APPROPRIATE ROLE OF THE CONTRACTOR SUPPORTING THE GOVERNMENT

FINDINGS

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These slides contain preliminary Working Group findings for discussion purposes only. They have not been approved by the Acquisition Advisory Panel.



- Several developments have led Federal agencies to increase the use of contractors as service providers.
 - Limitations on the number of authorized FTE positions
 - Unavailability of certain capabilities and expertise among Federal employees
 - Desire for operational flexibility
 - Need for "surge capacity"

- The existence of the "blended" or "multisector" workforce, where contractors are colocated and work side-by-side with federal managers and staff, has blurred the lines between:
 - Functions that were considered governmental and those that were considered commercial
 - Personal and non-personal services

- Agencies need to retain core functional capabilities that allow them to:
 - Properly perform their missions
 - Provide adequate oversight of agency functions performed by contractors.

 Some agencies have had difficulty in determining strategically which functions need to stay within government and those that may be performed by contractors.



 The term "Inherently Governmental" is inconsistently applied across government agencies.

- Contractors are increasingly performing functions previously done by civil servants.
- The degree of use and functions performed appear to vary widely both within agencies and among agencies.
- There is no clear and consistent governmentwide information in this area.

 There is a need to assure that the increase in contractor involvement in agency activities does not undermine the integrity of the Government's decision making processes.

 The increase in the use of contractors to perform functions that in the past were performed by Federal employees, coupled with increased consolidation in many sectors of the contractor community, has increased the potential for organizational conflicts of interest.

- There are numerous statutory and regulatory provisions governing the activities of Federal employees that are designed to protect the integrity of the government's decision-making process.
- Almost all of these provisions apply only to Federal employees.

- A blanket application of the government's ethics provisions to contractor personnel raises issues in:
 - Cost
 - Enforcement
 - Management direction

 The current restrictions on personal services contracts create difficulties in managing the blended workforce.