Procurement Countdown

A New Contract Specialist's View of the Procurement 2002 Conference

By Jason Edge, Stennis Space Center

SPECIAL

What a week! As a fairly new contract specialist with NASA (less than 2 years), I was very impressed with NASA's attempt to get a large group of its contracting professionals into one place for a week's worth of training. I came to NASA from the US Air Force. The major commands within the Air Force held procurement conferences annually, but they were for commanders and first sergeants. As a Technical Sergeant, I never got the opportunity to attend one, so I can't compare the two. But I can now say I have been to a NASA procurement conference, and I am really impressed. Not only did we get an opportunity to meet a lot of NASA procurement professionals that we have spoken to over the phone or by e-mail, but we had the opportunity to sit in on a lot of training seminars.

The training week began on Tuesday morning with a virtual tour of the faces of each center.

After the opening ceremony and guest speakers, we then broke up into training groups. I attended a presentation by Ken Winter on Consolidated Business Services: A New Opportunity for Better Services. I also attended a presentation by Sue Dupuis on Utilization of Multiple Award Contracts.

Wednesday began with a great breakfast and back to the training groups. I attended the Competitive Sourcing presentation by Ron Lentz and the Successful Strategies in Socio-Economic Programs presentation. Wednesday evening was the Procurement Award dinner. This was especially important to me, as I received the contract specialist of the Year award. I was very honored to receive this prestigious award, and was very nervous about having to wear a suit. I think I have worn a suit twice in my life, but I made it through the night with few problems.

Thursday began just like Wednesday, with a hearty breakfast and back to the various training sessions. I attended Cooperative Contracting w/DoD, and Automation Tools Lab – IDGS. Thursday ended with a very enlighten presentation entitled Headquarters Office of Procurement: Roles and Responsibilities.

Friday found everyone heading home. The week was over, and what a week it was. I had met a lot of new faces and gotten some very interesting insight on the various programs the other centers were working on. I feel very fortunate to be working with an outstanding organization like NASA. The money NASA Headquarters spent for the procurement conference was, without a doubt, money well spent. I hope to have the opportunity to attend another conference in the future.

Highlights... Procurement 2002 Conference

This issue focuses on the Procurement 2002 Conference. It gives various people's views of the overall conference (including day-by-day breakdowns, impressions, and more) on pages 1, 3, 8, 16, 19, 21 and 22. There are articles about specific issues such as Competitive Sourcing (articles on pages 4, 12, 13, and 18), the Functional Policy Breakout (page 7), UARCs (page 9), Grants (pages 10 and 11), and IFMP (page 14). One article, about UCAs (page 6) was written by a JPL – not NMO – person who came to the conference. For those of you who wondered what is involved in putting a conference like this on, read Yolande Harden's article on page 2. If you wondered what sort of comments are submitted and what the conference planners do with them, read the article on page 24.

An Insider's Perspective

By Yolande Harden, 2002 Conference Coordinator, Headquarters Contract Management Division

Planning for a conference the size of the Procurement 2002 event is a monumental task. Following in the footsteps of the successful Procurement 2000 Conference was an even greater challenge. I was given the responsibility of coordinating the second agencywide procurement conference on my first day as an employee in the Headquarters Contract Management Division back in February 2001. Fortunately, I was promised I would only have to do this once in my career.

The role of conference coordinator was only one of my initial assignments. As a matter of fact, this responsibility almost fell below the radar screen on my list of priorities in those early months. I was slightly preoccupied with the task of addressing a certain Senate Committee Chairman's concern about NASA procurement's lack of training with regard to HUBZone and other socio-economic programs….. but that's another story.

There are so many details involved in planning a conference of this magnitude that it was difficult to decide where to begin. Fortunately, Celeste Dalton, the 2000 Conference coordinator left detailed notes and a list of lessons learned for her successor. Also, the ever-reliable Becky Brewer was always around to offer assistance and moral support while taking the lead on all of the lodging and meal arrangements.

Our goal for 2002 was to develop a conference agenda which addressed relevant and timely topics related to the agency at large and procurement in particular. We solicited input from the field centers and Headquarters alike. I personally read every evaluation sheet submitted from the 2000 Conference! One message was very evident – the 2000 Conference was great, but there were too many speakers and not enough breaks or time to network.

I used the input received as a foundation from which to begin developing an agenda. I also developed a personal goal for the conference – that conference attendees return home with at
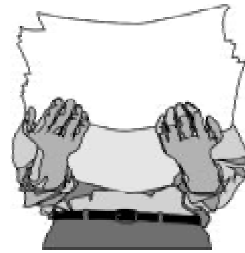
least one bit of information that could be utilized in the performance of their daily workload activities or leave with at least one personal contact to be used for future reference. (It is my sincerest hope that this goal was achieved.) Too often we attend conferences, classes, etc. that are informative and interesting, but never apply any of what was shared in our daily activities.

The behind the scenes dramas that we experienced were too numerous to describe in one article and are probably best left untold. Although there were many, none were so insurmountable that the conference was impacted. I must say that I now have a few extra wrinkles from spending sleepless nights just prior to the conference and a couple more gray hairs from worrying about a successful outcome. These little trophies

are nothing that can't be camouflaged with a little make-up and hair color (so don't look too hard the next time you see me).

One of the most challenging tasks of conference planning is being prepared for the unexpected and planning for contingencies. Even the most well prepared events have the potential for unexpected mishaps. Our conference was no exception, fortunately we were able to overcome our 'little' obstacles without anyone realizing the conference was about to collapse – or maybe the 'Chicken Little' syndrome was only a figment of my imagination. I often found myself getting up in the middle of the night to capture a thought or jotting down notes on the Metro ride to work, all in an effort to cover every contingency.

I didn't really have an opportunity to relax and enjoy the 2002 Conference – I was too busy making sure that everyone else was relaxed, comfortable, and absorbing tons of valuable information. My time was spent making sure that signs were posted in the right places, meeting rooms were configured correctly, computers were set up for presentations, the A/C was turned up, then down, sufficient food was available during the meals, enough tables and chairs were available at the banquet, speakers arrived at their designated times, etc., etc., etc. Of course, the conference would not have been the success that it was without the assistance of so many individu-

als from both Headquarters and the centers.

My heartfelt thanks goes out again to all of the HQ front office staff; HQ analysts who helped when called on; workshop presenters; centers who loaned equipment; conference speakers; my co-moderator, Carl Eichenlaub; Becky Brewer; and last but not least, my boss, Scott Thompson, who offered advice and support. He always maintained confidence in my ability to make the conference a resounding success. (His vote of confidence was so strong that he spent the two weeks just prior to the conference windsurfing somewhere in the southern Caribbean!!!)

It's been several weeks since the conference ended, and I still see pleasant images in my mind from time to time. The most memorable image isn't from a workshop or a session but from the first night of the conference when there was a group of about 20 people roughly arranged in a circle chatting, socializing, and either kindling new friendships or rekindling old ones. The group was composed of literally all levels of our 1102 workforce, including our Assistant Administrator, a couple of Procurement Officers, and various Contracting Officers, procurement analysts, contract specialists, and some of our newest procurement interns. I personally believe that this type of experience is invaluable, especially for the younger,

less experienced members of our organization.

The type of experience described above, along with the numerous positive comments that I received from various individuals, provide me some sense of satisfaction that the Procurement 2002 Conference was indeed a success. Now, I can sit back in retrospect and relax and enjoy the conference!!!

P.S. – Remember, conference presentation charts are available from the NASA Procurement Libraryat _____http://ec.msfc.nasa.gov/hq/library/confindex.html. Also, please take the virtual tour of NASA Procurement by viewing the "Faces of NASA Procurement." Look hard, I'm sure you'll find yourself……………

The Conference from a New Viewpoint

By Jennifer Krause, Johnson Space Center

As a new contract specialist at Johnson Space Center, I found my first procurement conference to be both valuable and informative. Attending the Procurement 2002 Conference afforded the opportunity to meet acquisition professionals from the other centers, discuss current procurement topics, and learn about issues affecting the agency and federal procurement policy.

The interaction with contract and small business specialists from across NASA was very beneficial. Because members of each center acted as workshop presenters, I was able to consider different procurement approaches and develop a list of best practices that have the potential to be

very effective in my organization at Johnson Space Center. During the session on successful strategies in socio-economic programs, I learned that Langley

Research Center has developed a process to capture dollars for simplified acquisitions under $25,000. This immediately peaked my interest because in my current position with Institutional Procurement, I have

encountered some problems with recording these numbers. Hopefully, the information I gained will be able to lead to an effective solution and a more accurate method of reporting socio-economic data for simplified acquisitions at my center.

Another challenge I have met being new to civil service and procurement is translating an Administration's mission to my daily job duties. The conference informed me about how the President's objectives affect procurement policy. I was very impressed by one very influential speaker, The Honorable Angela B. Styles, Administrator for Federal Procurement Policy for the Office of Management and

Competitive Sourcing: The Presentation

By Deborah O'Neill, Headquarters Contract Management Division

Competitive Sourcing, a phrase that is garnering much interest these days. And interest at the Procurement 2002 Conference was certainly roused because all three sessions of the Competitive Sourcing presentation were very well attended. The presentation provided an overview of Competitive Sourcing, for which OFPP is the government-wide champion, and the Office of Pro-

> **"Government should be market-based—we should not be afraid of competition, innovation, and choice. I will open government to the discipline of competition."**
>
> **George W. Bush**

curement is the NASA champion. So, what is Competitive Sourcing? Competitive Sourcing is the act of exposing government activities to competition with the private sector. In this context, exposing means competing, comparing, or converting. The process of competition provides a focus on continuous improvement of government functions. It also provides an imperative for the public sector to focus on continuous improvement and to remove roadblocks to better performance and greater efficiency. The objective is to focus on the most effective and efficient way of accomplishing the agency's various functions regardless of whether they are done by civil servants or contractors. Competitive Sourc-

ing is not synonymous with outsourcing.

In the presentation, we went over the whole process of Competitive Sourcing. It starts with compiling NASA's inventory of activities required by the Federal Activities Inventory Reform (FAIR) Act of 1998 (Public Law 105-270). The FAIR Act requires agencies to review and classify all of their activities as commercial or inherently governmental. Specifically, it states, "Not later than the end of the third quarter of each fiscal year, the head of each executive agency shall submit to the Director of the Office of Management and Budget a list of activities performed by federal government sources for the executive agency that in the judgment of the head of the executive agency, are not inherently governmental functions. The list for an activity on the list shall include…the number of full-time employees (or its equivalent) that are necessary for the performance of the activity by a federal government source." The inventories are made available to the public. Interested parties may challenge the inclusion or exclusion of activities in the inventory. Also, OMB is requiring agencies to provide a listing of inherently governmental activities.

This year Administrator O'Keefe asked that the default selection be commercial. That is, all of our activities are to be considered commercial unless they are unequivocally inherently governmental. An activity may be coded as inherently governmental only when it requires

either the exercise of discretion in applying federal government authority or the making of value judgments in decision making for the federal government. This includes judgments related to monetary transactions and entitlements. Examples of functions that are inherently governmental include conducting criminal investigations, obligating funds, establishing procurement requirements, and approving specification waivers/deviations.

For purposes of submitting its FAIR Act Inventory to OMB, all commercial activities must be assigned one of nine reason codes. NASA's commercial activities will primarily fall within three of the nine reason codes:

A - Specifically exempt by the agency

B - Subject to the cost comparison or direct conversion

C - Specifically exempt by Congress, Executive Order or OMB

Reason Code A includes those activities that the agency head determines must be accomplished in-house and should not be subjected to competition, privatization, outsourcing, or reinvention. Commercial activities identified as Reason Code A are exempt from cost comparison and require substantial rationale and approval by the NASA Administrator. Reason Code B should be applied to an activity where the decision as to who should perform the work is a quality and cost-based decision. The agency would expect that this decision would be based upon the results of a direct conversion competition (when authorized), or

and It's Implications

a cost comparison, conducted in accordance with OMB Circular A-76 and its Supplemental Handbook. Reason Code C activities solve the problem of getting the right people, the right skills, and the right knowledge at the right place and at the right time. The decision as to who should perform the work is generally not a cost-based decision and a cost comparison would be inappropriate. Therefore, activities identified as Reason Code C are exempt from OMB Circular A-76 and its Supplemental Handbook. One important item to note: Reason Codes A, B, or C may include core mission activities; core capabilities are not necessarily inherently governmental.

In addition to the inventory described above, NASA must submit a Competitive Sourcing plan to OMB. That plan will explicitly describe the specific activities to be exposed to competition and competitive process to be used. There are five possible processes for competitively sourcing commercial activities. They are categorized as follows:

— Activities with 10 or fewer FTE may be performed by in-house, contract or Inter Service Support Agreements (ISSA) without cost comparison, if the Contracting Officer determines that offerors will provide required levels of service quality at fair and reasonable prices;

— Activities of 11 or more FTE may be converted to contract or ISSA, without cost comparison, if fair and reasonable prices can be obtained

through competitive award and all directly affected federal employees serving on permanent appointments are reassigned to other comparable federal positions for which they qualify;

— Activities of 11-65 FTE with any federal employee adversely affected can use the streamlined cost comparison in which no solicitation is issued. The in-house estimate is based on the existing organization and the agency compares the in-house estimate with four comparable service contracts. If the in-house estimate is within the range of the four comparable service contracts, the activity stays in-house;

— Activities 65+ FTE and any federal employees adversely affected requires a full A-76 cost comparison; and

— Preferential Procurement Programs. The Preferential Procurement Program means that a commercial activity of any size may be converted to contract performance, without cost comparison—even if it results in adverse employee actions, if the contract is awarded to a preferential procurement source at a fair market price. At the agency's discretion, a cost comparison may be conducted. (Definition: "Preferential Procurement Program – These are special "commercial" source programs, such as Federal Prison Industries and the workshops administered by the Committee for the Purchase from the Blind and Other Severely Handicapped under the Javits-Wagner-O'Day

Act.")

The final section of the presentation provided a brief overview of the A-76 or full cost comparison process. That process consists of six major components:

— Development of the Performance Work Statement (PWS) that defines what is being requested, the performance standards and measures, and timeframes required. It also defines the Quality Assurance

> **"Competition results in better value and improves performance by bringing viable, responsive, innovative and cost-effective competitors (public and private) to the table."**
>
> **Angela Styles**
> **Administrator, OFPP**

Surveillance Plans that describes the methods of inspection to be used, the reports required and the resources to be employed with estimated work-hours;

— Performance of a management study to determine the government's Most Efficient Organization (MEO). Agencies may consider existing management, reinvention, consolidation, re-engineering, personnel classification, and market and other analyses in the identification and development of the MEO;

— Development of an in-house government cost reflecting the MEO;

— Issuance of the Request for Proposal (RFP) or Invitation for Bid (IFB);

The JPL (not NMO) View

By Geoff Pomeroy, Jet Propulsion Laboratory

The Jet Propulsion Laboratory (JPL) was proud to be invited to the NASA Procurement 2002 Conference. Twenty JPL employees attended the event, including 12 subcontracts division employees, two employees from the prime Contract Management Office, and six staff members from the Subcontract Audit and Cost Price Analysis Groups.

The opportunity to interact with our peers from other NASA centers and gain an understanding of their working environment and day-to-day challenges was an eye opener for many of us.

Angela Styles' speech communicated the honor and the responsibility that goes along with being a federal employee. We were not familiar with the oath of office every federal employee takes upon being hired.

We were also struck by the degree to which the rules and regulations of our federal system direct the working environment. They seem to restrict freedom and simultaneously foster creative solutions to complex problems. The manner in which NASA has managed to reduce the number of undefinitized contract actions (UCA) and bring those remaining under tight control serves as a good example.

PIC 01-16, now PN 97-67 reduced the threshold for Center Director approval of UCAs from $1M to $100K. This top down regulatory change motivated rapid change in the number of UCAs at each center. Each of the presentations, given by Ames, Johnson and Goddard, exemplified innovative and creative ways

of accomplishing this. The principle contract for the SOFIA project at Ames provided for the contractor to submit proposals within 30 days. On numerous occasions the contractor submitted proposals several months late. In one instance where a proposal was over 500 days late Ames unilaterally settled the UCA at $0.

At Johnson, the primary International Space Station contract with Boeing was initially set up with a zero-change philosophy. The contract rapidly became very difficult to manage with several UCAs. Partly in an effort to address continuing cost overruns and the multiplication of UCAs with significant time lines to definitization, Johnson and the prime contractor developed and implemented a complex and efficient change management process.

We also found the workshop on Headquarters Roles and Responsibilities to be educational. The description helped us to understand better the big picture of how procurement is organized and functions at NASA. As a subcontractor, many of us were unfamiliar with the letter code organization of NASA. This gained knowledge will enable us to better interface with our own NASA Management Office and work with JPL projects who need to interface with other areas at NASA on a regular basis. All in all, we found the conference to be a valuable learning experience, as well as, a chance to exchange strategies and procurement techniques.

Krause Overview

Budget. Ms. Styles explained President Bush's Management Agenda and stated that the President's goals are for government to be results-oriented, market-based, and citizen-centered.

One of the initiatives in this agenda that I found interesting and would like to participate in is Competitive Sourcing. It is a process used to determine whether commercial activities should be performed by civil servants or contractors. The goal of Competitive Sourcing is to provide citizens with better government services at a lower cost by improving performance, innovation, and quality.

As evident by the Competitive Sourcing initiative, the most notable fact I came away with from the conference is the critical role procurement professionals will continue to play in NASA and the federal government and how that role will expand in the very near future. To quote Courtney Stadd, NASA Chief of Staff and White House Liaison, "Procurement is the key to making the impossible, reality."

Participating in the Policy Functional Area Breakout

By Mike McCarty, Kennedy Space Center

The Procurement 2002 Conference was the first Procurement Conference that I have attended. I enjoyed it very much. The variety of workshops and the robust discussions among the various centers' procurement professionals was very informative (especially during the *after dinner* workshops, such as the joint KSC/MSFC late night discussions of the President's Management Agenda and World's Fair experiences!) The opportunity to see old friends and to make new friends from other centers, as well as to reacquaint yourself with people from your own center, was the best part of the conference to me.

I intended to write this article about the IFM portions of the conference. Steve Beale, the Procurement Officer at MSFC, was quite impressive speaking about IFMP without a script, to the entire conference audience on Thursday morning. Even more impressive was his ability to field numerous questions from the audience and have Jane Maples, the IFM Core Financial purchasing team lead, available to answer each one. Jane was also quite successful conducting her IFM Core Financial workshops as several Procurement Officers attended, among many others, and they fired numerous questions (and comments) her way and she was able to answer their questions and get through about 60 charts in less than 2 hours. However, before I could get my article written, I found that someone else had already notified Susie Marucci,

the *Procurement Countdown* editor, that he was writing one on IFMP.

Therefore, I chose to write this article about the exciting Functional Area Breakout called Policy. Probably surprising to my non-procurement analyst friends, this session, led by Dee Morrison of Ames Research

Center, was actually quite interesting. I had a couple of issues from my center that I wanted to bring up during this session. One issue that I brought up related to the frequency of interim contractor past performance evaluations. In the middle of conducting our most recent semi-annual self-assessment, specifically looking at contractor past performance evaluations, a Contracting Officer posed an interesting question: "Why is it that if I have an 11 month contract, I do only one past performance evaluation and if I have a 13 month contract, I do three (one interim for the first 12 months, a second interim for the 13th month, and a final evaluation)?" I promised him I'd bring that up at the conference. We decided to include this issue as an agenda item on the next agencywide policy telecon to get feedback and ideas from any interested parties. We ended up

discussing it at the May telecon. As a result of that discussion, NASA Headquarters is going to open an NFS case to change the current requirement. Once the case is completed, it is anticipated there will no longer be interim evaluations for periods of 3 months or less at the end of a contract, only a final evaluation. However, interim evaluations, as well as a final evaluation would still be done for periods of 4 months or more at the end of the contract. Since the NFS is the source of the one year interim evaluation, and FAR 42.1502 indicates interim evaluations *should* be prepared as specified by the agencies, it appears NASA has some discretion in this area.

The other issue I brought up was the difficulty we have in obtaining Contractor and Government Entity (CAGE) codes, primarily for government agencies that we deal with via NASA Defense Purchase Requests (NDPRs). At KSC, we issue many NDPRs, such as to the Coast Guard to clear out the fishing vessels during launch, to the FAA to clear out the planes during launch, and many others. However, we're finding it very difficult to get these government agencies to register in the Central Contractor Registration and obtain a CAGE code prior to award as required by NFS 1804.74. Others noted they too have had difficulty obtaining CAGE codes for government agencies. Since we need CAGE codes for conversion of vendors during IFM implementation, and

Learning the Lingo

By Rhoda G. Parker, Dryden Flight Research Center

CBS, IFMP, IDGS, UARCs/ FFRDCs, NCIP, A76…All acronyms we had been hearing for the past year, some even longer. Some we understood to some degree; others…well, maybe, not so good. One thing we all knew, is that the future of contracting is here, and is linked to these acronyms.

Being able to attend the Procurement 2002 Conference held in March in Tyson's Corner, VA, provided the basics for understanding better what is surely going to affect the way we have been doing business. It was an opportunity to meet people only known by reputation, or a voice at the other end of the phone; the experts intimately involved with the meaning behind the acronym.

To start the conference, Tom Luedtke, Assistant Administrator for Procurement, gave a vision of NASA procurement of the future. He based this vision on current agency priorities of space station activity and the President's Management Agenda; a citizen-centered, market-based business approach to government; the tone of a leaner, meaner government being translated by consolidation of business functions (CBS); and outsourcing of functions no longer considered the sole domain of the government. It became quite clear to all of us in attendance at the conference, that NASA is an agency that is seriously embracing the President's Management Agenda and is well on the way to bring-ing about change. With the goal of the agency clearly defined, the acronyms started to have mean-ing.

Key to the implementation of CBS is the Integrated Finan-cial Management (IFM) pack-age. At one of eight excellent workshops held at the Confer-ence, Jane Maples, IFMP guru, brought us up to date on current IFMP implementation, and gave her audience of future users a detailed demonstration of the operational aspects. Since the implementation schedule has been moved up for the financial module, we should start seeing it at our workstations in less than a year. Even with potential workarounds, the system is far

enough along to take the next step into the e-Commerce world. The procurement module is scheduled to come on-line in 2004.

At the Integrated Data (IDGS) workshop we were brought up to date on all the enhancements for the Virtual Procurement Office (VPO). Headquarters is now responsible for all upgrades and enhance-ments of that system. VPO is not yet talking to IFMP, but it certainly offers a breadth and depth of electronic tools to perform contracting duties. You've come a long way, baby, in just a few years.

Ames Research Center (ARC) presented an informative workshop on the transformation of NASA centers to University Affiliated Research Centers

(UARCs). The purpose of this acquisition is to establish a hybrid UARC at ARC in order to provide ARC additional research capability to fulfill mission requirements in areas of technology, biotechnology, nanotechnology, computer science, aerospace operations, astrobiology, and fundamental biology directed toward NASA's missions. By combin-ing NASA and a university involved in the sciences, NASA stands to gain much of the expertise needed to forge the future. This addresses the issue of diversity and expertise helping to solve the Human Capital problem outlined in the President's Management Agenda.

The workshop on the Competitive Sourcing Initia-tive dealt with concepts of workforce definitions – who can best do the work at the best price. Since most positions in the government can be defined as commercial, and not inher-ently governmental, there is the move to explore ways to let the market compete for these functions. This is where we learned more about the A-76 program.

All of these initiatives and topics invite further investiga-tion, and I am sure we will be getting opportunities to do that. In some way or another, probably sooner than later, we will all be affected by these changes. But by becoming familiar with and involved in their implementation, I believe there will be a long-term benefit to the agency, and ultimately to the public, a trust we continue to serve.

Giving the UARC Presentation

By Rachel Khattab, Ames Research Center

Giving a presentation to procurement professionals from the entire agency is certainly a daunting task. The intimidating part, of course, is the fact that most of the people in the audience have lots of experience and knowledge of contracting. As a somewhat new Contracting Officer, involved in a procurement effort that is the first of its kind for the agency, I was afraid that people in the audience would overwhelm us with citations from the FAR and NFS that we might have overlooked, pointing out reasons that would prevent us from moving forward with our current plan. As it turned out, the input we received from our peers at the Procurement 2002 Conference was extremely supportive, and very helpful.

A key element of the acquisition strategy we are pursuing with the University Affiliated Research Center (UARC) is a request for comments and input on our acquisition plan from all interested parties early in the process. ARC recently initiated this practice in its larger procurement actions. In keeping with this practice, Deb Glass (CO) and I posted the draft acquisition plan (DAP) for the UARC in February. By posting the plan on the NASA Business Opportunities website and asking for comments and questions from all interested parties regarding our proposed approach, our hope is to formulate a sound acquisition strategy at an early stage. When input is received early, it can be considered and changes can still be made, long before issuance of an RFP. For Deb and me, the Procurement 2002 Conference was excellent timing. It gave us the opportunity to request input from our peers at the same time that we were asking for and anticipating comments from the public.

We gave our presentation on the UARC once for our own division (a dry run) and three times at the conference. The first presentation at the conference was the most difficult, mostly

because we were nervous. A company called Uncommon Knowledge has a website that lists some of the most common fears of public speaking. The list includes:
- 'Drying up' or not being able to speak.
- Forgetting what you are talking about – your mind going blank.
- Having the heckler from Hell.
- Having someone in the audience who knows more than you do.
- Having people noticing that you are nervous.
- Having to run screaming from the room.
- Having the presentation be so awful and embarrassing that your social/career relationships are forever ruined.
- Having the impossible to answer 'question from Hell.'

We experienced all of those fears, and some of them were actually valid. (I won't identify which ones!) We also had a minor setback when the equipment we had set up (computer, projector, CD, and even the table supporting the equipment) was mysteriously taken from our room (not by Yolande) five minutes before we were scheduled to begin.

Our best presentations at the conference were those where we were asked the most questions, even if they were difficult. We didn't have all the answers. It helped us a lot to hear what aspects of the UARC DAP interest procurement professionals the most. The input we received, along with the comments from other interested parties, is being discussed and debated by members of our acquisition team. We plan to post responses to the comments we received in writing by the end of June.

Giving a presentation at conferences like Procurement 2002 is a great opportunity, and benefits both the presenter and the audience. It provides an exceptional chance to share your experience and knowledge with others from across the agency, as well as to hear other perspectives and gain new insight from professionals in your field. I hope to be able to do it again. Who knows? Perhaps at Procurement 2004 we will be able to share "lessons learned" on the UARC.

Life at the Grants Workshop

By Ron Everett, Glenn Research Center

Grants

Perhaps the most valuable aspect of getting Grant Officers from all centers together for a few hours is getting to know each other and sharing war stories.

There are two aspects of this worth noting. The first is the realization that we are not alone in our efforts to forge a consistent and effective grant program policy. All of us experience the same unanswered questions that arise from engaging in the support of the many and varied grant programs. At times it appears that we face a unique problem everyday. It is comforting to discern that the same struggles are going on at other centers as well. Having realized this, it provides an increased incentive to try to come to some common solution to these problems in which we can all take some ownership.

The second aspect is that in sharing our experiences, we broaden our outlook to encompass solutions to problems that others have used effectively, but that we may not have thought of or have been hesitant to implement. This adds new tools to our business, which, if used appropriately, can bring about improved policies and processes. Included in this category are cultural differences between centers. There may not be any right or wrong, better or worse issues here, but it is important to understand these differences, particularly as we move toward further consolidation. For example, the Glenn Research Center (GRC) provides far more empowerment of their Grant Officers (Contracting Officers) than most other centers. In the

world of grants, GRC also provides a great deal more empowerment to the technical community as well. The degree of empowerment is reflected in the procedures used at each center. Consolidation will require developing a common culture.

If one were to look for a single word to express the underlying theme of the grants workshop, it would probably be the drive for "commonality." This pertains to both within NASA and across the federal government. Several new initiatives directed toward attaining commonality in grant procedures and processes were outlined and presented by Rita Svarcas, Code H Manager of the Sponsored Research Business Activity (SRBA). She began by discussing the ongoing activities of the agency in support of Public Law 106-107 that directed all agencies to develop common systems and processes for soliciting and handling grant proposals. Considerable efforts are being made here to standardize the whole grant process and projected changes have been given a schedule. Whether these changes will be more cosmetic than major process changes will depend to a great extent on the willingness of each agency to find some common ground.

However, this initiative has been given increased visibility as it ties into the President's Management Agenda item that calls for expansion of electronic government. It is also consistent with the recommendations of the Strategic Resources Review (SRR) action item 71 that calls

for a common grants package/process in support of SRR action item 17. This item will address further grant consolidation within NASA. A common solicitation process is in place through FedBizOpps. The data standards for a common grant application process are to be completed by the end of the current FY with at least a test program to be implemented a year later.

Other initiatives that are in process with a view toward commonality include the development of a design for a Centralized Business Service (CBS) Operation, and the implementation of the Integrated Financial Management (IFM) System (due to start in October) and it's follow-on modules. IFM and at least its procurement module will need to be in place in order for the CBS Operation to be able to function in the world of grants.

Certainly, a key element of both commonality and e-Grants will be the restructure of the Headquarters-based SYS-EYFUS program to interface with IFM and provide web-based access to all centers as well as the external world. Although these efforts have been in process for some time, the first change to be implemented has been a change in the name of this program to Interactive NASA Solicitations and Proposal Integrated Review and Evaluation.

Fortunately, along with this mouthful comes the

A Side Trip to Headquarters

By Lynn Rafford, Kennedy Space Center

Having worked for years at the John F. Kennedy Space Center, it was a breath of fresh air to experience "NASA Headquarters." This opportunity was afforded me by attending the NASA Procurement 2002 Conference. Given the opportunity to visit Headquarters answered some questions I have had in my mind for years. Things such as "What is like to work there?" "How is working at Headquarters different from working at the field centers?" These are just two of the questions I hoped would get answered by my visit.

I did not get all my questions answered, but I did have a unique experience. I work with university grants at my center and was able to attend the NASA & University/ Research Partners Webcast. The ninety-minute webcast entitled "Partners in Progress - The President's Management Agenda and the Higher Education Community" was presented from the James Webb auditorium. Upon entering the auditorium, I could sense that what I was about to experience was going to be worthwhile. The seats were comfortable and the auditorium was state of the art. Perfect conditions for maximum attention, and I was ready!

Hosted by General Spence Armstrong, the webcast featured NASA Administrator, Sean O'Keefe, who addressed the relationship and future of NASA and the higher education community. Administrator O'Keefe shared his perspec-

tives on the President's Management Agenda, its impact upon NASA, and the role higher education plays in contributing to agency missions and successes. He gave us a look at what the future holds for NASA and education. Agency statistics indicate that 1.1 billion dollars are directed to universities and colleges. Further breakdown shows that 40% is spent on grants, 25% on cooperative agreements, 31% on contracts, and 4% on training grants. We need to continue to answer some of the tough questions and issues through research. These answers are critical to future successful space exploration.

The remaining portion of the webcast included panel discussions on such topics as publishing policy, export control, the e-Grants initiative, and NASA grant consolidation. Of particular interest were the e-Grants and grant consolidation discussions. The President's Management Agenda includes an initiative to expand electronic government, an element of which is called e-Grants. A new multi-agency e-Grants project is being developed in order to shape an application tool that will present one face to the university community, simplifying and streamlining the grant application process.

Grant consolidation started in 1999, when Glenn Research Center (GRC) acquired the university grant and cooperative agreement award process for four other NASA centers: Kennedy Space Center (KSC), Dryden Flight Research Center (DFRC), Stennis Space Center

(SSC), and the NASA Management Office-Jet Propulsion Lab (NMO-JPL). Consolidation to one NASA field center would produce a number of benefits:
● Duplication of resources and activities would be eliminated.
● Practices related to awarding and administering grants and cooperative agreements would become more consistent.
l Interactions by recipients of grants and cooperative agreements would be with only one NASA field center and thus improve communication.

Consolidation of the grants to one center will also support the goals of the "Federal Financial Assistance Improvement Act" of 1999 (PL 106-107). Under PL 106/107, federal agencies must develop plans to:
● Demonstrate use, or plans for use, of common application and reporting system.
● Allow recipients to electronically apply for, and report on use of, agency grant funds.
● Demonstrate active participation in the interagency process.
● Streamline and simplify administrative and reporting procedures for agency programs.
● Ensure recipients provide timely, complete, and high quality information in response to federal reporting requirements.

The webcast was a great experience. It gave me additional information about grants, allowed me to participate in something with the NASA Administrator, and gave me an interesting view of Headquarters.

Grants

A First-Timer's View of Competitive Sourcing

By Mozetta A. Edwards, Langley Research Center

For the first time since its inception, I attended the annual NASA Procurement Conference. I was impressed by the conference itself (format, content, accommodations) and appreciated the opportunity to interact with procurement professionals from other centers. I thoroughly enjoyed the presentation that flashed the pictures of the centers' procurement people, as it gave me the opportunity to see friends from other centers who

> **"Without regard to whether the public or private sector wins a competition, when a commercial function performed by the public sector undergoes competition, that competition results in significant economic savings to the taxpayer."**
>
> **Angela Styles**
> **Administrator, OFPP**

did not attend the conference. Many thanks to the Headquarters personnel who worked so diligently to make the conference an overwhelming success.

While the camaraderie was informative, a few of the sessions were learning experiences for me as well, such as the Competitive Sourcing (OMB Circular A-76) session. While I have read a little about Competitive Sourcing, I figured I'd focus my attention on it when NASA does its first one. My thoughts of

an A-76 procurement, I'm sure like quite a few of my colleagues, was that it ultimately contracted out civil service jobs.

Angela Styles, the Administrator for Federal Procurement Policy, was one of the morning speakers at the conference. She so eloquently spoke on six points that the President asked his appointees to remember:

(1) Maintain the highest ethical standards; (2) Set an example of humility; (3) Never forget we're part of the same team; (4) Never take the honor of public service for granted; (5) Confront tough problems (don't leave them for others); and (6) Every dollar we spend is the tax payer's dollar. Spend it wisely and reluctantly.

Ms. Styles is a knowledgeable source concerning Competitive Sourcing because government-wide implementation of A-76 is under the leadership of her office. The President's point, to spend money "wisely and reluctantly," should resonate throughout the federal government because it directly relates to Competitive Sourcing, which is part of the President's Management Agenda. Each federal government agency has been tasked to competitively source a specified percentage of commercial activity by the end of the current administration. NASA's Office of Procurement has been asked

to lead the Competitive Sourcing initiative for the agency. Joe LeCren and Ron Lentz of NASA Headquarters further elaborated on the agency's Competitive Sourcing implementation during the Competitive Sourcing session at the Procurement 2002 Conference. This session enlightened me on the real goal of an A-76 program, which is to have the most effective and efficient organization performing government work, whether that organization is composed of civil servants or contractor personnel.

I am interested in seeing how NASA, as well as the rest of the federal government, meets the aggressive goals, which the President has established for performing A-76 procurements. I look forward to seeing how the process works.

Strategies in Competition

Stephanie Hunter, Johnson Space Center

Procurement 2002 Conference was an excellent forum to discuss strategies that will improve competition in government procurements. Competitive Sourcing is a viable means to increase competition for commercial tasks normally performed by the government. NASA colleagues from across the agency weighed in on the topic of Competitive Sourcing. Competition fosters performance and quality, which translates into a better value for the American taxpayer.

Competitive sourcing is public-private competition for products and services that the government needs. History has demonstrated that competition is the impetus for stellar performance in American commerce. As within the private sector Competitive Sourcing for government activities will promote innovation and efficiency. These two qualities are inherent to the success of the government's mission. Cost savings ranging from 20-50 percent have been realized through public-private competitions. Citizens are interested in results. Public or private, the average citizen does not care who performs the work. A citizen's main concern is that the work be done properly at the lowest cost.

"Competition results in better value and improves performance by bringing viable, responsive, innovative and cost-effective competitors (public and private) to the table."

Angela Styles
Administrator, OFPP

Contracting professionals must embrace Competitive Sourcing in order to better serve their primary customer, the American taxpayer. The government's recurring theme has been one of inclusion. Inclusion means providing an equal opportunity for outside sources to supply the products and services needed by the government to achieve its goals. American taxpayers are interested in initiatives that directly benefit their self interests. Performance and results are primary concerns of the American people when considering how the government is conducting business. Competitive Sourcing serves the best interests of the taxpayer.

Competitive Sourcing is a reality. Agencies are currently developing specific performance plans on completing public-private or direct conversion competition on not less than five percent of the full-time equivalent (FTE's) employees listed on the Federal Inventory Reform Act (Fair Act). Government reform is alive and well. The President's Management Agenda presents a clear roadmap to how the government will achieve its goal of being results oriented and performance driven. The competitive Sourcing initiative is in response to the President's vision for government reform, which is guided by three principles. Government should be:

● Citizen-centered, not bureaucracy-centered;
● Results-oriented;
● Market-based – actively promoting, rather than stifling, innovation through competition.

Competitive Sourcing is one of five government-wide initiatives being implemented by the Bush Administration to ensure that the government continues to serve the interests of the American people.

"Government should be market-based—we should not be afraid of competition, innovation, and choice. I will open government to the discipline of competition."

George W. Bush

IFMP: An Idea that is Fast Approaching Reality

By Bill Childs, Headquarters Analysis Division

Instead of giving my impressions of what took place during the IFMP presentations, I thought I would give you just the facts, as I remember them. There were two presentation. The first was by Steve Beale, the Procurement Officer from Marshall. The second was by Jane Maples, the agency IFM Purchasing Subprocess Team Lead, also from Marshall.

The View from Steve Beale

Steve Beale, the MSFC Procurement Officer, talked about what he has learned concerning IFMP and its impact on the centers.

IFMP will provide a streamlined funds process, one-time data capture, and a streamlined query system. The receiving dock can electronically record deliveries. It will allow an understanding of the factors that drive program costs. It will provide for electronic receipt and analysis of NF533 information. It will achieve full cost accounting. It will, in many ways, push us to become one NASA.

The Core Finance module records accounting impact and ties line items and accounting more closely together. It shows the link between costs and disbursements. It includes automation of simplified acquisitions and bankcard purchases, which are 85% of the volume of all procurement transactions.

The SAP software is commercial-off-the-shelf and therefore doesn't match our processes. This creates challenges and means change – in job content, in

personal relationships with other offices, in skills (especially computer skills), in policies, and in organizational relationships.

The IFMP team is working on how to introduce change and make it positive. The biggest challenge is how to maintain people's comfort zones. The identification of roles and authorities is very necessary.

MSFC has 7 people working on implementation. There will be new roles for procurement specialists, including some data entry and other things not
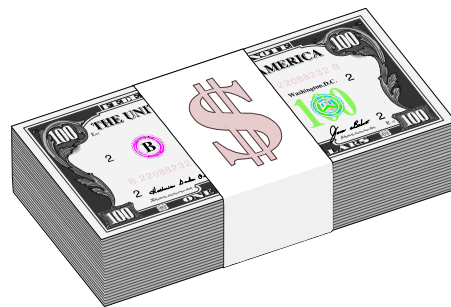
traditionally part of their jobs. MSFC has begun looking at computer skills in selecting new hires.

There will be a lot of new terminology, new things, new names for old things, and new uses for old names. "Collective number" is a solicitation number. "Estimated total value" is the estimated value of a line item. "Release strategy" is the approval process. "RFQ" is any solicitation. "Purchase order" is still a purchase order; but it is also a contract – it is any obligating document. "Sales person" is the contractor's representative who is authorized to sign a purchase order.

Procurement Officers need to get their teams behind them to

make this work. There are some gaps between the software and our procurement processes, which may be slightly different at each center. Some workarounds already exist. Procurement Officers will need to establish standard document flows for electronic routing. In many cases this will result in a streamlining of their center's processes.

Training is being developed; some hands-on, some on-line. It includes both instructor-led and train-the-trainer types. Training can take up to two months, counting both classroom and at-desk time. It is very important to take the training seriously and in full.

MSFC is introducing IFMP gradually, getting people used to it in advance and identifying issues. It is hard to find time, but the PO's need to get personally involved, lead by example, and make sure the staff takes IFMP seriously. No one will be able to do the work without using it. You need to begin aligning new awards with IFMP requirements to ease conversion. MSFC has a team that works one-on-one with people preparing new contracts, particularly the larger, longer-term procurements. Everyone needs to be involved, not just the computer-literate. Closeouts are also important, since whatever hasn't been closed has to be entered into the system. Some standdown days were held at MSFC to close as much as

possible and to clean up existing data.

Steve Beale appreciates the help that has been received from other centers. They will find their generosity well-repaid – the people who came to MSFC will be invaluable in implementation at their home centers. The Procurement Officers are justifiably proud of the IFMP team and what it has accomplished.

It's always darkest before dawn – but that makes it the best time to steal your neighbor's newspaper. Re-member, some days you're the bug, and some days you're the windshield.

Q&As followed Steve's remarks:

Q. When should we start training?
A. Be careful not to provide training too far in advance of the time of actual system use.
Q. Will there be a change in the role of resource analysts and in their relationship to us?
A. Yes – a dramatic change. It won't be us versus them, but all us. Requisitioners will be inputting their own funding data, not the resource analysts. All will have to work more closely together.
Q. What about data conver-sion?
A. A lot of FCS (Financial Classification Structure) element conversion has been done. Nevertheless, conversion is a very big problem, so close out your contracts now! Accounting line item and

procurement line item matching is a challenge. MSFC is working on an automated method but it is not done yet.

The View from Jane Maples

Jane presented a slide show addressing system functionality, along with the following:

IFMP will be one system with procurement and financial data, instead of 20 systems.

Numerous document types have been accommodated – they tried to cover things we have now (Space Act agreements, contracts, purchase orders, etc.) and leave some flexibility for others.

Training is based on the user's roles – requisitioner, procurement, etc. Some people may have multiple roles, and so will need more training than those who have only a single role.

Templates have been developed for standard RFQs (both commercial and non-commercial) and purchase orders. These templates are not fully functional at this time, but the problems are being worked. HQ will have to provide policy support to maintain the tem-plates, although MSFC will input the changes.

The system has a price comparison feature to contrast competing offers. It currently requires manual data entry, but then automatically racks and stacks the offers, and allows export of the winning offeror data to the award document.

There are some issues with the modifications capability, but eventually it will be very good.

PR's are routed by the type of transaction – IT, construction, etc. If a requisitioner picks the wrong type, procurement can reject it and return the PR to the requisitioner, who will have to cancel it and generate a new one. A PR can be rejected, held pending receipt of additional documents (JOFOC, etc.), or acted on. Concurrence authority can be set to an individual or a group; Joe Jones, or anyone in the Safety office. Individuals can also specify an alternate to provide concurrence in their absence.

The system has good docu-ment tracking. Anyone can see where a PR is and who is holding it.

Limits on accounting splits and the number of line items will force some process changes, and will limit our ability to incremen-tally fund (I'm sure we're all heartbroken).

A question was asked about whether funding by WBS will force changes in what constitutes a line item, and whether we will have to price by WBS instead of by deliverable. The short answer is no.

Jane's slides can be found in the NASA Procurement Library at http://ec.msfc.nasa.gov/hq/library/confindex.html along with other material from the conference.

My Day-By-Day Look at the Conference

By Jamala A. Jones, Goddard Space Flight Center HQ Procurement Office

As a first-time attendee, I would like to share my perspective on what I experienced at the Procurement 2002 Conference.

Day One

NASA held its Procurement 2002 Conference on March 12-14, 2002, at the Double Tree Hotel Tyson's Corner in Falls Church, Virginia. The conference began with opening remarks from the Assistant Administrator for Procurement, Mr. Tom Luedtke, and Courtney Stadd, the NASA Chief of Staff, filling in for the Administrator. From a first-time attendee perspective, the conference kicked off on a very informative basis. Each day started with opening remarks geared toward "hot topics," then two workshop sessions were held to discuss various procurement-related subjects.

Session one included a pitch on Headquarters Roles and Responsibilities. The Directors of the Code H divisions provided an overview of their organizations along with brief bios and areas of concentration for each staff member. As a visual, each staff member's picture was displayed, usually accompanied by a humorous introduction. This engaged the audience and made the presentations very enjoyable. There were many new employees in attendance; therefore this session provided a basic understanding of the HQ role particularly as it relates to each field center.

Socio-Economic Programs were discussed during session two and presented by representatives of Langley Research Center (LaRC), Glenn Research Center (GRC), and Johnson Space Center (JSC). The session began with highlights on the Hubzone program and NASA's success with meeting set goals. In Fiscal Year 2001, $17.4M was awarded to Hubzone Small Business Concerns agencywide. However, meeting NASA's Hubzone goals will not be an easy task, because of center geographic locations and the nature of NASA's mission. By FY 2003, NASA's goal will reach its cap of 3%. It will take all efforts from the contracting and technical community to reach this ambitious goal. The pitch transitioned

into the General Services Administration (GSA) Federal Supply Schedule and the latest news in subcontract reporting. A new system will be implemented, hosted through the NASA Acquisition Internet Service (NAIS), entitled the "Subcontract Reporting System" (SRS). The SRS rollout will be in 2002. The socio-economic session ended with information on Javits Wagner O'Day Act (JWOD) and related NASA procurement goals. Overall this session was informative and brought any newcomer up to speed on NASA's current participation goals and success rate in socio-economic programs.

Day Two

The conference started at 8 a.m. sharp with conference logistics followed by a presentation by Ms. Angela Styles, Administrator for Federal Procurement Policy. NASA gave Ms. Styles a warm welcome as she approached the podium. Ms. Styles began her speech by sharing her first day experiences as the OFPP Administrator. She recited the oath of office and relayed that to her it held a meaning that *the American people had great trust in agents of the US government to effectively perform a public service*. She later added that Competitive Sourcing would ensure the best possible service at the lowest possible cost. This reinforced her vision of the American citizen's trust in those performing a public service. Ms. Styles also discussed other projects she supported such as e-Government and the President's goals as outlined in the President's Management Agenda. Ms. Styles concluded her presentation by opening a question and answer session. Many had questions and opinions about Competitive Sourcing. Ms. Styles addressed all concerns and questions and as she exited, as in her welcome, was given a warm send off.

Workshop session one discussed Automation Tools, Desktop Management tips for those needing assistance in organizing electronic files. Workshop session two provided a software demonstration

by representatives of CACI of their Source Selection software product called FedSelect. This product is presently being used at several NASA centers (MSFC, JSC, and others) to compile and sort source evaluation findings and related data. The company welcomed comments and suggestions from its user community and stressed tailoring the product to each customer's need was one of the many benefits of this product. A new version of the software will be released sometime in 2002.

In addition to workshop sessions, the conference included brainstorming sessions in which groups assembled to discuss new procurement-related ideas and to propose suggestions for improvements. The information discussed was gathered by the presenter and later pitched to all in attendance for possible future action items. There were many good suggestions, which may result in new procurement practices and procedures.

Awards Dinner

The awards dinner was quite intimate and the room was at full capacity. Mr. Luedtke presented the State of Procurement, which provided insight for all in attendance. The evening was light with laughter and filled with surprise and happiness for and from those that were recognized for their excellence. Steve Beale, Procurement Officer at Marshall, was recognized because it was his birthday. Mr. Luedtke pre-

sented him with many gag gifts, which sent the room into roars of laughter. After a few closing remarks the evening ended with the theme of accomplishments, appreciation, pride in work and good spirits.

Day Three

The conference began with formal introductions to all in attendance of the Code H staff, all center Procurement Officers and their management staff. Introductions were followed by an IFMP update from Steve Beale. The presentation stressed that NASA was moving toward IFM. Once IFM is implemented, the way NASA procurement conducts day-to-day business will change. All were encouraged to be open to new ideas, adaptive to change, and ensure that proper training is received.

Workshop session one provided the latest on University Acquired Research Center (UARC) efforts by Ames Research Center and Shuttle Privatization lead by JSC. Both sessions provided background information on policy, procedures, project formulation, and procurement milestones for each effort.

Workshop session two included Competitive Sourcing, presented by members of the Agency Competitive Sourcing Team (ACST). The Assistant Administrator for Procurement is leading Competitive Sourcing for the agency. He established the ACST on February 4, 2002, to be the group addressing all aspects of Competitive Sourcing. Members of this group, who are

from Code HK, were present and answered many of the questions asked during the presentation. The most commonly asked question was, "What exactly is or is not inherently governmental?" I understand that the ACST has established a set of Frequently Asked Questions to address the most commonly asked questions regarding Competitive Sourcing. They can be found on the Competitive Sourcing website: http://competitivesourcing.nasa.gov.

Wrapping it Up

The day ended with a brainstorming session and closing remarks from Mr. Luedtke. The Procurement 2002 Conference, from a first time prospective, was an enlightening gathering of procurement professionals throughout the agency. It allowed me to meet procurement professionals from various centers and most importantly to understand the HQ role in relation to each center. The venue was great and the networking possibilities endless. Any newcomer to NASA should make it his or her priority to attend a future conference; it will be truly beneficial.

Competitive Sourcing and Consolidated Business Services

By Carlos Smiley, Marshall Space Flight Center

Two areas of the conference that I found to be extremely interesting and timely were the Competitive Sourcing session and the Consolidated Business Services overview. While these two areas made their debut at the conference, they are no strangers to the sphere of public or private industry initiatives. The concept of Competitive Sourcing, or OMB A-76, has been around since the mid 1950s when the Bureau of Budget Bulletins wrote that "it has been and continues to be the general policy of the government to rely on commercial sources to supply the products and services that government needs." This signaled the government's initial recognition that some non-inherently governmental functions could be performed by private industry. After raising its head on a few other occasions over the 80s and early 90s, Vice President Al Gore once again revived A-76 when he embarked upon a reinvention of government. This new-found fame allowed A-76 to leap-frog into Public Law 105-270, the Federal Activities Inventory Reform Act of 1998, better known as the FAIR Act.

I think that Ron Lentz did a superb job of reintroducing the concept of "contracting out" to the NASA procurement community during the conference. He started by reiterating the Bush Administration's commitment to competition, which was also personally communicated to the conference attendees by Angela Styles, Administrator of OFPP. Mr. Lentz went on to outline the timeframes in which each NASA center was to provide its individual vision for which activities could become candidates for Competitive Sourcing. He outlined the reason codes that defined how an activity would be categorized and the conditions under which an activity could be deemed commercial. (See Deborah O'Neill's article on page 4.) He summed it up nicely by using a quote from the Administrator, "Competition is good, and very little of what NASA does is inherently governmental." I thought that we all got the message.

The other area of the conference that caught my attention was the overview as presented by Ken Winter and Byron Butler on the Consolidated Business Services. I first heard the term "shared services" while working in private industry. Our corporate management determined that duplicate business support functions were being performed by individual subsidiaries in their own unique ways. They further determined that if those functions were brought together and performed by one business segment, then each individual satellite subsidiary would be able to focus on its core competency. In addition, the move to the shared services concept would improve both our services to our customers and eventually improve our bottom line.

The business support at our subsidiary was ultimately folded into the regional location, and by implementing this concept the corporation was able to:

● Take advantage of synergistic relationships with companies that could now view us as viable partners with the ability to bring substantial resources to the table,

● Utilize economical buy quantities because we now had an idea of exactly what our buying power was. (Previously it had been buried at the individual locations and there was no reliable system in place to verify spending patterns,)

● Eliminate individual purchasing policies and procedures that existed for each location.

And the list goes on and on. The shared services group was required to be competitive, and if a subsidiary within that region desired to purchase either goods or services, they were required to come to us to provide a quote.

In conclusion, although these two focus areas will challenge our traditional comfort zone, I see them as a step in the right direction and that when they are truly accepted and become ingrained in our psyche, then we, as a united agency, will be a much more effective and efficient organization.

Overall impression: Great conference! I'm looking forward to the next one!!!

From Industry to NASA to the Conference

By Don Bosse, Goddard Space Flight Center

I am a new NASA and government employee. It was a pleasure to have the opportunity to not only discuss job-related topics with other NASA employees but to hear the expert presentations and participate in the workshops at the conference. Two of my objectives for requesting to attend the conference were to gain a better understanding of NASA procurement procedures and to identify practical examples of lessons learned from other areas that would help me increase productivity and quality in my office.

One of the challenges I have faced, coming from industry to NASA, is to sort out the important NASA issues and objectives from the less important and set priorities accordingly. The conference gave me an excellent orientation and perspective.

The conference provided a balance between the group-wide presentations and the selective workshops. The information in both were presented from a NASA-wide perspective that helped me see the bigger picture and adjust my goals and objectives to better serve NASA and our customers. Of the selective workshops attended, I found the Competitive Sourcing, Utilization of Multiple Award Contracts, UCA Management Summary, and Automation Tools Labs – IFM and IDGS to be of particular importance.

Here are a couple of practical examples: First, I was not aware of the significant resources and focus NASA is giving to the IFM Core Financial Project and on reducing the number of UCAs. As a direct result of these two workshops I have included IFM training in my short-term career development needs. I am monitoring the implementation schedule and staying current on IFM information releases so I can be ready to take the lead in utilizing the resources. I look forward to contributing to the transition in my area of responsibility as much as possible. Second, I am using the suggestions given in the UCA workshop to ensure that the UCAs are reduced to a minimum level on the contracts I manage. Focusing on streamlined programs and proactively managing the contract changes process in order to receive timely proposal responses and issue contract modifications accomplish this. With more emphasis on proactive contract management and timely turn around for the RFPs and contract modifications, the UCAs are being viewed less as a viable alternative.

The conference exceeded my expectations and provided me with an insight and orientation of NASA with practical examples to increase productivity that I would not have received in such a short time anywhere else.

Reflections

By Rex Elliott, Goddard Space Flight Center

At our recent procurement conference, I was struck by three particular observations. First was the synergy. There's a synergy which happens at these kinds of gatherings that's compellingly attractive. Here was a gathering of about 250 NASA personnel, many of whom have devoted their careers to the field of procurement. Collectively, this represents a lot of wisdom, and it's exciting to see that wisdom manifested. The brainstorming sessions were particularly interesting to me. How often do we get the chance to pick each others brains (without focusing on an immediate procurement) and learn how others in NASA have approached the same problems we've faced? In the session on acquisition planning, various folks generated new ideas about how to conduct acquisition strategy sessions better, and shared their own success stories and failures. It was very enlightening.

Secondly, I was struck by the pro-active nature of the conference. Over the last 18 years, I've observed that NASA procurement folks typically spend their time first working particular issues, and get around to professional development only with whatever spare time they have. (This is in direct contrast to what Steven Covey recommends in his book, the Seven Habits of Highly

Competitive Sourcing Presentation and Implications

— Comparison of the in-house bid against a proposed contract or Inter Service Support Agreement (ISSA) price; and

— Administrative Appeal Process, which is designated to assure that all costs entered on the Cost Comparison Form (CCF) are fair, accurate, and calculated in accordance with the Supplemental Handbook.

All competitive methods of federal procurement provided by the FAR are appropriate for cost comparison under the circular and the supplement. The Source Selection Authority (SSA) reviews the contract offers and identifies that offer which represents the "best overall value to the government." This offer competes with the government's in-house cost estimate (the Management Plan, MEO, and in-house cost estimate are delivered as sealed documents to the Contracting Officer prior to the

due date for the receipt of bids or technical proposals). The Source Selection Authority evaluates the in-house offer and assesses whether or not the same level of performance and performance quality will be achieved. However, the Authority should not review or have access to the in-house cost estimate. The government makes all changes necessary to meet the performance standards accepted by the Authority.

Revised cost estimates are resubmitted to the Independent Review Officer (IRO) for acceptance. IRO certifies in writing the government's cost estimate. The IRO also ensures that the data contained in the Management Plan reasonably establishes the government's ability to perform the PWS within the resources provided by the MEO and that all costs entered on the Cost Comparison Form are fully justified and

calculated in accordance with the procedures described in the Revised Supplemental Handbook.

For a negotiated or best value procurement, after selection of the private sector's most advantageous proposal, and all necessary adjustments have been made to ensure that the government's in-house cost estimate and the other offers are based upon the same scope of work and performance standards, the Contracting Officer opens the government's in-house cost estimate and completes the Cost Comparison Form

The presentation resulted in many questions and a hearty discussion of the issues. For additional information on Competitive Sourcing, please visit the Competitive Sourcing website at http://competitivesourcing.nasa.gov.

Reflections

Successful People.) However, this conference presented an ideal opportunity to work on an important activity (professional development) while not being in a crisis mode. Covey recommends that we should all spend more of our time doing this – what he calls "Category 2 activities." These activities are focused on improving one's ability to deal with work (e.g. training and developmental activities). They are important, but not time-critical. Thus, they are frequently put off to the side and overlooked. I found it encouraging seeing so many NASA folks focusing on these

important activities.

Finally, I was struck with the same thing I've seen at so many other procurement gatherings – people still hold back and don't fully participate. While there was some inter-center interaction, primarily folks interacted only with those they already knew, which usually meant those from their own center. In addition, the discussions at some sessions seemed to be muted. Some people didn't ask any questions at all, but just sat back and listened – they didn't fully engage the speakers or each other, and generally took a passive role. In this way, I'd

have to say the procurement conference represents a lost opportunity for those folks who chose to not fully participate, even though they were physically present. There will always be individuals who are this way – however, my comment concerns the frequency of this situation. In order for the NASA procurement workforce to be truly professional, it's important for procurement personnel (as a whole) to be engaging and actively seek the opportunities to grow and develop themselves more fully in this profession.

Change and Change Again

By Dan Burk, Langley Research Center

The two most important concepts I gathered at the Procurement 2002 Conference dealt with change and an uplifting image. These two issues did not necessarily have their own time slot or briefing, but came out in various ways.

"To continue to serve the Nation well, *NASA must change,*" so says Sean O'Keefe in the new NASA Vision. NASA has changed the world time and time again. I think it is only fitting that the people responsible for the business aspects of this agency, that has helped change the nation's history, embrace this idea of change in the new vision of NASA. There is a nice little saying being handed out in business schools these days, "The only constant in business is change." It is unavoidable, exciting, sometimes a little scary, but necessary to move forward in the 21st century. I believe NASA has decided to welcome this concept into its home with open arms.

I feel that change is a good thing. I take that back, it is a GREAT thing. I am a big fan of change. The only thing we need to make sure of is that the people being affected the most have the input as to what needs to be done. This makes implementation much easier. There is one thing that is often overlooked. There are many new systems being created each year. Some of these may be the best ever invented and can solve every problem your center has. But if the people using it are not confident that it will work and feel they have no influence as to changes needed, the system is not going to solve problems. It will create many more. Giving the users of the system the opportunity to make comments and suggestions is not just a good idea; it is necessary for these changes to make the

advantageous effect for which they are designed.

The other concept that I grasped from the conference dealt with a very uplifting image. It is uplifting to meet so many people, who have worked for the agency for 10, 15, 20 years or more, who can still discuss procurement with a smile on their faces. I got the opportunity at this conference to talk with people from many different centers. They still find their jobs to be challenging because things do change. I came back to Langley feeling that my co-workers have decided to take the next step and work with these new ideas to further their understanding and abilities in procurement. Webster.com states that audacity is the bold disregard for normal restraints. These individuals have shown their audacity in dealing with new issues. They have not settled for the norm. They have opened up new avenues for the next generation of procurement personnel to deal with these changing times. I applaud these people and hope you do also. When we find ourselves in a new situation, let us all take a page from their book and act boldly. This is an exciting time to be working for NASA.

Look at everything this agency has accomplished in the 44 years of its existence. In less than a half-century, NASA has done more than people have even dreamed of. Space has been a concept that has fascinated the most brilliant and talented scientists, inventors, authors, and voyagers for many years. It will be interesting to see what this future generation of explorers will discover next.

Bridging the GAP

By Ceasar Gooden, Goddard Space Flight Center

When people think of the federal government and the private sector, most people picture a large gap between the two. This notion of a large gap may have been true in the past, but I am pleased to say, " that the gap has been bridged," especially in the continuing education arena.

The Procurement 2002 Conference was an affirmation that I made the right decision to become a part of NASA's winning team. Yes, I am a proud newcomer to NASA as a civil servant, after having worked 15 years plus (I hope I did not give my age) in the private sector. During my tenure with private industry, I had the great fortune to travel periodically and to attend innumerable conferences and continuing education classes. I arrived at NASA Goddard on February 25 not knowing what to expect.

The Procurement 2002 Conference was a pleasant surprise. This conference was a great opportunity to meet and talk with fellow contracting personnel from the various centers. However, what was most impressive was the time and effort put forth in planning such an informative event. It is apparent that NASA believes in
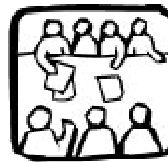
keeping its workforce informed and educated, regarding the agency as a whole, and doing business in the ever-changing procurement arena.

The wide range of speakers available to discuss a variety of procurement-related topics were excellent. I really enjoyed the presentation given by Ms. Angela Styles, the Administrator for Federal Procurement Policy. Again, all of the presentations were timely and relevant to our work environment.

I cannot say enough about the workshop sessions. They were very informative with so much useful material being presented by fellow co-workers. I really felt a sense of team spirit, the willingness to share information and help others to benefit from knowledge acquired in the workplace. I found myself feeling much like a kid in a candy shop, with so many choices to make in choosing the next workshop session.

In closing, I truly believe the gap between the federal government and the private sector has been "bridged," particularly in the education arena. The Procurement 2002 Conference clearly reflects NASA's commitment to inform and educate its personnel in the workforce.

Good job, well done!

Grants

(continued from page 10)

acronym INSPIRE. The title pretty much covers the functions performed by this program with the exception of the function for which the program was originally designed, and that is to function as a budget tool. It will continue to do that as well. In essence, it handles all of the activities associated with an NRA from cradle to grave. Later upgrades are being discussed to include unsolicited proposals. As an offshoot to this, several Head-quarters codes are developing the NASA Electronic Assistance Reporting (NEAR) program that will organize electronically submitted research reporting into a searchable public access format that provides an effective research tool.

Finally, with the presence of some of the key executives from the Office of Naval Research (ONR), the workshop members discussed the current status of grant closeouts. Each center is in a somewhat different position regarding this. NASA has established a policy that we will no longer delegate closeout to ONR. NASA now has a contractor that has been hired to perform these functions (Brace Management Corp.).

However, not all centers have that support in place yet and the question remains as to how to best handle the close-outs already delegated to ONR. GRC stated that they wanted ONR to send them all incomplete closeout packages and they would complete them. Goddard did not want to do this because of the extensive volume of work this would

Functional Policy Breakout

no exception exists in the NFS for awards to government agencies, we can't eliminate this difficult requirement. Needless to say, we found no solution to this during the policy breakout session. Anyone have any suggestions? I understand this issue was also brought up in the Simplified Acquisitions Functional Area Breakout.

Another issue brought up in the Policy breakout, this one by David Culp, another KSC comrade, was related to the reporting of *credit* Undefinitized Contract Actions (UCAs). (I was told Johnson Space Center also brought this issue up during another workshop.) David brought up an excellent point that our metrics appear to be inflated by any reported credit UCAs as these UCAs, unlike others, don't really represent "at-risk dollars for the agency" because

they don't increase the "potential for unanticipated cost growth" as stated in the (former) Administrator's letter of June 7, 2001. However, these credit UCAs are in our numbers and in the dollars being reported (as the

credit UCA values are reported as absolute values), thus increasing our reported UCA dollars. During the policy breakout session, it was noted that reporting the credit UCA as an absolute value seemed to distort the total value of UCAs metric. Similar to the past performance issue, we decided

to include this as an agenda item on the next agencywide policy telecon to get feedback and ideas from any interested parties. As a result, this was discussed in the April policy telecon, however, the resolution is not yet finalized.

Another item discussed was how the centers' Procurement Offices were organized, specifically their policy and review offices. We found that most policy and review offices seemed to be organized similarly. For example, at KSC, we not only perform reviews of procurement actions, we also are responsible for (1) policy interpretation and dissemination, (2) response to virtually every action the Procurement Office receives, (3) implementation and maintenance of all ISO procedures, (4) AMS data collection/reporting, (5) representation on IFM, NAIS and various other agencywide and center teams, (6) data collection and analysis for metrics, and on and on and on. After realizing no one in any center policy office had it any worse than another, we moved on. Finally, after some discussion of EIT Section 508 (that I know very little about) and some discussion about the frequency and content of the policy telecons, we ran out of time.

Bottom line, the Policy functional breakout was very informative, and I finally got to meet some people that I've seen on e-mails and heard on telecons.

create. No consistent position was developed. It was left that each center would work it out with ONR based on their own unique situation. With no new delegations going to ONR, time will resolve this situation in any case.

The workshop was wrapped up with sharing the findings of the draft IG audit on grants and a brief description of some near-term changes. These include new guidance on incremental

funding and the application of IT security to grants. The afternoon session was filled with information and challenges. It's clear that the future for grants is going to be a continuing flow of changes that will impact virtually every aspect of the rules and processes we use today. It's equally clear from the response of those attending, we have the people capable of successfully carrying them out.

Comments – We Get Comments

By Susie Marucci, Headquarters

One of the most important things at the Procurement 2002 Conference was an 8 ½ x 11 sheet of green paper. It was the conference evaluation form. The people who run the conference take those papers very seriously. (If you don't believe me, see Yolande Harden's article on page 2.) Comments from the first conference shaped this one to a great extent. Most noticeable, was that people at the 2000 Conference suggested less formal speakers and more workshops. That became a major focus for this conference. The comments that came in this time were read and will be incorporated for the 2004 conference whenever possible.

Many of the comments were positive about the structure of the conference. The comment made most often was that the conference gave people a chance to meet procurement people from other centers, share ideas, and put faces to names. It was mentioned again and again as the high point. Some of the other most highly praised parts of the conference were the breakout sessions and the humor – especially Carl Eichenlaub's job as master of ceremonies.

Everyone who answered the evaluation form said the conference was worthwhile. A few people said they should be held every 3 years, but everyone else wanted it as it was or every year, with about 20% leaning more to the two year schedule. (It looks like the next one will be two years from now.) There were also a number of opinions about length. While some wanted the conference stretched, many people said 3 days or 3 days at the most.

Of course, there is no way to make everyone happy. As many people loved Angela Styles' presentation as said her presentation wasn't relevant. So no matter what we do, there will be some suggestions we cannot do. But what we can do is carefully

evaluate all the responses so that the next conference can be as dynamic and worthwhile as possible.

Here are some of the varying comments that we received, there aren't answers with these. They are simply to show you the range of some of the comments.:
● Rotate conference to each center (This probably won't happen, see below.)
● Lunch not in the workrooms, in a different setting
● Have an overview of each center and its people
● Keep brainstorming sessions smaller
● Breakout rooms too cold
● Let this conference substitute for some of the standard 1102 training.
● Keep about the same. Everything was just right.

Probably the biggest change people said they would like to see, is one that can't be done. That is to have the conference in a different hotel, a different location, or even to rotate it among centers. Some people wanted a hotel with a better gym, some a hotel near a food court or a subway stop. We understand. For people coming into DC for the first, or even the fifth time, there is a lot to see and do. If you are in a hotel in Tyson's Corner, it is hard to see DC. Or maybe you live locally and want to go someplace else, maybe see another center. We understand. Unfortunately, it's not going to change. Here's why:

The Procurement 2002 Conference cost almost $400,000. That's a lot of money for 250 people. The Office of Procurement can't afford it. And no Procurement Office at any center has volunteered to put up that kind of money to host the conference. (If they did, we'd have to find out where they get that kind of money.) So to have a conference like this, we get funding from NASA Education. They give us a huge amount of money that pays for hotel, food, and airfare, as well as printing and things you can't imagine that go into making a successful conference. But to get the money, we have to do some things their way. One of those is to stay in a contract hotel in DC. We have three to chose from, and Tyson's Corner was by far the best deal for what we needed. It isn't in DC or near a subway, but we couldn't have had the conference at all if those had been the requirements. Even if a center were willing to foot

the bill, the bill would probably skyrocket. Another financial reason it is held here is because no one has to pay for Goddard, Headquarters, or Langley airfare. If all of those people needed to fly into Ames, it would be another enormous cost.

Many people made comments about meals. Some loved the food. Some hated it. There were some problems, especially that first night with the hors d'oeuvers. People came hungry and wanted food. It was gone too early. That was a problem. Some people said the food was cold when they got it. That was a problem. For the next conference, we'll do our best to make sure this doesn't happen. But sometimes, by the time something goes wrong with the hotel, it's too late to fix it. The first night, the people running the conference weren't sitting down eating hors d'oeuvres. They were registering people, fixing room

reservations, and generally putting out fires. Someone mentioned the problem almost an hour after the food had disappeared. Once the conference organizers knew the situation, food reappeared. Unfortunately, for the people who had come in and seen the empty serving dishes, it was too late.

Some people's comments were in direct opposition to other people's comments. For the next conference, people want more speakers; others want less. People want to focus more on workshops/others want shorter time in workshops. People want longer breakout sessions with fewer people/others want less breakout sessions. People want to focus on current issues they are facing in their specific jobs/others want to have speakers from other agencies discuss their procurement arrangements.

So at the next conference will you get a tour of HQ or Goddard? Will you get more workshops? Or longer breakout sessions? We don't know yet. Come back in two years and find out. Just make sure you fill out your evaluation form at the next conference. People are reading them.

Procurement Countdown