency Tender training with MEO Team.	Competition specific	
	<b>A-12.</b> Review and evaluate existing recruitment and promotion actions for employees in the competition.	Competition specific	
	<b>A-13.</b> Plan and recommend actions to manage employee attrition during the competition.	Department -wide	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-1.</b> Review competitive areas, levels, and service computation dates.	Department -wide	
	<b>C-2.</b> Identify and plan to implement options, such as early-out, buy-out, retirement, priority placement, training, etc., that are available as management tools.	Competition specific	

**Frequently Asked Questions**

***Competitions may take more than a year to complete. Given this time frame, should personnel actions be held pending competition completion?***

*This will have to be determined on a competition-by-competition, case-by-case basis. The HRA should discuss any personnel actions with the Functional Team Official to determine if filling a vacancy or effecting a promotion could be delayed. Additionally, it is a good idea to review all recruitment actions during the course of the effort to determine if full-time permanent positions could be filled as temporary, part-time, or term appointments. Delaying current and anticipated recruitment actions for the organization under competition can help to reduce unwanted RIF impact.*

## Chapter 3



## PUBLIC ANNOUNCEMENT

### Public Announcement Overview

The OMB Circular A-76 requires an agency to make a formal Public Announcement of a competition. Public Announcement is when the Department makes an announcement (at the local level and via FedBizOpps.gov) for each streamlined or standard competition. The Public Announcement on the commencement of a study serves as the official start date of the time clock for the typical 12-month-completion requirement for the standard competition, or 90-day completion requirement for the typical streamlined competition. This announcement is usually well orchestrated to prevent any release of information prior to the official announcement.

Shortly after this announcement, managers are typically bombarded with questions about an employee's specific situation that only HR can answer. This is usually when managers and employees first contact the HR Office for support.

Prior to the Public Announcement there is a preliminary planning period when final decisions are made as to what functions will be included in the competition and preparations for the competition begins. Preliminary planning is critical to ensure that the competition can be conducted in compliance with OMB Circular A-76. This is when CSESG appoints the Functional Team Official.

### Public Announcement - Description of Key Tasks

It is during this time just prior to the Public Announcement that the HRA prepares to support individual competitions, supports the Competitive Sourcing Official in making the Public Announcement, and supports the competition team in preliminary planning.

#### A. Prepare for competition:

##### A-14. Identify/assign HRA representative to act as primary point of contact for HR support to the competition

It is important that the Functional Team Official have one primary point of contact at HR for supporting the competition. This provides a direct line of communication between the Functional Team Official and HR, saves time, provides continuity of support, and helps mitigate the risk of conflict-of-interest violations. The potential for conflict of interest will be addressed in more detail in chapters on the PWS and the Agency Tender. Appendix C of this guidebook provides some options for how HR can provide support.

In most cases, diversion of a HRA representative from their regular duties will be temporary or intermittent as support is required. However, for large competitions some process steps may require full-time effort. In making assignments, it is also important to consider that a typical competition may last anywhere from 12 to 18 months.

#### HR TASKS:

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

***A-15. Meet with Functional Team Official to discuss HR support to the competition***

Upon notification of a competition, the assigned HRA representative should meet with the Functional Team Official to discuss the HRA's role. Topics to discuss should include:

- Implications and importance of early HR involvement in the competition, including answering employee's questions after the Public Announcement is made.
- Significance of regulatory timelines; not to inhibit the process, but rather to ensure the competition meets deadlines including MEO implementation
- The HR organization as an important resource to the MEO Team for HR issues; i.e., determining personnel costs, employee retraining, and writing and classifying PDs.
- The HR organization's ability/capability to support the overall effort and recommendations as to how the HRA representative can best provide needed support.

***A-16. Identify employees who are affected by the competition***

Although this sounds simple and straightforward, clearly identifying who is in the competition can be difficult. Often when a function is going to be announced for competition, the number of positions is taken directly from the FAIR Act Inventory. The FAIR Act Inventory does not identify positions with employee names, and when finally announced, the FAIR Act Inventory may be out-of-date because staffing changes have subsequently occurred in the organization.

In addition, the affected employees may include employees who are not directly under the competition. Employees not under competition, but within the competitive area, may be directly affected by the outcome of the competition. The Functional Team Official will need to make decisions about which employees are affected.

***A-17. Assist the Functional Team Official in understanding employee rights, responsibilities, and involvement in the competition***

The Functional Team Official will rely on the HRA representative to provide general and specific information about employee rights, responsibilities, and involvement in the competition. This information can vary from function to function and from competition to competition depending on the types of positions—full-time, part-time, intermittent, temporary; wage grade or general schedule; retirement eligibility; retirement plan, and if they are part of a union bargaining unit.

If possible, general information on employee rights and responsibilities should be made available immediately following the public announcement. Employees should be given directions on how to obtain information that pertains to their individual situation.

***A-18. Assist the Functional Team Official in understanding bargaining unit involvement in the competition***

Bargaining unit involvement during the competition may reduce or eliminate the need for impact and implementation bargaining, thus expediting completion of the process. Many previous competitions have found that bargaining unit involvement improves the overall conduct of the competition since it facilitates cooperation with management.

The outcome of a competition can significantly affect employees and their current job responsibilities. It is a good idea to notify the affected bargaining unit representative before a competition begins and provide them with frequent status reports throughout the process. Most bargaining unit representatives will want to be involved in the process and will expect to have the opportunity to bargain over negotiable areas. The Functional Team Official must ensure compliance with applicable provisions of negotiated bargaining unit agreements, and they also must act to maintain sound relationships with bargaining units and the employees they represent. One way to do this is to engage bargaining unit representatives in the process through established labor-management partnerships.

The HRA should ensure labor relations obligations under 5 USC Chapter 71, and any applicable collective bargaining agreements or partnership responsibilities are met. Specifically, the Federal Labor Management Relations Statute, Title 5, Part III, Subpart F, Chapter 71, Section 7106(a) states that management retains the right to make determinations, in accordance with applicable laws, with respect to competitions. While many decisions in the competition are not subject to negotiation.

***HR TASKS:***

- |   |
|---|
| <ul style="list-style-type: none"> <li><i>A. Prepare for Competition</i></li> <li><i>B. Competition Advisory Actions</i></li> <li><i>C. MEO and Contract Implementation Planning</i></li> <li><i>D. MEO or Contract Implementation</i></li> </ul> |
|---|

bargaining unit representatives may request bargaining over the impact and implementation of those decisions.

The HR representative is encouraged to involve HRA representatives (Labor Relations) to assist in determining employee rights under bargaining unit agreements and to communicate with the bargaining units and employees.

#### ***A-19. Prepare for Public Announcement***

Completion of A-14, A-15, A-16, A-17, and A-18 are all necessary to be fully prepared for Public Announcement.

It is very important that management and the HRA anticipate and prepare to answer general questions from employees immediately after Public Announcement. This time in the competition process is one of the most difficult for employees, primarily because they do not have the facts and have probably heard lots of rumors and misinformation about the process. Employees will benefit from simply stated, straight-forward, consistent information at this time in the competitive sourcing process to allay their fears. The Functional Team Official may choose to send out a DOECAST or a workforce briefing to encourage two-way communication between management and employees.

#### ***A-20. Attend Meetings for Employees***

It is important for the HRA representative supporting the competition to be at any employee meetings, and workforce briefings, to answer HR-related questions.

#### ***A-21. Assist in Preparing and Presenting a Workforce Briefing***

A Workforce Briefing can be very difficult; employees may be in denial, angry, and/or very emotional. The employees will have been learning about the competition and they will demand answers. The HR portion of the Workforce Briefing should cover the following:

- Reduction in Force rules and notification issues
- Repromotion opportunities
- Benefits (e.g., outplacement assistance, training, Department placement program registration, etc.)
- Labor and employee relations; bargaining unit involvement
- Use of VSIP/VERA and required approvals
- Agency placement program registration
- Additional outplacement efforts
- Post-employment restrictions
- Discussion of Right of First Refusal, including entitlements
- Reminder for employees to update their Official Personnel Folder (OPF)

It is a good idea to work with the Department's legal and contracting staff to develop and present a briefing to affected employees regarding post-employment restrictions, non-disclosure of sensitive information, prevention of conflicts of interest, and procurement integrity rules. It may also be important to have a representative from the Employee Assistance Program present information on programs that are available to support employees during stressful times.

If the affected employees are located both at Headquarters and other elements of DOE, the HRA representative will want to coordinate with Department elements to ensure consistent information is being delivered to all affected employees.

#### ***HR TASKS:***

- A. Prepare for Competition***
- B. Competition Advisory Actions***
- C. MEO and Contract Implementation Planning***
- D. MEO or Contract Implementation***

## Public Announcement - Checklist of Key Tasks

PUBLIC ANNOUNCEMENT KEY TASKS			ö
<b>A. PREPARE FOR COMPETITION</b>	<b>A-14.</b> Identify/assign HRA representative to act as primary point of contact for HR support to the competition	Competition specific	
	<b>A-15.</b> Meet with Functional Team Official to discuss HR support to the competition	Competition specific	
	<b>A-16.</b> Identify employees who are affected by the competition	Competition specific	
	<b>A-17.</b> Assist the Functional Team Official in understanding employee rights, responsibilities, and involvement in the competition	Competition specific	
	<b>A-18.</b> Assist the Functional Team Official in understanding Bargaining unit involvement in the competition	Competition specific	
	<b>A-19.</b> Prepare for Public Announcement	Competition specific	
	<b>A-20.</b> Attend meetings for employees	Competition specific	
	<b>A-21.</b> Assist in preparing and presenting a Workforce Briefing	Competition specific	

## Frequently Asked Questions

### *What is competitive sourcing?*

Simply stated, competitive sourcing is a process that compares private-sector and government costs or bids/offers to determine the most cost-effective way for the government to "buy" services. Competitive sourcing involves a formal, standardized process promulgated by OMB Circular A-76. The outcome of the process is determination of if it is more cost-effective for a commercial activity to be performed by a private-sector source, by a more efficient and productive in-house government workforce, or through a public-reimbursable source.

### *Why do people refer to competitive sourcing as "A-76?"*

Competitive sourcing is often referred to as "A-76" or an "A-76 Competition," because the competitive sourcing process is governed by policy in OMB Circular A-76.

### *What happens in competitive sourcing or a competition?*

Essentially, the A-76 competition process consists of six steps:

- (1) **Develop the Performance Work Statement (PWS).** The PWS is the cornerstone of the A-76 process, forming the technical requirements of the activity under competition and establishing performance-based measures to ensure the government obtains the services it needs.
- (2) **Develop the solicitation.** Building on the PWS, the solicitation forms the basis for the competition and establishes a level playing field for the government and the private-sector to develop their bids/offers/tenders.
- (3) **Develop the government's Most Efficient Organization (MEO).** This is the government's opportunity to design an organization that meets the requirements of the PWS and can compete with the private-sector or public-reimbursable offerors.
- (4) **Develop the Agency Cost Estimate.** This is the government's cost to perform the work in the PWS; it is an estimate of government costs based on resources used by the MEO; i.e., personnel, material and supplies, equipment, etc.

- (5) **Evaluate offers to determine the winner of the competition.** Once initial private-sector bids or offers are received, these offers are evaluated and rated with the Agency Cost Estimate based on guidelines established in the solicitation. The source selection may be based solely on low cost or may incorporate a best-value determination, as specified in the solicitation. In a standard competition, a conversion differential is applied, giving a 10% or \$10M, whichever number is smaller, cost advantage to the Agency Tender.
- (6) **Ensure Post-Competition Accountability.** Regardless of the selected service provider, after implementing a performance decision, DOE will: (1) monitor performance for all performance periods stated in the solicitation; (2) implement the quality assurance surveillance plan; (3) retain the solicitation and any other documentation from the streamlined or standard competition as part of the competition file; (4) maintain currency of the contract file, consistent with FAR Subpart 4.8, for contracts, MEO letters of obligation, and fee-for-service agreements; (5) record the actual cost of performance by performance period; and (6) monitor, collect, and report performance information, consistent with FAR Subpart 42.15, for purposes of past performance evaluation.

***How does competitive sourcing (A-76) differ from "outsourcing?"***

Many people believe that competitive sourcing is the same as outsourcing or use the terms interchangeably; however, there are important differences. Sometimes this process is also referred to as "contracting-out," but this terminology is also incorrect. In a competition process, there is no assumption that the private-sector will win the competition, and, therefore, result only in a decision to have the work contracted out or outsourced. Under competitive sourcing, the government has the right to compete for the work and to potentially retain the function in-house.

***How does competitive sourcing (A-76) differ from privatization?***

Privatization refers to a management decision by the government to get out of a given line of business and turn over operations and possibly assets to the private-sector to perform that business. If a commercial activity is "privatized," the government completely divests itself of ownership and control of the activity. The competitive sourcing or A-76 process permits the government to compete with the private-sector to determine who will perform the activity. In competitive sourcing, the government maintains ownership of the activity regardless of who wins the competition.

***What are the benefits of competitive sourcing?***

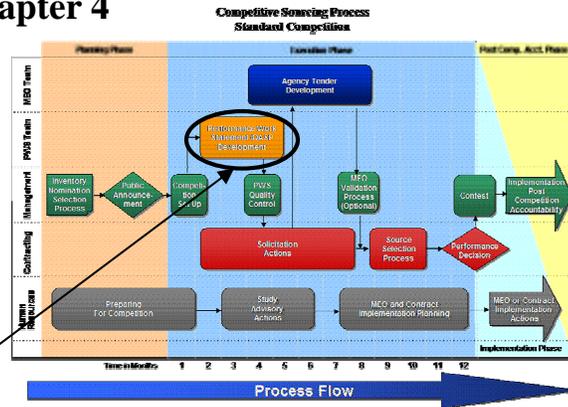
For the government, the competitive sourcing process has consistently resulted in cost savings of 30 percent whether the government or the private-sector wins the competition. Competition is the catalyst for producing these savings. In preparing for the competition, both the private-sector and the government are highly motivated to create the most productive and cost-effective business operation possible—often maximizing the use of industry best practices, innovations, and new technology—to ensure they will be competitive, resulting in increased savings.

***If it is accepted that the A-76 process can save the government money, how much does going through this process cost?***

The government has only recently started tracking all the costs associated with conducting a competition and the results have not been uniformly documented. However, the fact that these process costs are one-time costs, and any savings in the performing organization are ongoing for years, it usually means the long-term savings outweigh the short-term process costs. A cost-benefit analysis should be incorporated into the competition planning phase to ensure that there is an expectation that competitions result in savings to the government and the taxpayer.

## Chapter 4

### PERFORMANCE WORK STATEMENT AND QUALITY ASSURANCE SURVEILLANCE PLAN DEVELOPMENT



#### Performance Work Statement and Quality Assurance Surveillance Plan Development Overview

The Performance Work Statement (PWS) is the cornerstone of the competition process. The PWS is a description of the work to be performed, performance standards, and time frames. It is the basis for the technical performance section of the solicitation. Contractor proposals and the government in-house organization's MEO Agency Tender are based on the work described in the PWS.

Based on the requirements in the PWS, the Quality Assurance Surveillance Plan (QASP) is developed. The purpose of the QASP is to provide a planned process for measuring the performance of the service provider against the requirements in the PWS. The Department will assign Quality Assurance Evaluators who are external to the selected provider to implement the QASP.

The Competitive Sourcing Official appoints the PWS Team Leader. The Functional Team Official works with the PWS Team Leader to designate the PWS Team. The PWS Team is comprised of technical and functional experts and is responsible for (1) developing the PWS, QASP, supporting workload data, and any information relating to the activity being competed; (2) determining government-furnished property and services, and (3) assisting the Contracting Officer (CO) in developing the solicitation. To avoid any appearance of conflict of interest, PWS Team members may not be members of the MEO Team.

The *CSPG* breaks the PWS/QASP development process down into three distinct steps: Step 2: Develop PWS and QASP, Step 3: Review and Revise PWS and QASP, and Step 4: Obtain Higher-Level Approval of PWS and QASP. Step 4 is discretionary and is performed as the PWS Team Leader determines the need. These internal reviews are the key to successful development of the PWS. The first review in Step 3 is conducted to ensure all important issues raised during Step 2 are adequately reflected in the PWS and QASP. The high-level review provides final approval to the draft PWS and QASP. During this review, the PWS and QASP are reviewed, revised, and then officially approved by the PWS Team Leader.

If the discretionary Step 4 is executed, the PWS Valuator (PWSV) authenticates that the draft PWS and QASP will satisfy the mission requirements of the organization. Although this validation takes place outside the immediate PWS Team members, the PWS Team Leader can facilitate this review and approval by coordinating with the PWSV while the PWS and QASP are being developed (Step 2) and reviewed internally (Step 3). The goal of this coordination is to keep the PWSV informed of the status of PWS and QASP development and convey the PWSV's viewpoints to the PWS Team. The PWSV validation of the PWS and QASP is solicited through a letter that includes these two documents as enclosures.

#### PWS and QASP Development - Description of Key Tasks

During PWS development, the HRA representative serves as an advisor to the PWS Team. Typically, this advisory role is limited to providing information on personnel qualifications that might be needed

Refer to OMB Circular A-76 for specific policy governing the Solicitation and the QASP.

Read the details in the *CSPG*

Key Players:  
Contracting Officer  
PWS Team  
Functional Team  
Official

to develop PWS requirements.

Although the HRA representative may not have specific tasks associated with PWS development during the PWS and QASP development, the HRA representative should begin three additional tasks for implementation planning and continue to work on implementation planning tasks initiated during the Planning Phase.

### ***B. Competition Advisory Actions:***

#### ***B-1. Advise PWS Team on an as-needed basis***

The PWS usually contains sections on Service Provider Personnel, Security Requirements, and Employee Training. Agencies may establish requirements for specific credentials such as registrations, licenses, or certificates as conditions of employment or when they are required for satisfactory job performance. If necessary, the HRA representative may provide advice to ensure that in-house qualifications, certification, or licensing requirements are appropriate.

It is important for HRA representatives to provide only advisory assistance to the PWS Team or the CO; otherwise, there may be a conflict of interest that would prohibit their providing assistance to the related MEO Team and planning for implementation. In the Government Accounting Office (GAO) Jones-Hill decision, GAO ruled that an individual who works on the PWS Team is forbidden to work on the MEO Team. In addition, it will be necessary for the HRA representative to sign a non-disclosure agreement.

If the PWS development requires significant involvement of the HRA representative, then a different HRA representative must assist the MEO Team and planning for implementation to avoid any perception of conflict of interest. Significant involvement occurs when the HRA representative has knowledge of the requirements and/or participates in decision making for the PWS.

### ***C. MEO and Contract Implementation Planning:***

#### ***C-3. Determine any necessary stipulations that may need to be included in the PWS/solicitation to facilitate HR Implementation Actions***

The HR Office or the HRA representative may want to provide input to the PWS Team and/or CO regarding contract requirements for transition or phase-in timelines. Determination of transition time frames that are realistic for the Department to implement personnel actions may provide valuable insight in establishing the transition timelines. Considering the unique rules that govern personnel action in the federal government will become even more important if the Agency Tender must adhere to the transition time frame requirements in the solicitation.

#### ***C-4. Collect PDs for all positions affected by the competition***

This task is actually preparation to assist the PWS Team and MEO Team, and to begin implementation planning. It begins with collecting PDs for affected positions. Management should already have current PDs. These PDs will be useful to the PWS Team as they work to identify specific tasks, skills, and certifications that may be necessary to include in the PWS. The MEO Team will use them to review current positions in regard to designing the Agency Tender.

#### ***C-5. Advise affected employee's to review their Office of Personnel Folder (OPF)***

One of the most important services the HR will provide to an activity undergoing a competition is to ensure that employee information is current and up to date. This serves two purposes: First, it shows the employees that their HR organization is directly involved and helping them during their competition. Second, it will help to identify who may ultimately work in the MEO.

#### ***C-6. Be Prepared to Meet With Interested Employees to Review their OPF and to Discuss their Available Options***

Employees should update their individual OPF and verify content and accuracy. It is possible that employees will possess official documents regarding employment and training not contained in their

#### ***HR TASKS:***

***A. Prepare for Competition***

***B. Competition Advisory Actions***

***C. MEO and Contract Implementation Planning***

***D. MEO or Contract Implementation***

individual OPF, and the HRA representative must obtain copies of such documents and revise the information profile.

### PWS and QASP Development - Checklist of Key Tasks

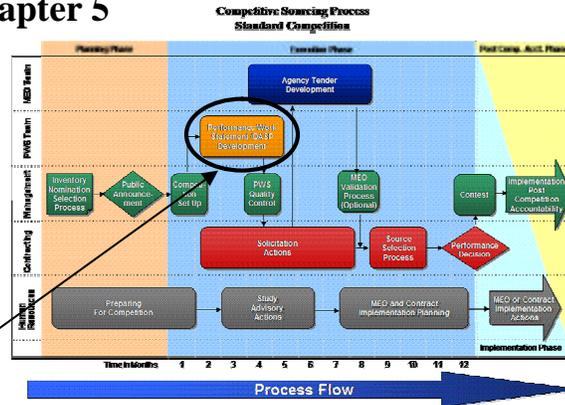
PWS/QASP KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-1.</b> Advise PWS Team on an as-needed basis.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-3.</b> Determine any necessary stipulations that may need to be included in the PWS/solicitation to facilitate HR Implementation Actions.	Competition specific	
	<b>C-4.</b> Collect PDs for all positions affected by the competition.	Competition specific	
	<b>C-5.</b> Ensure the affected employees' Office of Personnel Files are current.	Competition specific	
	<b>C-6.</b> Be prepared to meet with interested employees to review their OPF and to discuss their available options.	Competition specific	

### Frequently Asked Questions

***Will a contractor be required to follow the same regulations as A-76? Will there be a "level playing field" for the government and the contractor?***

Yes. The PWS will define the contract requirements. The contractors will be submitting bids/offers and the government will submit its agency tender based on the requirements stated in the PWS. The requirements will be substantially the same for both the contractor and government. The PWS will express contractual requirements in terms of desired performance and outputs; in most cases, it will not direct the service provider on how to accomplish the work. Therefore, some local instructions, policies, and guidance currently used in performing the work may not be incorporated into the PWS, or that may be incorporated in a manner that makes their use elective. In those cases, both the MEO and the private-sector bidder/offeror will be able to decide how to accomplish the work, which may or may not include use of current policies and instructions.

## Chapter 5



## SOLICITATION ACTIONS

### Solicitation Actions Overview

During Solicitation Actions, the CO conducts (1) pre-solicitation actions, (2) prepares and issues the solicitation, and (3) then receives the offers from the government and the private-sector. The solicitation is a document requesting or inviting offerors to submit offers. Solicitations basically consist of a draft contract describing the services required and provisions on preparing and submitting offers.

Pre-solicitation actions include activities that are focused on developing a quality solicitation. The PWS Team may conduct informal market research to determine how the function under competition is actually performed and contracted for in the private-sector. An announcement is published in *FedBizOpps* notifying private industry that the government is seeking to identify vendors who have capability and interest in performing required services. The CO may hold a pre-solicitation meeting to gather industry input for incorporation into the solicitation.

The CO, in conjunction with the PWS Team Leader and the PWS Team, determines which type of contract to use for preparation of the solicitation. The CO reviews the PWS for sufficiency and incorporates it, along with other required contract clauses, into the solicitation. One contract clause that must be included in standard competition solicitations is the Right of First Refusal of Employment, FAR 7.305(c). This clause ensures that government personnel whose positions are eliminated if an activity is contracted out through a standard competition will be given priority for employment with the winning contractor. The CO and the PWS Team also work together in developing the criteria by which the offers will be evaluated. This step also entails the government's receipt and initial processing of these offers. This process step corresponds to Step 5: Conduct Pre-solicitation Actions and Step 6: Solicitation Actions in the *CSPG*.

### Solicitation Actions - Description of Key Tasks

During this part of the process, the HRA representative continues to work on those implementation planning actions initiated earlier. The HRA representative must be available to advise the CO if necessary and should check to ensure the Right of First Refusal clause has been inserted if appropriate.

#### **B. Competition Advisory Actions:**

##### **B-2. Advise Contracting Officer on an As -needed Basis to Prepare Solicitation**

The HRA representative may need to provide additional information on personnel qualifications or requirements.

*Key Players:*  
 PWS Team Leader  
 PWS Team  
 Contracting Officer

- HR TASKS:*
- A. Prepare for Competition
  - B. Competition Advisory Actions
  - C. MEO and Contract Implementation Planning
  - D. MEO or Contract Implementation

**C. MEO and Contract Implementation Planning:****C-7. Review Solicitation to Ensure Right of First Refusal Clause Has Been Inserted**

The HRA representative should get a copy of the solicitation and check to see if the Right of First Refusal clause has been included. If the competition is won by the private-sector, the HR representative will work with the CO to coordinate employee Right of First Refusal for contractor vacancies and work with the CO to ensure contractor compliance. This task is discussed in detail in Performance Decision Implementation, Task D-9.

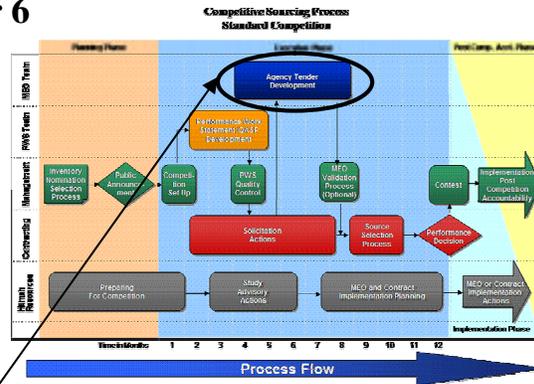
**Solicitation Actions - Checklist of Key Tasks**

SOLICITATION ACTIONS KEY TASKS			ö
<b>B. ADVISORY ACTIONS</b>	<b>B-2.</b> Advise CO on an as-needed basis to prepare solicitation.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-7.</b> Review solicitation to ensure that Right of First Refusal clause has been inserted.	Competition specific	

**Frequently Asked Questions*****Can other government agencies compete for the contract?***

Yes. When responding to another agency's solicitation, a public-reimbursable source can develop a public-reimbursable tender that responds to the requirements of the solicitation, including section L (Instructions, Conditions, and Notices to Offerors or Respondents) and section M (Evaluation Factors for Award). In addition to solicitation requirements, the public-reimbursable tender shall include the following: (1) a certified cost estimate developed in accordance with Attachment C (the public-reimbursable source's cost proposal); (2) a quality control plan, (3) a phase-in plan, and (4) copies of any awarded contracts that are included in the tender (with the Private-sector Provider's proprietary information redacted). A public-reimbursable tender may be comprised of either (1) government personnel or (2) a mix of government personnel and awarded contracts.

## Chapter 6



## AGENCY TENDER DEVELOPMENT

### Agency Tender Development Overview

The Agency Tender consists of the MEO Concept of Operations document, a Phase-in Plan, an Agency Cost Estimate, and a Technical Proposal. The Agency Tender is the government in-house organization's offer that is compared to offers submitted by private-sector and public-sector organizations. The MEO Team is responsible for developing the government's Agency Tender.

The development of the Agency Tender is an iterative process and begins with creating the government's MEO to perform the work defined in the PWS. In developing the MEO, the MEO Team may consider any prior business case analysis, business process reengineering, or organizational analysis efforts that have been conducted. The Phase-in Plan describes the organization's plan to move from the current organizational structure to the MEO while maintaining performance levels. The Agency Cost Estimate is based on the proposed MEO's performance of the PWS and documents calculation of the government's cost for competition. The Technical Proposal is the government's proposal for meeting PWS performance requirements. All of these tasks are interrelated, developed concurrently, and can begin at any time during development of the Agency Tender.

The Agency Tender must reflect the scope of work defined in the PWS developed in Step 2 and support performance requirements included in that document. Completion of the Agency Tender concludes the primary involvement of the MEO Team.

This process step corresponds to Step 7: Develop the Agency Tender in the Operating Guidebook.

### Agency Tender Development - Description of Key Tasks

During development of the Agency Tender, the HRA representative will focus on four tasks that provide the MEO Team with position management: 1) guidance, 2) information, and 3) recommendations, as well as 4) review, finalize, and certify MEO PDs. Concurrently, the HRA representative will continue with more detailed implementation planning. The HRA representative will need to work closely with the MEO Team to ensure that the Agency Tender is complete and can be submitted to the CO by the exact date and time set forth in the solicitation.

#### *B. Competition Advisory Actions:*

##### *B-3. Provide Guidance on Obtaining Salary, Wage, and Benefit Information as Required by the MEO Team*

The HRA representative may be required to provide salary, wage, and benefit information as required by the MEO Team. Typically this information is available on the OPM website and readily available to the MEO Team. However, if there are any positions under different pay/classification systems, the HRS representative will need to provide this information.

#### ***B-4. Provide Advice on Position Management for the MEO***

There are many important aspects to staffing the MEO. Position management is a systematic approach to arranging work in a manner that serves mission needs most effectively and economically. It involves determining: 1) the need for positions; 2) the required skills and knowledge; 3) the best organization, grouping, and assignment of duties and responsibilities among positions; and 4) organizing positions into an effective structure to achieve the work.

To achieve effective position management, the HRA representative should assist the MEO Team in considering the following position management components:

- Required number of positions
- Duties and job content of positions
- Relationships among positions
- Ratio of supervisory to non-supervisory positions
- Ratio of professional/technical/clerical positions
- Ratio of direct and indirect positions to overhead positions
- Resolving position management problems, including:
  - ? A too narrow span of control, where more supervisors exist than are necessary
  - ? Excessive layering, where organizations are split into many small segments
  - ? Fragmentation, where higher-grade duties are split among several positions
  - ? Unnecessary positions (e.g., excessive use of deputy and assistant positions)
- Advising on position design considerations, including:
  - ? Career opportunities
  - ? Employee utilization
  - ? Funding availability
  - ? Job structuring
  - ? Labor market analysis
  - ? Upward mobility

The objective of the MEO Team is to develop an optimal organization structure with improved work methods so that the in-house organization costs no more than necessary and can successfully compete with Private-sector Providers and Public-reimbursable Providers. Personnel costs often represent the most significant cost of operation and accurately establishing these costs improves the MEO's ability to both reduce costs and successfully compete and potentially win.

The basis for MEO position structure and grading is the definition of work described in the PWS. The PWS describes workloads, required skills, and necessary training. The organization change team may find it helpful to "map" the PWS work requirements to staffing requirements when developing the MEO staffing plan. This method allows an objective approach for determining minimum staffing requirements. This information, in context with classification standards and guides, will allow the HRA representative and the MEO Team to determine position types, grades, and the number of positions needed to support the MEO.

It is often a fact that traditional line and staff organizations are usually not conducive to creating MEOs. This is often due to excessive supervisory layering, narrow spans of supervisory control, and single function positions. While there is no one formula for building a successful MEO, certain techniques will allow for greater organizational flexibility and reduced cost. These include:

- Replacing supervisors with team leaders
- Increasing spans of control
- Establishing multi-functional positions

Reallocating some supervisory duties among team leaders is an effective method for reducing cost. Making team leaders responsible for assigning daily work, on a rotational basis, is an effective technique that helps to build teamwork.

Increasing supervisory spans of control can reduce unnecessary layering and help achieve reduced cost. It is essential to keep administrative overhead positions to an absolute minimum in the MEO

since they add little substantive value to mission accomplishment, but add to the cost of operation. Creating multi-functional positions, while helping reduce MEO costs, can allow employees to learn and apply new skills, give them greater confidence and job mastery, and increase their employability. Examples of multi-functional positions include:

- Chemist/Agronomist
- Computer Programmer/Analyst/Operator
- Management/Budget/Program Analyst

Combining related duties into a single position when insufficient workload exists to staff a single full-time position can help reduce staffing less than full-time positions. As the MEO Team develops the MEO staffing plan, it may discover that current positions do not sufficiently match the type of work required by the PWS. If this happens, the HR Representative should work with the MEO Team in developing appropriate PDs. Please note that this situation is extremely rare; in most cases, existing positions are usually sufficient to accomplish the required work.

Grades must be commensurate with the work performed in order for the MEO to succeed. Consider the following two methods when conducting MEO position classification. 1) The MEO Team should consider revising grades when similar private-sector positions are paying considerably more or less. 2) Some MEOs can benefit from establishing upward mobility positions that offer potential for advancement. This serves two purposes. First, it helps to retain employees by giving them an expectation of greater responsibility and pay. Second, it allows the MEO some flexibility to cover future attrition. For example, one method to determine the feasibility of using upward mobility positions would be if the MEO have at least five (5) fixed-grade journey-level positions in a particular job series. Consistent with achieving work requirements, one or two of the positions could be designated as upward mobility positions and re-graded to lower grades in the position series. Remember that while these positions will cost less during the initial years of MEO performance, their costs will increase as employees' advance.

#### ***B-5. Provide Information on Recruiting and Retention Strategies for the MEO***

The HRA representative can refer to DOE Human Capital Management Strategies for recruiting and retention strategies for the MEO.

#### ***B-6. Conduct Labor Market Analysis to Support Staffing Requirements for MEO***

The HRA representative may need to prepare a labor market analysis to fill any anticipated vacancies that may occur during the course of the competition. Consider preparing a labor market analysis if:

- The activity involved in the effort has historically had difficulty in recruiting employees directly from traditional sources of candidates.
- The activity is geographically remote from adequate sources of labor.
- The activity's product involves research and development or requires employees that possess critical technological competencies

At a minimum, the Labor Market analysis should identify:

- All anticipated departures and retirements that will occur during the term of the organization change effort.
- External recruitment sources.
- Impediments to hiring (e.g., geographic remoteness, hiring freezes, under-funding, etc.).
- Sources for temporary position backfill (e.g., employee diversion).

The goal here is to anticipate any losses and to be able to identify sources to fill positions with qualified employees. Sources of potential applicants and employees include:

- Internet employment referral providers

#### *HR TASKS:*

*A. Prepare for Competition*

*B. Competition Advisory Actions*

*C. MEO and Contract Implementation Planning*

*D. MEO or Contract Implementation*

*Reference the Administrative Flexibilities Guide for recruiting and retention strategies for the MEO at: <http://www.ma.mbe.doe.gov/pol/HCSIndex.html>*

- State and local government employee referrals
- Status applicant files

### ***C. MEO and Contract Implementation Planning:***

#### ***C-8. Review, Finalize, and Certify MEO PDs***

PDs for each position must be developed once the MEO Team has determined the organization's structure. The MEO Team, with advice and assistance from the HRA representative, should revise or write key PDs. HRA representatives and managers with delegated classification authority must ensure PDs remain within the outline of duties agreed upon so grades do not exceed those required by the MEO.

Performance of quality control responsibilities is often an important element of the MEO; the HRA representative should work closely with the MEO Team to ensure PDs include quality control duties where required. As soon as all positions have been documented, the structure of the MEO should be finalized so that the implementation planning can be very specific; this detailed planning will ensure that the MEO can be implemented on a timely basis if the activity's offer is selected as the competition winner.

#### ***C-9. Actively Participate in Development of Phase -In Plan for MEO***

The Phase-In Plan describes actions needed to effect change from the current operation to the new operation including MEO, Private-sector offeror, and Public-reimbursable tender. The Phase-In Plan intent is to minimize disruption and adverse impacts of implementing the MEO and to identify all capitalization and startup requirements.

The HRA representative should be involved in developing the Phase-In Plan to understand required personnel action and to recommend achievable milestones. After having ensured that timelines for personnel actions are realistic and complete, the HRA representative will use the Phase-in Plan to staff the MEO. HRA representatives must complete all personnel actions and personnel moves in accordance with provisions of the Phase-in Plan, and, where applicable, request necessary extensions in a timely manner.

The HRA representative must review the Phase-in Plan to ensure that milestones do not conflict with federal and Department personnel policies (e.g., implementing a RIF during the December-January holiday period). It is also necessary to ensure accomplishment of personnel actions in a timely manner. If this is not possible, the HRA representative should request an appropriate time extension.

#### ***C-10. Using MEO Phase-In Plan, Develop Employee Transition Plan for Department to Transition to MEO***

The Phase-in Plan that is part of the Agency Tender is usually very high-level and will not contain the detail necessary for HR to adequately plan for employee transition; therefore, the HRA representative should develop an Employee Transition Plan for use by HR that focuses specifically on personnel actions necessary to implement the MEO. The HRA representative will have to consider the Department's budget constraints in planning for relocation, retraining, severance, buy-outs, etc. It is beneficial to develop this Employee Transition Plan as early in the process as practical so that all proper negotiations and approvals can be obtained.

It is important to remember that when developing the Employee Transition Plan for transition to the MEO, the HRA representative will know the final staffing of the MEO. This information is highly sensitive and any Employee Transition Plan materials that contain this information must be kept secure to avoid compromising the competitive position of the MEO.

#### ***C-11. Using the Solicitation, Develop Employee Transition Plan for Department to Transition to Contractor***

This task is similar to C-10, except the HRA representative must prepare the Employee Transition Plan for transition to contractor operations. In this scenario, the HRA representative must develop an Employee Transition Plan that assumes that all the employees under competition will be displaced. Reasonable estimates will need to be made to determine how many government personnel will likely

be hired by the contractor; historical data is useful in developing these estimates. In addition, the HRA representative will need to work with the Functional Team Official to estimate how many government personnel will be needed for contract administration and quality assurance evaluators.

***C-12. Assist the MEO Team in Computing One-time Conversion Costs***

The HRA representative may be required to assist the MEO Team in developing one-time conversion costs for conversion from the current government organization to the MEO and from the MEO to the contractor. This will be important for both developing the Agency Cost Estimate and for budgeting within the Department. Conversion from the current government organization to the MEO may include costs such as: recruiting, relocation, and training.

Conversion to the contractor is calculated using a standard factor of four percent of base pay for the first full year of performance as governed by the OMB Circular A-76. For the Agency Cost Estimate, COMPARE calculates this cost automatically. The concern for the Department is that it should estimate the actual conversion costs so that it can budget accordingly. Furthermore, in those cases where the actual costs are much greater than the costs calculated using the standard factor, the Department may choose to use the estimate of actual conversion costs.

One way to determine these costs is to conduct a mock RIF to identify various personnel actions required under two sets of assumptions:

- Conversion of present operation to MEO performance
- Conversion of present operation to Private-Sector Provider or Public-reimbursable Provider performance

The mock RIF should be realistic rather than “worst case.” This is important since costs developed as a result of the mock RIF may be used in the Agency Cost Estimate and could cause an appeal if they are incorrectly stated. The HRA representative may then develop further information from historical data, employee questionnaires, and other means such as the number of anticipated retiring employees, employees separating with severance pay, and employees who will accept relocation. The HRA representative can use this information to develop one-time conversion costs such as retraining and relocation costs, etc.

***C-13. If Required, Conduct Mock RIF***

Mock RIFs may help in estimating one-time conversion costs, but may have a negative impact on employee morale and exacerbate attrition. It is a good idea to identify the activity’s RIF history (e.g., special qualifications, promotion patterns, etc.) well in advance of conducting the mock RIF. The initial stages of preparation for a mock RIF are similar to those of an actual RIF. You should verify that:

- Employee records are up to date so that qualification determinations will be accurate
- Competitive areas are established
- Competitive levels are accurate and current
- An adequate number of HR Specialists are knowledgeable of Office of Personnel Management and DOE RIF rules/requirements and automated RIF processing systems, as well as DOE placement regulations
- Retention registers are accurate and current (e.g., performance appraisals are up-to-date, veterans’ preferences are verified, service computation dates are accurate, etc.)
- The HRA representative is prepared to meet employees and labor organizations information and assistance requirements

Documentation requirements include the following:

- The cost data resulting from the mock RIF must be supported by sufficient documentation to show the logical sequence of computations for all determinations
- The cost data should not contain any employee information

- The mock RIF and cost data are sensitive in nature and must be kept confidential

The HRA representative is primarily responsible for providing projections of what will happen to employees, including: 1) informing employees of changes to their salaries and benefits resulting from conversion to the MEO and 2) advising employees of their rights to various benefits if they separate or are adversely affected. The HRA representative also may be required to furnish actual cost estimates, based on those assumptions, for the personnel portion of the one-time conversion costs (such as severance pay) to the MEO Team for inclusion in the Agency Cost Estimate.

#### ***C-14. Determine and Plan for Recruitment Actions to Staff MEO***

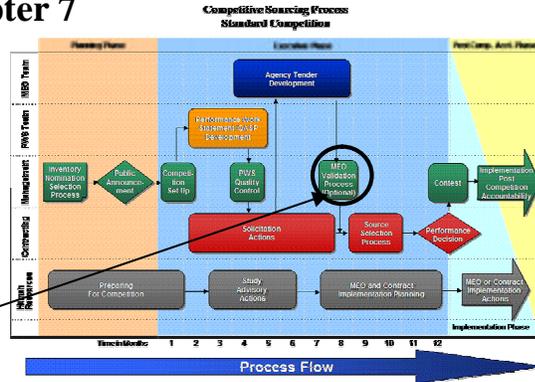
Based on the Labor Market Analysis and the Employee Transition Plan, the HRA representative should identify and plan for recruitment actions to staff the MEO. This becomes important because of the sometimes long lead time necessary to recruit government personnel. The MEO will need to be implemented within the timelines established in the solicitation. Any concerns about meeting this timeline should be raised to the Functional Team Official immediately.

### **Agency Tender Development - Checklist of Key Tasks**

<b>AGENCY TENDER DEVELOPMENT KEY TASKS</b>			<b>0</b>
<b>B. ADVISORY ACTIONS</b>	<b>B-3.</b> Provide guidance on obtaining salary, wage, and benefit information as required by the MEO Team.	Competition specific	
	<b>B-4.</b> Provide advice on position management for the MEO.	Competition specific	
	<b>B-5.</b> Provide information on recruiting and retention strategies for the MEO.	Competition specific	
	<b>B-6.</b> Conduct Labor Market Analysis to support staffing requirements for the MEO.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-8.</b> Review, finalize, and certify MEO PDs.	Competition specific	
	<b>C-9.</b> Actively participate in development of Phase-In Plan for MEO.	Competition specific	
	<b>C-10.</b> Using MEO Phase-In Plan, develop Employee Transition Plan for Department to transition to MEO.	Competition specific	
	<b>C-11.</b> Using solicitation, develop Employee Transition Plan for Department to transition to contractor.	Competition specific	
	<b>C-12.</b> Assist the MEO Team in computing one-time conversion costs.	Competition specific	
	<b>C-13.</b> If required, conduct Mock RIF.	Competition specific	
	<b>C-14.</b> Determine and plan for recruitment actions to staff MEO.	Competition specific	

## Chapter 7

### MOST EFFICIENT ORGANIZATION (MEO) VALIDATION PROCESS



### MEO Validation Process Overview

The OMB Circular A-76 no longer requires an independent review. However, a Most Efficient Organization Validation Process (MVP) step may be appropriate at the discretion of the ATO. The added value of a process review comes not just from the opportunity to catch last-minute errors, but also from the opportunity to have a Quality Control Official review all required submissions and offer advice regarding overall content and ease of understanding of the prepared materials.

The MVP Official should be a qualified person from an impartial activity that is organizationally independent of the activity that is being competed and the activity preparing the cost comparison. To ensure independence, MVP personnel must not participate in the preparation of cost estimates or supporting documentation.

The objective of MVP of the Agency Tender is to determine whether it reasonably establishes the government's ability to perform the PWS requirements within the resources provided in its MEO. The MVP should ensure that costs entered on the Standard Competition Form (SCF) of the agency's cost estimate are fully justified and calculated in accordance with OMB Circular A-76. Reviews will consist of reviewing the assumptions, methodology, rationale and applicable historical records, budget and authorization documents, and other official records used to support cost estimates. The validation generally will not include evaluation of the accuracy of accountable records, other reports and official records used to support the estimate, or underlying internal controls. The MVP submits comments and recommendations to the ATO.

This step corresponds with Step 8: Most Efficient Organization Validation Process in the *CSPG*.

### MEO Validation - Description of Key Tasks

During this process step, the HRA representative will need to be prepared to answer questions and provide supporting documentation to the Agency Tender Official (ATO) as necessary. The MEO Team will need to have the key MEO PDs properly classified and approved prior to the MEO Validation Process. The ATO will not certify the Agency Tender unless the MEO PDs are properly classified and approved.

The HRA representative will continue with the implementation planning actions started previously that have not been completed.

#### **B. Competition Advisory Actions:**

##### **B-7. Provide Information to Agency Tender Official to Support Proposed MEO on an As - needed Basis**

The ATO may request to see the documentation and supporting data for determination of the positions and grades, salary/benefit information, labor market analysis, one-time conversion costs, mock RIF, etc.

*Key Players:*  
Executive Steering Group  
FAST MEO Team  
Independent Review Offices

#### **HR TASKS:**

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

## MEO Validation - Checklist of Key Tasks

MEO VALIDATION KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-7.</b> Provide information to <i>Agency Tender Official</i> to support proposed MEO as-needed.	Competition specific	

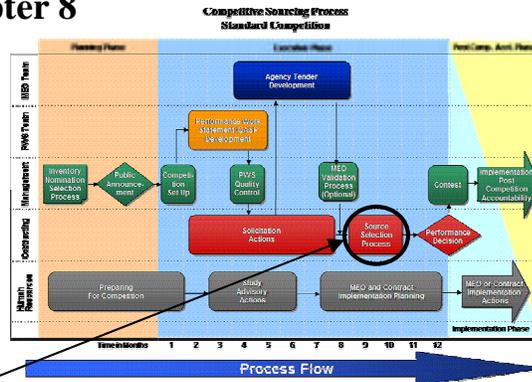
## Frequently Asked Questions

### ***Who is the Agency Tender Official? Who would conduct the Most Efficient Organization Validation Process (MVP)? What is their relationship?***

The Competitive Sourcing Official appoints the *Agency Tender Official*. The ATO is an inherently governmental Departmental official with decision-making authority who is responsible for the Agency Tender and represents the Agency Tender during source selection.

The ATO may appoint a MEO Validation Advisor (MVA) at his discretion to conduct the MEO Validation Process. The MVA should be a qualified person from an impartial activity that is organizationally independent of the activity that is being competed and the activity preparing the cost comparison. To ensure independence, MVP personnel must not participate in preparation of cost estimates or supporting documentation.

## Chapter 8



### SOURCE SELECTION PROCESS

#### Source Selection Process Overview

The purpose of source selection is to evaluate private sector offers, public reimbursable tenders, and the government’s Agency Tender to select the best offer consistent with the published terms of the solicitation. Appointed by the CSO and the Source Selection Authority (SSA), the Contracting Officer (CO) has overall responsibility for managing the Source Selection Process. After public announcement of a standard competition that will be a negotiated procurement, the SSA shall appoint an evaluation team [referred to as the Source Selection Evaluation Board (SSEB)] in accordance with FAR Subpart 15.303. The SSA shall ensure that the SSEB complies with the source selection requirements of the FAR. The SSA, who may not be involved in development of the Agency Tender and Agency Tender documents, approves the panel’s recommendation or requires reconsideration of other choices.

Activities in this step are governed by the Federal Acquisition Regulation (FAR), Department of Energy Acquisition Regulation (DEAR), DOE acquisition instructions, and the OMB Circular A-76.

This process step corresponds to Step 9: Performance Decision and Implementation in the *CSPG*.

#### Source Selection Process - Description of Key Tasks

##### B. Competition Advisory Actions:

##### *B-8. Provide Information to Source Selection Authority to Support Proposed MEO on an As-needed Basis*

The Source Selection Authority may request to see the documentation and supporting data for determination of the positions and grades, salary/benefit information, labor market analysis, one-time conversion costs, mock RIF, etc.

#### Source Selection Process - Checklist of Key Tasks

SOURCE SELECTION PROCESS KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-8.</b> Provide information to Source Selection Authority to support proposed MEO on an as-needed basis.	Competition specific	

### Frequently Asked Questions

#### *What kinds of proposal evaluation factors are available for use?*

To the extent practicable, evaluation factors shall be limited to commonly used factors (e.g., a demonstrated understanding of the government’s requirements, technical approach, management capabilities, personnel qualifications, manufacturing plan, facilities and equipment). No solicitation shall include evaluation factors that could provide an unfair advantage for or inherently benefit a prospective provider, public or private.

*HR TASKS:*

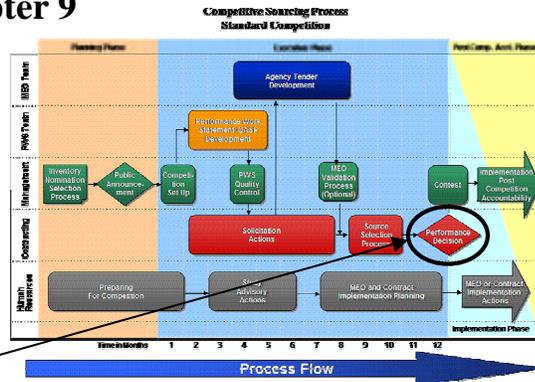
*A. Prepare for Competition*

*B. Competition Advisory Actions*

*C. MEO and Contract Implementation Planning*

*D. MEO or Contract Implementation*

## Chapter 9



### PERFORMANCE DECISION

#### Performance Decision Overview

The purpose of this step is to compare all technically equivalent proposals, including the government proposal prepared by the MEO Team, and make a performance decision. The performance decision is managed by the Contracting Officer (CO) and depends upon the type of acquisition procedure used – Sealed Bid or Negotiated.

If a Sealed Bid acquisition procedure is used, the CO shall open the Agency Tender, private-sector bids, and public-reimbursable tenders. The CO shall enter the price of the apparent lowest-priced private-sector bid or public-reimbursable tender on Standard Compare Form (SCF). The CO shall then evaluate private-sector bids for responsiveness and responsibility in accordance with the FAR. Once it is determined that the offer is responsive, the CO then makes the performance decision by selecting the lowest-priced bid.

For the Negotiated acquisition procedure, there are three different source selection processes that can be used, 1) lowest-price technically acceptable, 2) phased evaluation, and 3) tradeoff. For the lowest-price technically acceptable process, the CO shall open and evaluate all offers and tenders (including the Agency Tender) to determine technical acceptability. The performance decision shall be based on the lowest cost of all offers and tenders determined to be technically acceptable. For the phased evaluation, the technical capability will be evaluated in phase one and cost will be evaluated in phase two. The performance decision shall be based on the lowest cost of all technically acceptable offers and tenders from all offerors, public-reimbursable sources, and the ATO. Finally, for the tradeoff process, all offers are evaluated and the agency may select an offer or tender that is not the lowest-priced offer or tender.

It is recommended that the CO first meet with the Functional Team Official to discuss and plan the public announcement of the tentative decision. It is recommended that the Functional Team Official, as owner of the process, announce the tentative decision. All non-procurement sensitive supporting documentation must be made publicly available at the time of the announcement of the tentative decision and must include, at a minimum, the in-house and contractor cost estimates, performance standards, PWS and Agency Tender.

This process step corresponds to Step 9: Performance Decision and Implementation in the *CSPG*.

#### Performance Decision - Description of Key Tasks

During this time HR prepares to support the Functional Team Official in announcing the Tentative Performance Decision.

*Key Players:*  
 Functional Team  
 Official  
 Contracting Officer  
 Source Selection  
 Authority

*HR TASKS:*  
 A. Prepare for  
 Competition  
 B. Competition  
 Advisory Actions  
 C. MEO and  
 Contract  
 Implementation  
 Planning  
 D. MEO or  
 Contract  
 Implementation

## ***D. MEO or Contract Implementation :***

### ***D-1. Prepare to Inform Affected Employees of the Tentative Decision***

It is very important that management and HR anticipate and prepare to answer general questions from employees after the Performance Decision has been made. This time in the process is one of the most difficult for employees, especially if the Performance Decision is in favor of the contractor. Even if the Performance Decision is in favor of the Agency Tender, employees will still be impacted. Employees will benefit from simply stated, straightforward, consistent information at this time in the competitive sourcing process to allay their fears.

Information that might be made available includes: transition time frames, Employee Assistance Program (EAP), placement rights, etc.

### ***D-2. If Tentative Decision is in Favor of MEO, Begin Recruitment Actions***

The decision to begin necessary recruitment actions will be made by the Functional Team Official. This decision will probably have been made during implementation planning and development of the Employee Transition Plan. At this time HR may begin implementation actions.

## **Performance Decision - Checklist of Key Tasks**

<b>PERFORMANCE DECISION KEY TASKS</b>			<b>0</b>
<b>D. IMPLEMENTATION ACTIONS</b>	<b>D-1.</b> Prepare to Inform Affected Employees of the Tentative Decision	Competition specific	
	<b>D-2.</b> If Tentative Decision is in favor of MEO, begin recruitment actions.	Competition specific	

## **Frequently Asked Questions**

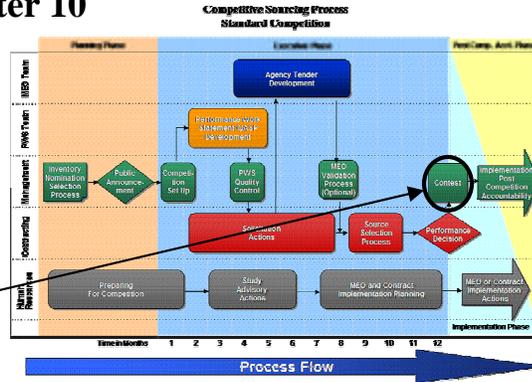
### ***Can HR begin recruitment actions based on Performance Decision award to the MEO?***

The answer is yes, however, vacancy announcements should stipulate that filling the positions will be contingent on final award to the Agency Tender after all contests, if any, have been completed. The HRA representative will work with the MEO Team to develop the Transition Plan which will identify the timeline for recruitment actions.

### ***If the Performance Decision award is to a contractor, what actions can HR perform?***

The HRA representative will work with the MEO Team to develop the Phase-in Plan which will identify the timeline for recruitment actions.

# Chapter 10



## CONTESTS

### Contests Overview

Any directly interested party may contest any of the following actions taken in connection with a Standard Competition: (1) a solicitation; (2) cancellation of a solicitation; (3) determination to exclude a tender or offer; (4) performance decision including, but not limited to, compliance with the costing provisions of the OMB Circular A-76 and other elements in DOE's evaluation of offers and tenders; or (5) termination or cancellation of a contract or letter of obligation if the challenge contains an allegation that the termination or cancellation is based in whole or in part on improprieties concerning the performance decision. The pursuit of a contest by a directly interested party and the resolution of such contest by the agency shall be governed by the procedures of FAR Subpart 33.103.

No party may contest any aspect of a streamlined competition.

A directly interested party includes the Agency Tender Official who submitted the Agency Tender, a single individual appointed as their agent by a majority of directly affected employees, private-sector offeror, or the official who certifies the public-reimbursable tender.

Following the performance decision, DOE will release the certified Standard Competition Form (SCF), Agency Tender, and public-reimbursable tenders only to legal agents for directly interested parties. Until resolution of any contest or expiration of the time for filing a contest, only legal agents for directly interested parties shall have access to the certified SCF, Agency Tender, and public-reimbursable tenders. DOE will require that a legal agent of a directly interested party sign a non-disclosure agreement as a condition of access. The agreement shall provide that a signatory may share the information covered by the agreement only with other signatories, and only for purposes of challenging the performance decision. Upon resolution of a contest challenging a performance decision (i.e., when DOE renders a written decision in compliance with FAR Subpart 33.103), or expiration of the time for filing such a contest, the certified SCF, Agency Tender, and public-reimbursable tenders, shall be available to the public, upon request.

The SSA and Functional Team Official will then implement the Contest Decision, and the final Performance Decision will be made.

### Contests - Description of Key Tasks

During the contest period, the HRA representatives must follow the contests to determine if the timelines in the Employee Transition Plan of the MEO Transition Plan will need to be adjusted. The HRA representative should not conduct any transition actions without approval from the Functional Team Official.

#### B. Competition Advisory Actions:

#### B-10. Provide Information to the Contracting Officer to Support Contests on an as-needed basis

The HRA representative should be available to address any questions or concerns from the CO.

Refer to OMB Circular A-76 for complete detail of the Contests Process

Government personnel, in general, are not considered a directly interested party and may not submit an appeal. The ATO, or the affected employee's would submit an appeal on their behalf.

#### HR TASKS:

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

## Contests - Checklist of Key Tasks

CONTESTS KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-10.</b> Provide information to CO to support contests on an as-needed basis.	Competition specific	

## Frequently Asked Questions

### *What constitutes an interested party for the purpose of contests?*

OMB Circular A-76 allows contests of standard competitions from the following parties: the Agency Tender Official who submitted the Agency Tender, a single individual appointed by a majority of directly affected employees as their agent, a private-sector offeror; or the official who certifies the public-reimbursable tender.

## Chapter 11

### STREAMLINED COMPETITION

#### Streamlined Competition Overview

The use of the streamlined competition applies to commercial activities for which adequate levels of service quality can be obtained at fair and reasonable prices without conducting the standard competition. Generally, requirements for such commercial activities can be clearly and quickly defined. Typically the goods and services that are contemplated for streamlined competition are readily available in local industry, and existing contracts can be used, with only minor modification, to define the competition scope and avoid need for developing a new or original PWS or a formal solicitation. If solicitations are issued, the use of sealed bidding and fixed-price contracts is appropriate.

While the current in-house group may form the basis of the Department of Energy (DOE) agency tender, the Functional Team Official is encouraged to develop a Most Efficient Organization (MEO). After public announcement, DOE will calculate, compare, and certify costs based upon the scope and requirements of the activity to determine and document a cost-effective performance decision.

The streamlined competition is limited to activities that meet the following criteria:

- The activity includes an aggregate of 65 or fewer Full-Time Equivalents (FTEs).
- A private-sector or public-reimbursable source and the agency cost estimate will include an aggregate of 65 or fewer FTEs.
- Activities are based largely on a labor and material cost basis (e.g., custodial, grounds maintenance, refuse, pest control, warehousing, and maintenance services);
- Activities for which significant capital asset purchases are not required or all equipment required will be Government Furnished/Contractor Operated (GOCO) for the activity.

No commercial activity may be modified, reorganized, divided, or changed in any way for the purpose of circumventing the requirements of the OMB Circular A-76.

#### Streamlined Competition - Description of Key Tasks

During the streamlined competition, the HRA representatives will be performing many of the tasks identified for standard competitions. The inventory process, competition planning, and public announcement actions are performed for both types of competitions. HR will need to implement the same actions with regard to affected personnel including but not limited to the following: workforce orientation, planning for implementation options, meeting with affected employees to determine options, etc. If the Functional Team Official exercises the option to build a PWS and an MEO, the same support will be required as in the Standard Competition.

#### *B. Competition Advisory Actions:*

##### *B-11. Provide Support to the Functional Team Official, PWS Team, and MEO Team on an As-needed Basis*

HRA representatives should be available to perform any functions identified under the streamlined competition process as required by the Functional Team Official.

#### *HR TASKS:*

*A. Prepare for Competition*

*B. Competition Advisory Actions*

*C. MEO and Contract Implementation Planning*

*D. MEO or Contract Implementation*

## Streamlined Competition - Checklist of Key Tasks

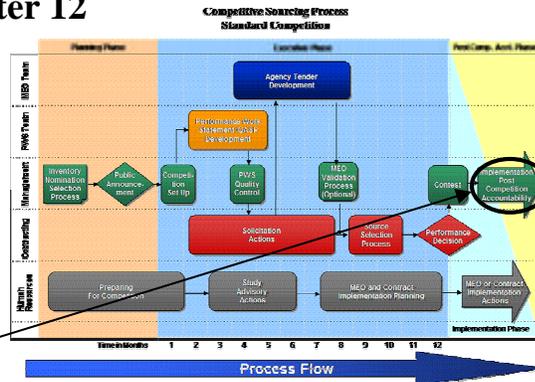
STREAMLINED COMPETITION KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-11.</b> Provide support to the Functional Team Official, PWS Team, and MEO Team on an as-needed basis.	Competition specific	

## Frequently Asked Questions

### *What constitutes a Streamlined Competition?*

DOE can use a streamlined competition if, on the start date, a commercial activity is performed by DOE with an aggregate of 65 or fewer FTEs; or by a private-sector or public-reimbursable source and the agency cost estimate will include an aggregate of 65 or fewer FTEs.

## Chapter 12



## IMPLEMENTATION

### Implementation Overview

For a performance decision favoring a private-sector source, the Contracting Officer (CO) shall award a contract in accordance with the FAR. For a performance decision favoring a public-reimbursable source, the CO shall develop a fee-for-service agreement with the public-reimbursable source. For a performance decision favoring the MEO, the CO shall establish an MEO “letter of obligation” with an official as designated by the Functional Team Official, with the concurrence of the CSESG.

### Implementation - Description of Key Tasks

The key to successful implementation will be the implementation planning that has been going on for months prior to Final Decision; the HRA representative will execute according to the plan.

#### D. MEO or Contract Implementation :

##### D-3. Prepare to Announce Final Decision to Affected Employees

Similar to the initial Public Announcement of the competition and the announcement of the Performance Decision, the issuing of the Final Decision is another very difficult time for employees. Preparation should be made to ensure that employees receive simply stated, straightforward, consistent information to allay their fears.

##### D-4. Anticipate questions from Affected Employees after the Announcement of Final Decision has been made

It is important for the HRA representative to be available for questions after the Final Decision has been made to answer HR-related questions in support of the Functional Team Official.

##### D-5. Staff the Most Efficient Organization (MEO)

Staffing the MEO requires that the HRA representative implement the revised PDs. This will require initiation of SF-52 actions to implement new PDs. Generally, most incumbent employees will qualify for positions in the MEO; however, some employees may opt for early or discontinued service retirement which may necessitate recruitment actions to replace losses. The HRA representative should coordinate training requirements if employees will be required to implement new processes and procedures to expedite the MEO’s operational capability.

##### D-6. Conduct Employee Transition Actions

Along with completing the actions listed below, the HRA representative will need to initiate recruitment actions for contract administration positions in the event of a private-sector Performance Decision. The OMB Circular A-76 establishes the number of positions and titles/grades for providing contract administration.

Depending upon management’s decision on whether or not to utilize, the HRA representative should

#### HR TASKS:

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

request approval of VSIP and VERA. If the Department has a VSIP or VERA program, consider using them at least 30 days before issuing RIF separation notices when the acceptance of VSIP will avoid or minimize the need for involuntary RIF separations and will save money. In determining the timing of the VSIP/VERA offering, activities need to consider premature exposure of the MEO, since the request for approval of VSIP/VERA may contain information useful to private-sector bidders/offerors.

A RIF may be needed to implement the MEO or to abolish an in-house activity before conversion to private-sector operation. Preparation for the RIF may already have begun, but the initiation of an actual RIF requires a high level of precision. RIF costs are usually not allowed as a One-Time Conversion cost since agencies normally include the cost to conduct a RIF in their annual budget submission.

RIF notices cannot be issued before a final Performance Decision is made to either the MEO or the successful Private-Sector Provider or Public-Reimbursable Provider. In addition, authority to issue RIF notices must have been granted by the appropriate officials within the Department. It is suggested that RIF notices be issued within one week after the date of a Performance Decision to implement the Agency Tender (or convert to Private-Sector Provider or Public-Reimbursable Provider performance) has been received from Department headquarters.

In accordance with specific requirements of labor contracts, the HRA representative may need to notify labor organizations when it is determined that RIF actions are necessary. The Department's Career Transition Assistance Plan (CTAP) (see DOE Order 320.1) is normally the primary vehicle for placing employees who have been, or will be, adversely affected by RIF.

#### ***D-7. Conduct Employee Outplacement Actions***

Possibly the most challenging role the HRA representative will play in an organization change effort will be to help advise on employment opportunities for displaced workers. It is highly recommended that HRA representatives contact federal, state, local, and private-sector employers to determine the viability of displaced worker's placement opportunities well in advance of RIF execution and to ensure all available employment sources are made available to employees. The U.S. Office of Personnel Management and the U.S. Department of Labor provide many services to assist agencies with placement and retraining assistance, as well as access to employment programs.

Several outplacement programs are available to assist displaced employees. In addition to the Department's CTAP, Presidential memoranda authorize additional career transition assistance for government personnel during a period of severe Federal downsizing.

The Interagency Career Transition Assistance Plan (ICTAP) implements the President's memorandum dated September 12, 1995, to establish a special interdepartmental career transition assistance program for government personnel. The ICTAP is a government-wide placement program operated under the provisions of 5 CFR Part 330.407, Eligibility for the Interagency Career Transition Assistance Plan. Under the ICTAP, eligible employees can receive placement consideration for positions in other federal agencies.

#### ***D-8. Coordinate Right of First Refusal for Contractor Vacancies and Work with Contracting Office to Ensure Contractor Compliance***

When a private-sector offer is accepted and the agency is the incumbent service provider, the CO shall comply with FAR with regard to the right of first refusal. The HRA shall provide the CO with a list of adversely affected government employees as soon as possible after the performance decision is made. Under the right of first refusal, the contractor is obligated to offer employment to displaced government employees before attempting to fill the staffing positions with outside sources.

While the right of first refusal does not require the contractor to hire any government employee, it prohibits the contractor from hiring anyone else without first offering vacant positions to qualified displaced government employees. It is important to understand that the federal government cannot tell a private contractor whom to hire; neither can the government dictate a private contractor's hiring process. The "right of first refusal" is not a job guarantee for displaced government employees.

The HRA, in support of the CO, will provide to the contractor a list of all government employees who have been or will be adversely affected or separated as a result of award of this contract.

#### ***HR TASKS:***

- A. Prepare for Competition***
- B. Competition Advisory Actions***
- C. MEO and Contract Implementation Planning***
- D. MEO or Contract Implementation***

*DOE Order 320.1 is available at <http://www.directive.s.doe.gov>*

The contractor shall report to the CO the names of individuals identified on the list who are hired within 90 days after contract performance begins. This report shall be forwarded within 120 days after contract performance begins.

Implement the following actions to ensure employees receive appropriate consideration for employment:

- By the date of the performance decision that favors the Private-sector bidder or Public-reimbursable tender, the HRA representative should give the new service provider an estimate of the number of employees who may be eligible under the Right of First Refusal clause and request a sufficient number of employment application forms. If the new service provider does not have specific forms, the HRA representative should ascertain the information required for employment application and make it available to eligible employees.
- The HRA representative should inform each employee in writing of the Right of First Refusal clause. It is a good idea for employees to attend counseling sessions or meetings to receive more information about the clause and implementing procedures to help ensure contractor compliance. Inform employees of the procedure for application to the new service provider and, if needed, supply them with necessary application forms.
- The HRA representative should compile a list of names of impacted or affected employees. The HRA representative should forward this list to the new service provider, via the CO, within 10 days after contract award.
- The new service provider determines which employees are qualified and selected for vacancies.

**HR TASKS:**

- A. Prepare for Competition
- B. Competition Advisory Actions
- C. MEO and Contract Implementation Planning
- D. MEO or Contract Implementation

*It takes two to speak the truth—one to speak, and another to hear.  
--Henry David Thoreau*

### Implementation - Checklist of Key Tasks

IMPLEMENTATION KEY TASKS			0
<b>D. IMPLEMENTATION ACTIONS</b>	<b>D-3.</b> Prepare to announce Final Decision to affected employees.	Competition specific	
	<b>D-4.</b> Anticipate questions from Affected Employees after the Announcement of Final Decision has been made	Competition specific	
	<b>D-5.</b> Staff the MEO.	Competition specific	
	<b>D-6.</b> Conduct employee transition actions.	Competition specific	
	<b>D-7.</b> Conduct employee outplacement actions.	Competition specific	
	<b>D-8.</b> Coordinate Right of First Refusal for contractor vacancies and work with CO to ensure contractor compliance.	Competition specific	

### Frequently Asked Questions

***Will a contractor's performance be held to the same standards as government employees?***

Yes; if a contractor wins the competition, its performance will be monitored under the Quality Assurance Surveillance Plan (QASP), which is created by the government prior to award. The QASP is the basis by which government personnel will oversee in-house (government) or contract performance to ensure that the standards of the PWS are met within the price offered.

***If the contractor wins the competition, how will the interface between the contractor and the government work?***

The PWS will define the work required under the contract and identify interfaces between the private-sector contractor and the remaining government organization. The contractor will be required to explain how these interfaces will work.

***If a function is contracted out, could this same function be returned to an in-house function in the future?***

Contracts awarded under OMB Circular A-76 procedures are reviewed at least every five years to determine if continued contract performance is cost-effective for the government. This review would evaluate whether it would be more economical to continue to contract the function or return it to its in-house operation. If the evidence suggests the latter, then a formal competition would be initiated to determine if the function should be resumed in-house.

***What if the contractor wins the competition and then cannot accomplish the work?***

First, contractors submitting offers to perform the work specified in the PWS must clearly identify how they plan to accomplish the work. This information is closely scrutinized to determine if it meets the solicitation's standards and is feasible. All offers are subjected to this in-depth evaluation. Second, stringent oversight provisions will be included in the QASP to monitor contractor performance. In the unlikely event that a contractor should fail and the contract is terminated, there are numerous contingency measures that may be taken. If this failure should occur soon after award, the next-highest bidder/offeror could be considered, or another solicitation could be issued for another competition. Accomplishing the work in the interim could be done by various means, including temporary-assistance contracts, use of reservists, transfer of employees, Public-Reimbursable Providers, transporting the property to another site, etc.

***Are "eligible employees" guaranteed a position with the contractor?***

No. The contractor has the discretion to determine who is qualified.

***What should HR do if they believe the contractor is rejecting qualified employees?***

Notify the CO immediately. But remember, the contractor has the discretion to determine who is qualified.

***Can employees appeal non-selection by the contractor?***

No.

## APPENDIX A Glossary of Acronyms and Terms

### A.1 ACRONYMS

ATO	Agency Tender Official	ICTAP	Interagency Career Transition Assistance Plan
CDRL	Contract Data Requirements List	MEO	Most Efficient Organization
CFR	Code of Federal Regulations	MVP	MEO Validation Process
CLIN	Contract Line Item Number	OMB	Office of Management and Budget
CO	Contracting Officer	OPF	Official Personnel Folder
CSESG	Competitive Sourcing Executive Steering Group	OPM	Office of Personnel Management
<i>HRG</i>	<i>Competitive Sourcing Human Resources Guidebook</i>	OCS	Office of Competitive Sourcing
CSO	Competitive Sourcing Official	PD	Position Description
<i>CSPG</i>	<i>Competitive Sourcing Procedures Guide</i>	PWS	Performance Work Statement
CTAP	Career Transition Assistance Plan	PWSV	Performance Work Statement Valuator
FAIR	Federal Activities Inventory Reform	QASP	Quality Assurance Surveillance Plan
FAR	Federal Acquisition Regulation	RIF	Reductions in Force
FICA	Federal Insurance Contribution Act	RPL	Reemployment Priority List
FTE	Full-Time Equivalent	SCA	Service Contract Act
FWS	Federal Wage System	SCF	Standard Competition Form
GAO	General Accounting Office	SLCF	Streamlined Competition Form
GFP	Government-Furnished Property	SSA	Source Selection Authority
GS	General Schedule	SSEB	Source Selection Evaluation Board
HCM	Human Capital Management	USC	United States Code
HR	Human Resources	VERA	Voluntary Early Retirement Authority
HRA	Human Resource Advisor	VSIP	Voluntary Separation Incentive Pay

### A.2 DEFINITION OF TERMS

DOE shall use these definitions to implement and comply with this Handbook and the Attachments.

**Activity.** A specific task or grouping of tasks that provides a specialized capability, service, or product based on a recurring government requirement. Depending on the grouping of tasks, an activity may be an entire function or may be a part of a function. An activity may be inherently governmental or commercial in nature.

**Adversely Affected Government Personnel.** Federal permanent employees serving competitive or excepted service appointments in Tenure Groups I, II, or III who are identified for release from their competitive level by the Department in accordance with 5 C.F.R. Part 351 and 5 U.S.C. Chapter 35, as a direct result of a performance decision resulting from a streamlined or standard competition.

**Agency Cost Estimate.** The part of the Agency Tender in a standard competition that includes the Department's cost proposal and represents the full cost of Department performance of the commercial activity, based on requirements in the solicitation and costing policy in Attachment C of OMB Circular A-76.

**Agency Performance.** Performance of a commercial or inherently governmental activity with government personnel; often referred to as “in-house performance.”

**Agency Source.** A service provider staffed by government personnel.

**Agency Tender.** The Department management plan submitted in response to a solicitation for a standard competition. The Agency Tender includes an MEO, Agency Cost Estimate, MEO quality control plan, MEO phase-in plan, and copies of any MEO subcontracts (with the Private-Sector Providers’ proprietary information redacted). The Agency Tender is prepared in accordance with Attachment B of OMB Circular A-76 and the solicitation requirements.

**Agency Tender Official (ATO).** An inherently governmental Departmental official with decision-making authority who is responsible for the Agency Tender and represents the Agency Tender during source selection.

**Annualize.** The calculation method to convert a cost to an annual basis. The calculation converts a cost for a performance period that is less than one full year into an annual cost to correctly reflect the cost in a government cost estimate. This calculation is performed by first dividing the cost in the performance period by the number of days in the performance period to determine the corresponding daily cost and then multiplying the daily cost by 365.25 days to determine the annualized cost. To account for leap years, 365.25 is the average number of days in a year.

**Basic Pay.** “Basic pay for GS employees is a position’s annual salary plus any other applicable civilian employee pay entitlements. Basic pay for FWS employees is a position’s annual wages including shift differential pay and environmental pay, plus any other applicable civilian employee pay entitlements.” (Note: This definition of “basic pay” is taken from OMB Circular A-76, Attachment C, “Calculating Public-Private Competition Costs,” paragraph B.2.f., and differs from the definition of “basic pay” at 5 C.F.R. § 530.202, which excludes “additional pay of any other kind.”)

“Examples of other civilian employee pay entitlements include, but are not limited to, night differential pay for FWS employees, environmental differential pay, and premium pay (for civilian employee fire fighters and law enforcement officers).”

**Capital Improvement.** Expenditure for a physical improvement to an existing capital asset such as additions and major alterations that are intended to improve performance or increase useful life.

**Commercial Activity.** A recurring service that could be performed by the private-sector. This recurring service is an agency requirement that is funded and controlled through a contract, fee-for-service agreement, or performance by government personnel. Commercial activities may be found within, or throughout, organizations that perform inherently governmental activities or classified work.

**Common Costs.** Specific costs identified in the solicitation that will be incurred by the government regardless of the provider (private-sector, public-reimbursable, or agency). Common costs are sometimes referred to as wash costs. Examples of common costs include government-furnished property, security clearances, and joint inventories.

**COMPARE.** The Microsoft Windows-based A-76 costing software that incorporates the costing procedures of OMB Circular A-76. Agencies must use COMPARE to calculate and document the costs on the SLCF for a streamlined competition or the SCF for a standard competition. The software is available through the SHARE A-76! Website at <http://emissary.acq.osd.mil/inst/share.nsf/>.

**COMPARE Version Control Log.** The document that describes each of the changes made in a particular version of the COMPARE software. This document includes a brief description of the change, area of software program affected by the change, and impact the change has on the SCF/SLCF and/or documentation.

**COMPARE User's Guide.** A detailed guidebook for actual users of COMPARE that includes an in-depth explanation of the use and features of the COMPARE software program.

**COMPARE Tables.** A specific set of master tables incorporated into the COMPARE costing software that includes all of the approved standard cost factors and rates used to calculate the SCF/SLCF costs.

**Competition.** A formal evaluation of sources to provide a commercial activity that uses pre-established rules (e.g., the FAR; OMB Circular A-76). Competitions between private-sector sources are performed in accordance with the FAR. Competitions between agency, private-sector, and public-reimbursable sources are performed in accordance with the FAR and OMB Circular A-76. The term “competition,” as used in this circular includes streamlined and

standard competitions performed in accordance with OMB Circular A-76 and FAR-based competitions for agency-performed activities, contracted services, new requirements, expansions of existing work, and activities performed under fee-for-service agreement. The term also includes cost comparisons, streamlined cost comparisons, and direct conversions performed under previous versions of OMB Circular A-76.

**Competition File.** The documents used in a standard competition, in addition to the government contract files required by FAR Subpart 4.8. Agencies maintain this file regardless of the source selected to perform the activity.

**Competition Officials.** The Department officials appointed before a standard competition is announced. These individuals perform key roles (see Appendix B) and have essential responsibilities for successful completion of the standard competition. Competition officials are the Functional Team Official, Agency Tender Official, Contracting Officer, Source Selection Authority, Human Resource Advisor, and PWS Team Leader.

**Competitive Sourcing Official (CSO).** An inherently governmental Department official responsible for implementation of OMB Circular A-76 within DOE.

**Component.** An organizational grouping within DOE, such as a bureau, center, military service, or field office.

**Contracting Officer (CO).** An inherently governmental Departmental official who participates on the PWS team and is responsible for solicitation issuance and source-selection evaluation methodology. The CO awards the contract and issues the MEO letter of obligation or fee-for-service agreement resulting from a streamlined or standard competition. The CO and SSA may be the same individual.

**Conversion From Contract.** A change in the performance of a commercial activity from a private-sector provider to Department performance.

**Conversion To Contract.** A change in the performance of a commercial activity from Department performance to a private-sector provider.

**Depreciation.** The decline in the value of a capital asset. Depreciation represents a cost of ownership and the consumption of an asset's useful life.

**Direct Labor.** Manpower resources dedicated to performing solicitation requirements and labor for supervision- and management related support to the tender (e.g., MEO), such as labor for quality control.

**Directly Affected Employees.** Permanent employees whose work is being competed in a streamlined or standard competition.

**Directly Interested Party.** The Agency Tender Official who submitted the Agency Tender; a single individual appointed by a majority of directly affected employees as their agent; a private-sector offeror; or the official who certifies the public-reimbursable tender.

**Divestiture.** A Department's decision to eliminate a government requirement for a commercial activity. No service contract or fee-for-service agreement exists between the Department and the private-sector after a divestiture. By divesting of a commercial activity, DOE elects not to control the activity and cedes ownership and control of the activity's associated assets (e.g., equipment, facilities, property) and resources (DOE manpower and budgeting for the activity). DOE has no role in the financial support, management, regulation, or oversight of a divested activity. Moving, transferring, or converting a commercial activity from government performance to private-sector or public-reimbursable performance is not a divestiture.

**Employee Transition Plan.** A written plan developed by the HRA for potential transition of the Department's employees to an MEO, or to private-sector or public-reimbursable performance. This plan is developed early in the streamlined or standard competition process, based on the incumbent DOE organization, to identify projected employee impacts and time needed to accommodate such impacts, depending on potential outcomes of the competition. The employee transition plan differs from a phase-in plan, which is developed by prospective providers responding to a solicitation.

**End Date.** The end date for a streamlined or standard competition is the date that all SCF certifications are completed, signifying DOE's performance decision.

**Expansion.** An increase in the operating cost of an existing commercial activity based on modernization, replacement, upgrade, or increased workload. An expansion of an existing commercial activity is an increase of 30 percent or more in the activity's operating costs (including the cost of FTEs) or total capital investment.

**FedBizOpps.gov.** The website where the government electronically advertises solicitations or requirements.

**Fee-for-Service Agreement.** A formal agreement between agencies in which one agency provides a service (a commercial activity) for a fee paid by another agency. The agency providing the service is referred to as a public-reimbursable source.

**First Period of Full Performance.** The performance period following the phase-in period when the service provider becomes fully responsible for performing the activity. The first performance period is used to implement the new service provider's phase-in plan; therefore, full performance of the service provider does not occur until the second performance period, which may be referred to as the base period, full performance, or the first period of full performance. This first period of full performance may be less than or more than 12 months. The first period of full performance is the second performance period (the performance period immediately following phase-in period) regardless of the second performance period's length.

**Foreign National Employee.** An employee that is not a United States citizen who is employed by the United States Government and works outside the United States, its territories or possessions, under a system in which an Executive Agency is the official employer of the foreign national employee and assumes responsibility for all administration and management functions associated with the employee's employment.

**Full-Time Equivalent (FTE).** The staffing of Federal permanent employee positions, expressed in terms of annual productive work hours (1,776) rather than annual available hours that includes non-productive hours (2,080 hours). FTEs may reflect civilian positions that are not necessarily staffed at the time of public announcement and staffing of FTE positions may fluctuate during a streamlined or standard competition. The staffing and threshold FTE requirements stated in OMB Circular A-76 reflect the workload performed by these FTE positions, not the workload performed by actual government personnel. FTEs do not include military personnel, uniformed services, or contract support.

**Function Code.** The numerical code used to categorize an agency's commercial and inherently governmental activities for inventory reporting purposes.

**Functional Team Official.** The Functional Team Official shall be designated in writing by the CSO and shall be an SES or equivalent level official with responsibility for implementing the competition. The Functional Team Official should have experience in the function that is under competition and will sign the Letter of Obligation if the performance decision favors the Department.

**Government Furnished Property (GFP).** Facilities, equipment, material, supplies, or other services provided by the government for use by all prospective providers in the solicitation. Costs for GFP included in a solicitation are considered common costs. Replacement costs, insurance, maintenance and repair costs for GFP may or may not be government-furnished, depending on the provisions in the solicitation.

**Government Personnel.** Permanent employees, foreign national employees, temporary employees, term employees, non-appropriated fund employees, and uniformed services personnel employed by an agency to perform activities.

**Human Resource Advisor (HRA).** An inherently governmental agency official who is a human resource expert and is responsible for advising management on A-76 HR issues and assisting the ATO in developing the Agency Tender.

**Interagency Career Transition Assistance Plan (ICTAP).** Implements the President's memorandum dated September 12, 1995, to establish a special interdepartmental career transition assistance program for government personnel. The ICTAP is a government-wide placement program operated under the provisions of 5 CFR Part 330.407, Eligibility for the Interagency Career Transition Assistance Plan. Under the ICTAP, eligible employees can receive placement consideration for positions in other federal agencies.

**Incumbent Service Provider.** The source (i.e., agency, private-sector, or public-reimbursable source) providing the service when a public announcement is made of the streamlined or standard competition.

**Inherently Governmental Activities.** An activity that is so intimately related to the public interest as to mandate performance by government personnel.

**Interested Parties.** For purposes of challenging the contents of an agency's commercial activities inventory pursuant to the Federal Activities Inventory Reform Act, an interested party is (1) a private-sector source that is an actual or prospective offeror for a contract or other form of agreement to perform the activity and has a direct economic interest in performing the activity that would be adversely affected by a determination not to procure the performance of the activity from a private-sector source; (2) a representative of any business or professional association that includes within its membership private-sector sources referred to in (1) above; (3) an officer or employee of an organization within an executive agency that is an actual or prospective offeror to perform the activity; (4) the head of any labor organization referred to in section 7103(a)(4) of title 5, United States Code, that includes within its membership officers or employees of an organization.

**Inventory.** A list of government personnel by location, function, and position who are performing either commercial activities or inherently governmental activities.

**Most Efficient Organization (MEO).** The staffing plan of the Agency Tender developed to represent the agency's most efficient and cost-effective organization. An MEO is required for a standard competition and may include a mix of government personnel and MEO subcontracts.

**MEO Letter of Obligation (LOO).** A formal agreement that an agency implements when a standard or streamlined competition results in agency performance (e.g., MEO).

**MEO Subcontracts.** Contracts between an agency and the private-sector that are included in the Agency Tender or fee-for service agreements with a public-reimbursable source that are included in the Agency Tender. In addition to the cost of MEO subcontracts, agency or public-reimbursable cost estimates must include support costs associated with MEO subcontracts such as government-furnished property, contract administration, inspection, and surveillance.

**MEO Team.** A group of individuals, comprised of technical and functional experts, formed to assist the ATO in developing the Agency Tender.

**New Requirement.** An agency's newly established need for a commercial product or service that is not performed by (1) the agency with government personnel; (2) a fee-for-service agreement with a public-reimbursable source; or (3) a contract with the private-sector. An activity that is performed by the agency and is reengineered, reorganized, modernized, upgraded, expanded, or changed to become more efficient, but still essentially provides the same service, is not considered a new requirement. New ways of performing existing work are not new requirements.

**Non-Pay Categories of Costs.** Costs in a cost estimate that are not related to pay. Non-pay categories of costs include, but are not limited to, materials, supplies, equipment, facilities, capital assets, and minor items, as well as the inflation for these costs.

**Offer.** A private-sector source's formal response to a request for proposals or invitation for bid. The term "offeror" refers to the specific source rather than the response.

**Overhead.** Overhead includes two major categories of cost: 1) operations overhead and 2) general and administrative overhead. Operations overhead includes costs that are not 100 percent attributable to the activity being competed but are generally associated with the recurring management or support of the activity. General and administrative overhead includes salaries, equipment, space, and other tasks related to headquarters management, accounting, personnel, legal support, data processing management, and similar common services performed external to the activity, but in support of the activity being competed. A standard 12 percent overhead factor is an estimated federal agency overhead factor that is calculated in agency and public-reimbursable cost estimates for streamlined and standard competitions.

**Past Performance.** An indicator that may be used in the source selection process to evaluate a prospective provider's previous performance on work comparable to that being competed, for the purpose of predicting the quality of future performance relative to other offers or public-reimbursable tenders. FAR 42.1501 describes the information used to evaluate past performance, and FAR 15.305(a) (2) provides guidance for consideration of past performance in the source selection process.

**Pay Categories of Cost.** Costs in a cost estimate associated with the payroll for government personnel, including inflation.

**Performance Decision.** The outcome of a streamlined or standard competition based on SLCF or SCF certifications.

**Performance Standards.** Verifiable, measurable levels of service in terms of quantity, quality, timeliness, location, and work units. Performance standards are used in a performance-based PWS to (1) assess (i.e., inspect and accept) the work during a period of performance; (2) provide a common output-related basis for preparing private-sector offers and public tenders; and (3) compare offers and tenders to the PWS. The requiring activity's acceptable levels of service are normally stated in the PWS. The solicitation includes performance standards.

**Performance Work Statement (PWS).** A statement in the solicitation that identifies technical, functional, and performance characteristics of the agency's requirements. The PWS is performance-based and describes the agency's needs (the "what"), not specific methods for meeting those needs (the "how"). The PWS identifies essential outcomes to be achieved, specifies the agency's required performance standards, and specifies the location, units, quality and timeliness of the work.

**Permanent Employee.** An individual who works for a federal agency on an appointment without time limitation who is paid from appropriated funds, which include working capital funds. A foreign national employee, temporary employee, term employee, non-appropriated fund employee, or uniformed personnel is not included in this definition.

**Phase-In Plan.** A prospective provider's plan to replace the incumbent provider(s) that is submitted in response to the solicitation. The phase-in plan is implemented in the first performance period and includes details on minimizing disruption, adverse personnel impacts, and start-up requirements. The phase-in plan is different from the employee transition plan developed by the HRA.

**Privatization.** A federal agency decision to change a government-owned and government-operated commercial activity or enterprise to private-sector control and ownership. When privatizing, the agency eliminates associated assets and resources (manpower for and funding of the requirement). Since there is no government ownership and control, no service contract or fee-for-service agreement exists between the agency and the private-sector after an agency privatizes a commercial activity or enterprise. Moving work from agency performance with government personnel to private-sector performance where the agency still funds the activity is not privatization.

**Prospective Providers.** Private-sector, public-reimbursable, and agency sources that may submit responses (offers or tenders) in response to an agency's solicitation.

**Service Provider.** An agency, private-sector, or public-reimbursable source that is performing, or will perform, a commercial activity.

**Public Announcement.** An agency's formal declaration that the agency has made a (1) decision to perform a streamlined or standard competition, or (2) performance decision in a streamlined or standard competition. The CO makes these announcements via *FedBizOpps.gov*.

**Public-reimbursable Source.** A service provider from a federal agency that could perform a commercial activity for another federal agency on a fee-for-service or reimbursable basis by using either permanent employees or federal contracts with the private-sector.

**Public-reimbursable Tender.** A federal agency's formal response to another federal agency's solicitation for offers or tenders. The public-reimbursable tender is developed in accordance with OMB Circular A-76 and includes a cost estimate, prepared in accordance with Attachment C of OMB Circular A-76.

**PWS Team Leader.** The PWS team leader shall: (1) be an inherently governmental agency official; (2) be independent of the ATO, HRA and MEO team; (3) develop the PWS and QASP; (4) determine government-furnished property (GFP); (5) assist the CO in developing the solicitation; and (8) assist in implementing the performance decision.

**PWS Team.** A group of individuals comprised of technical and functional experts, formed to develop the PWS and quality assurance surveillance plan, and to assist the CO in developing the solicitation.

**Quality Assurance Surveillance.** The government's monitoring of a service provider's performance in accordance with the QASP and the performance requirements identified in the solicitation.

**Quality Assurance Surveillance Plan (QASP).** The government's inspection plan. The quality assurance surveillance plan documents methods used to measure performance of the service provider against the requirements in the PWS. The agency relies on the service provider to monitor daily performance using its own quality control plan, but retains the right to inspect all services. When the agency makes a performance decision, the agency re-

evaluates and modifies the existing QASP, based upon the selected provider and the selected provider's accepted quality control plan.

**Quality Control Plan.** A self-inspection plan that is included in all offers and tenders. The quality control plan describes the internal staffing and procedures that the prospective provider will use to meet the quality, quantity, timeliness, responsiveness, customer satisfaction, and other service delivery requirements in the PWS.

**Representatives of Directly Affected Employees.** In the case of directly affected employees represented by a labor organization accorded exclusive recognition under 5 U.S.C. § 7111, a representative is an individual designated by that labor organization to represent its interests. In the case of directly affected employees not represented by a labor organization under 5 U.S.C. § 7111, a representative is an individual appointed by directly affected employees as their representative.

**Residual Value.** The estimated value of a capital asset at the end of its useful life as determined by application of the Useful Life and Disposal Value Cost Factor.

**Resources.** Funding allocated for contracts, manpower, facilities, material, or equipment to perform agency requirements.

**Segregable Expansion.** An increase to an existing commercial activity that can be separately competed.

**SHARE A-76!** The Department of Defense A-76 knowledge management system used to share knowledge, information, and experience about public-private competitions. This public site contains A-76-related guidance, sample documents, best practices, tools, and links to other A-76 websites and sources for A-76-related information. Users may post best practices used in public-private competitions, research A-76 through the use of search engines, and submit Internet links to add to the available links in SHARE A-76! The web site address is <http://emissary.acq.osd.mil/inst/share.nsf/>.

**Solicitation Closing Date.** The due date for delivery of private-sector offers, public-reimbursable tenders, and the Agency Tender, as stated in the solicitation.

**Source.** One of three specific categories of service providers (i.e., agency, private-sector, or public-reimbursable) that can perform a commercial activity for an agency.

**Source Selection Authority (SSA).** A Functional Team Official with decision-making authority who is responsible for source selection as required by the FAR and OMB Circular A-76. The SSA and CO may be the same individual.

**Source Selection Evaluation Board (SSEB).** The team or board appointed by the SSA to assist in a negotiated acquisition.

**Standard Competition Form (SCF).** The agency form that documents and certifies all costs calculated in the standard competition.

**Start Date.** The start date for a streamlined or standard competition is the date the agency makes a formal public announcement of its decision to perform a streamlined or standard competition.

**Streamlined Competition Form (SLCF).** The agency form that documents and certifies all costs calculated in the streamlined competition, in accordance with of OMB Circular A-76.

**Useful Life.** The estimated period of economic usefulness of a capital asset.

**APPENDIX B**  
**Key Human Resources Tasks**

INVENTORY PROCESS KEY TASKS			0
<b>A. PREPARE FOR COMPETITION</b>	<b>A-1.</b> Work with management to ensure that all PDs are up-to-date and reflect work the employee is currently performing.	Department-wide	
	<b>A-2.</b> Review PDs to ensure that classification is correct and applied consistently.	Department-wide	
	<b>A-3.</b> If requested, provide input for identifying and packaging positions for the upcoming competitions.	Department-wide	
	<b>A-4.</b> Identify and plan for HR resources to support planned competitions.	Department-wide	
	<b>A-5.</b> Identify and plan to implement options, such as early out, buy-out, and retirement, etc., that can be made available to employees prior to decisions on planned competitions.	Department-wide	
	<b>A-6.</b> Collect and prepare HR and financial data to support the Competitive Sourcing Program.	Department-wide	
	<b>A-7.</b> Plan for competitive sourcing training for all HR personnel	Department-wide	
COMPETITION PLANNING KEY TASKS			0
<b>A. PREPARE FOR COMPETITION</b>	<b>A-8.</b> Develop an HR Action Plan to identify and schedule HR actions and resources that will be required during the competition.	Competition specific	
	<b>A-9.</b> Establish an HR Technical Reference Library for the competition.	Competition specific	
	<b>A-10.</b> Assist the Functional Team Official with developing the Competition Action Plan and Communication Plan.	Competition specific	
	<b>A-11.</b> Plan to attend MEO training with MEO Team.	Competition specific	
	<b>A-12.</b> Review and evaluate existing recruitment and promotion actions for employees in the competition.	Competition specific	
	<b>A-13.</b> Plan and recommend actions to manage employee attrition during the competition.	Department wide	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-1.</b> Review competitive areas, levels, and service computation dates.	Department-wide	
	<b>C-2.</b> Identify and plan to implement options, such as early out, buy-out, retirement, priority placement, training, etc., that can be made available to affected employees.	Competition specific	

PUBLIC ANNOUNCEMENT KEY TASKS			0
<b>A. PREPARE FOR COMPETITION</b>	<b>A-14.</b> Identify /assign HRA representative to act as primary point of contact for HR support to the competition.	Competition specific	
	<b>A-15.</b> Meet with Functional Team Official to discuss HR support to the competition.	Competition specific	
	<b>A-16.</b> Identify employees who are affected by the competition.	Competition specific	
	<b>A-17.</b> Assist the Functional Team Official in understanding employee rights, responsibilities, and involvement in the competition.	Competition specific	
	<b>A-18.</b> Assist the Functional Team Official in understanding bargaining unit involvement in the competition.	Competition specific	
	<b>A-19.</b> Prepare for Public Announcement.	Competition specific	
	<b>A-20.</b> Attend meetings for employees.	Competition specific	
	<b>A-21.</b> Assist in preparing and presenting a Workforce Briefing.	Competition specific	
PWS/QASP KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-1.</b> Advise PWS Team on an as-needed basis.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-4.</b> Determine any necessary stipulations that may need to be included in the PWS/solicitation to facilitate HR Implementation Actions.	Competition specific	
	<b>C-5.</b> Collect PDs for all positions affected by the competition.	Competition specific	
	<b>C-6.</b> Advise affected employee's to review their Office of Personnel Folder (OPF).	Competition specific	
	<b>C-7.</b> Be prepared to meet with interested employees to review their OPF and to discuss their available options.	Competition specific	
SOLICITATION ACTIONS KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-2.</b> Advise CO on an as-needed basis to prepare solicitation.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-8.</b> Review solicitation to ensure that Right of First Refusal clause has been inserted.	Competition specific	
AGENCY TENDER DEVELOPMENT KEY TASKS			0
<b>B. ADVISORY ACTIONS</b>	<b>B-3.</b> Provide guidance on obtaining salary, wage, and benefit information as required by the MEO Team.	Competition specific	
	<b>B-4.</b> Provide advice on position management for the MEO.	Competition specific	
	<b>B-5.</b> Provide information on recruiting and retention strategies for the MEO.	Competition specific	
	<b>B-6.</b> Conduct Labor Market Analysis to support staffing requirements for the MEO.	Competition specific	
<b>C. IMPLEMENTATION PLANNING</b>	<b>C-9.</b> Review, finalize, and certify MEO position descriptions.	Competition specific	
	<b>C-10.</b> Actively participate in development of Phase-In Plan for MEO.	Competition specific	
	<b>C-11.</b> Using MEO Phase-In Plan, develop Employee Transition Plan for Department to transition to MEO.	Competition specific	
	<b>C-12.</b> Using solicitation, develop Employee Transition Plan for Department to transition to contractor.	Competition specific	
	<b>C-13.</b> Assist the MEO Team in computing one-time conversion costs.	Competition specific	
	<b>C-14.</b> If required, conduct Mock RIF.	Competition specific	

	<b>C-15.</b> Determine and plan for recruitment actions to staff MEO.	Competition specific	
<b>MEO VALIDATION KEY TASKS</b>			0
<b>B. ADVISORY ACTIONS</b>	<b>B-7.</b> Provide information to <i>Agency Tender Official</i> to support proposed MEO on an as-needed basis.	Competition specific	
<b>SOURCE SELECTION KEY TASKS</b>			0
<b>B. ADVISORY ACTIONS</b>	<b>B-8.</b> Provide information to Source Selection Authority to support proposed MEO on an as-needed basis	Competition specific	
<b>PERFORMANCE DECISION KEY TASKS</b>			0
<b>D. IMPLEMENTATION ACTIONS</b>	<b>D-1.</b> Prepare to Inform Affected Employees of the Tentative Decision	Competition specific	
	<b>D-2.</b> If Tentative Decision is in favor of MEO, begin recruitment actions.	Competition specific	
<b>CONTESTS KEY TASKS</b>			0
<b>B. ADVISORY ACTIONS</b>	<b>B-9.</b> Provide information to CO to support contests on an as-needed basis.	Competition specific	
<b>STREAMLINED COMPETITION KEY TASKS</b>			0
<b>B. ADVISORY ACTIONS</b>	<b>B-10.</b> Provide support to the Functional Team Official, PWS Team, and MEO Team on an as-needed basis.	Competition specific	
<b>IMPLEMENTATION KEY TASKS</b>			0
<b>D. IMPLEMENTATION ACTIONS</b>	<b>D-3.</b> Prepare to announce Final Decision to affected employees.	Competition specific	
	<b>D-4.</b> Anticipate questions from Affected Employees after the Announcement of Final Decision has been made	Competition specific	
	<b>D-5.</b> Staff the Most Efficient Organization (MEO).	Competition specific	
	<b>D-6.</b> Conduct employee transition actions.	Competition specific	
	<b>D-7.</b> Conduct employee outplacement actions.	Competition specific	
	<b>D-8.</b> Coordinate Right of First Refusal for contractor vacancies, and work with Contracting Office to ensure contractor compliance.	Competition specific	

**APPENDIX C**  
**Large Scale Flowchart - Competitive Sourcing Process - Standard Competition**

