



GSA Administrator

December 14, 2007

The Honorable Paul A. Dennett
Administrator
Office of Management and Budget
Washington, DC 20503

Dear Mr. Dennett:

Please find enclosed the General Services Administration's draft Report to Congress on FY 2007 Competitive Sourcing Efforts for the Office of Management and Budget (OMB) clearances in accordance with OMB Memo M-08-02.

Identical letters will be sent to the following Members of Congress:

The Honorable Richard B. Cheney
The Honorable Nancy Pelosi
The Honorable Joseph I. Lieberman
The Honorable Susan Collins
The Honorable Henry A. Waxman
The Honorable Thomas M. Davis, III
The Honorable Richard Durbin
The Honorable Sam Brownback
The Honorable Jose Serrano
The Honorable Ralph Regula

If you have any questions, please feel free to contact me. Staff inquiries may be directed to Mr. Kevin Messner, Associate Administrator, Office of Congressional and Intergovernmental Affairs. Mr. Messner can be reached at (202) 501-0563 or kevin.messner@gsa.gov.

Cordially,

A handwritten signature in black ink, appearing to read "Lurita Doan".

Lurita Doan
Administrator

Enclosures

U.S. General Services Administration
1800 F Street, NW
Washington, DC 20405-0002
Telephone: (202) 501-0800
Fax: (202) 219-1243
www.gsa.gov



Enclosure 1

GSA Administrator

December 14, 2007

The Honorable Nancy Pelosi
Speaker of the House of Representatives
Washington, DC 20515

Dear Madam Speaker:

In accordance with Section 647(b) of Division F of the Consolidated Appropriations Act Fiscal Year (FY) 2004 P.L. 108-199, please find enclosed the General Services Administration's Report to Congress on FY 2007 Competitive Sourcing Efforts.

If you have any questions, please feel free to contact me. Staff inquiries may be directed to Mr. Kevin Messner, Associate Administrator, Office of Congressional and Intergovernmental Affairs. Mr. Messner can be reached at (202) 501-0563 or kevin.messner@gsa.gov.

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General Services Administration

Fiscal Year 2007

Competitive Sourcing Narrative

During Fiscal Year (FY) 2007, the General Services Administration (GSA) did not complete or initiate any competitions. Previous competitions completed in FYs 2003-2006 resulted in \$10.377 million in savings during FY 2007. GSA has planned competitions for 77 Full-Time Equivalents (FTE) in FY 2008, though additional FTEs may be considered pending the result of ongoing feasibility studies. GSA continues to integrate its Human Capital Resources Management with Competitive Sourcing when identifying activities for potential public-private competition. Fixed costs associated with Competitive Sourcing for GSA total \$347.5K.

General Services Administration

Fiscal Year 2007

Competitive Sourcing Narrative

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"PBS Success Story"

In response to the President's Management Agenda (PMA) item that focuses on *Strategic Management of Human Capital*, PBS has created the Human Capital Asset Management (HCAM) strategy. The Public Buildings Service (PBS) HCAM Strategy recognizes that: (1) Our customers want consistency, (2) We need to stay relevant, and (3) We need to improve customer satisfaction. PBS has redesigned work processes to focus on both the current and future needs of our customers, moving from a transactional environment to customer relationship management. The new customer focused business processes involve anticipating the customers' unique needs and concerns, and proactively offering a range of solutions designed to advance their mission by bolstering their associates' productivity.

PBS has pursued a very aggressive Competitive Sourcing effort in support of the PMA. Competitive Sourcing has had a direct effect on PBS business strategies and mission deliverables. We have embraced Competitive Sourcing to accelerate the achievement of these business strategies. For the new century, the PBS strategy has shifted from managing tasks to managing projects, improving our customer relationships, and focusing on the cost effectiveness of our business. Our strategy has included the aggressive and proactive use of Competitive Sourcing as a means to streamline operations. In the past five fiscal years alone, PBS has completed 70 streamlined competitions involving 1,383 positions. More than \$100 million in projected savings and cost avoidance is anticipated over the five-year period of performance of these competitions. Additionally, PBS has directly converted 878 functions from Government associates into contract performance; and has competed all of the major groupings of commercial activities.

PBS is a lean, efficient, highly leveraged organization with approximately 96% of the dollars expended outsourced to private industry. Despite being highly leveraged already, PBS has been the leader in GSA's Competitive Sourcing efforts. PBS has conducted over 90% of all competitions conducted at GSA in the past three years while consisting of less than 50% of the workforce. Our teams of human capital and human resources professionals have been developing innovative Human Capital practices while at the same time navigating complex federal government rules. The goal is to find the most effective and workable solutions that will achieve the desired results of the PMA and create a strong, well-positioned and competitive PBS for the decade ahead.