



OFFICE OF FEDERAL HOUSING ENTERPRISE OVERSIGHT
1700 G STREET NW WASHINGTON, DC 20552 (202) 414-3800
Office of the Director

January 3, 2007

Honorable Richard Cheney
President of the Senate
Washington, D.C. 20510

Dear Mr. Vice President:

In accordance with Office of Management and Budget Memorandum M-07-01, dated October 5, 2006, the Office of Federal Housing Enterprise Oversight (OFHEO) hereby submits its Report to Congress on FY 2006 Competitive Sourcing Efforts.

Because of its small size and already active use of commercial providers, OFHEO did not complete any competitions or initiate any competitions in FY 2006. Additionally, as OFHEO did not initiate any competition in FY 2005 we have no savings to report with reference to competitions for that year. However, as the agency continues to grow in FY 2007 because of our increased regulatory challenges, we will continue our efforts to identify opportunities for competitive sourcing.

If you have any questions regarding this information please contact my Chief Financial Officer, Mark Kinsey, at (202) 414-3811.

Sincerely,

James B. Lockhart III
Director