

State Department and USAID Leverage the Benefits of Competitive Sourcing

The Department of State completed its first standard competition -- resulting in award to the most efficient in-house organization (MEO) that will modernize printing and publishing activities for the Department. The MEO will set new standards for global graphic communications and publishing. This transformation will significantly enhance the State Department's ability to communicate its public diplomacy messages in a more timely, compelling, and visually interesting way to overseas audiences. By shifting to a market-driven, service-for fee pricing arrangement and adopting industry best practices and performance standards, the MEO will improve customer care and lower costs by one-third, which should translate into taxpayer savings of approximately \$80 million over 10 years.

The U.S. Agency for International Development (USAID) expects to realize over 35 percent in savings from implementation of an MEO selected in its first competition completed under Circular A-76. The streamlined competition focused on improving the efficiency of internal operations and contract support associated with facilities management, including space planning, maintenance coordination, and general office support.

The Department of Defense has resumed its tradition of applying public-private competition to achieve cost avoidances for its commercial functions and focus resources on core defense activities. In FY 2006, DOD announced competitions involving more than 7,500 FTEs.

Green status for USDA, State, and SSA

The Department of Agriculture (USDA), State, and the Social Security Administration (SSA) have achieved green status for meeting the competitive sourcing standards for success on the PMA scorecard. USDA, State, and SSA have each developed long-range green plans for the application of public-private competition tailored to their respective workforce mixes and mission needs. Competitions completed to date by these three agencies are expected to save taxpayers well over \$200 million in savings. Currently, 15 PMA agencies are green in status.

Tracking of competition activity and workforce inventories

OMB has rolled out its Competitive Sourcing Tracking System (CSTS). This web-based information system, which replaces reporting through spreadsheets, is designed to enable more efficient and timely collection of information on competitions. Beginning in FY 2007, agencies will report information on competition activity in CSTS on a quarterly basis. A companion web-based system, the Workforce Inventory Tracking System, has been developed to reduce the administrative burden associated with assembling inventories of commercial and inherently governmental activities, as called for by the Federal Activities Inventory Reform Act and Circular A-76.