

Department of Energy

Post Competition Accountability (PCA) Training

Module 1: Executive PCA Training

Training Presentation
October 31, 2006



Opening Remarks



Post Competition Accountability (PCA) Training

- **Module 1: Executive PCA Training**
- Module 2: PCA Practitioner's Training
- Module 3: Quality Assurance Surveillance Training
- Module 4: Quality Control Evaluator Training
- Module 5: Service Provider (SP) PCA Toolkit

Training Objectives

- Understand OMB PCA Requirements
- Understand DOE PCA Roles and Responsibilities
- Understand the Execution of PCA

PCA Training Agenda

- PCA Overview
 - OMB Circular A-76 PCA Requirements
 - Roles and Responsibilities
 - Requirements for Measuring Cost & Performance
 - How do we Measure Cost & Performance?
 - Independent Validation and Verification (IV&V)
Review of Most Efficient Organization (MEO)
- Denny O'Brien
DOE
- Jim Wakefield
Grant Thornton LLP

PCA Overview



PCA Overview

- What is Post Competition Accountability?
- Policy and Guidance
- A-76 Timeline

What is Post Competition Accountability?

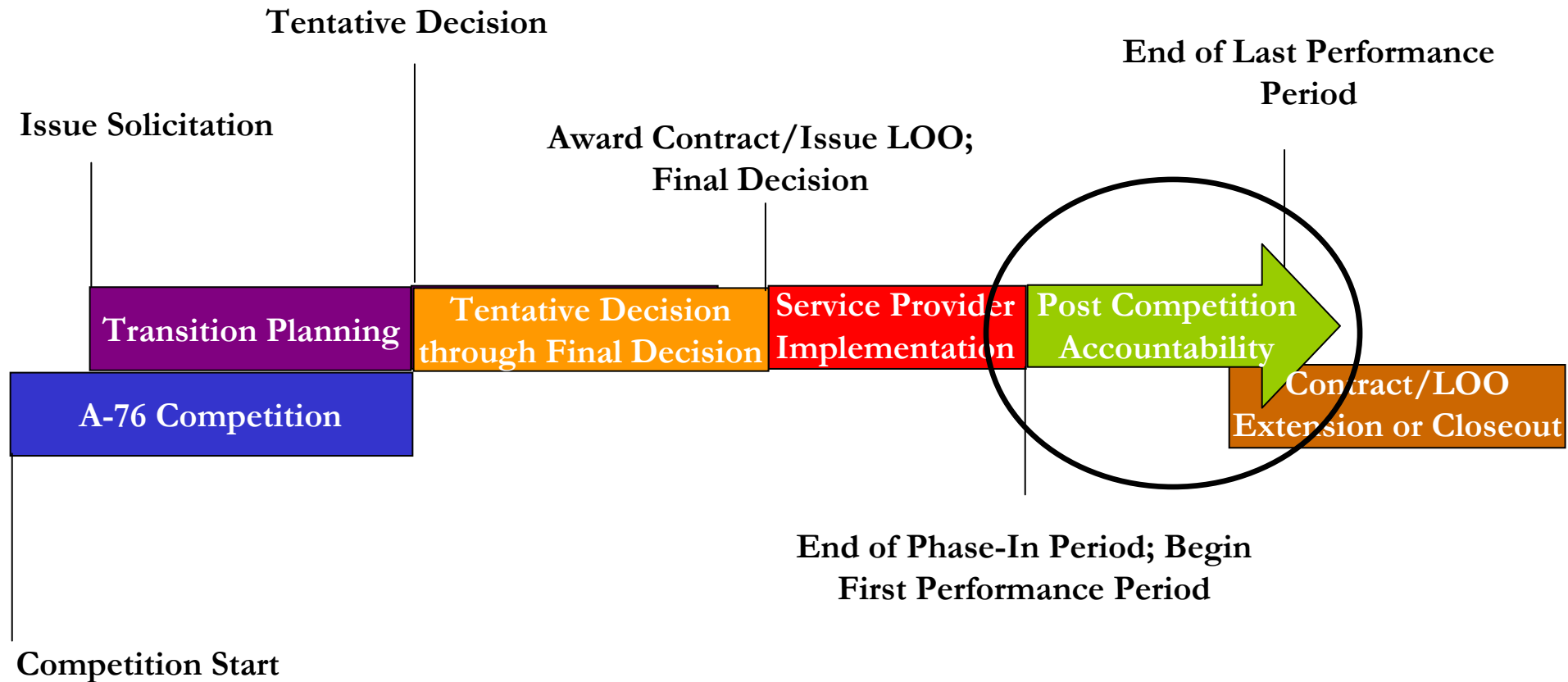
SP = Contractor or MEO

- PCA is an important phase of the A-76 Process to measure and monitor the cost and performance of the Service Provider (SP) throughout all performance periods in accordance with competition documentation
- PCA is required regardless of whether the SP is a contractor or the MEO
- PCA is required for both streamlined and standard competitions
- Document changes in scope and required resources for a contract or Letter of Obligation (LOO)
- PCA documentation can be used in re-competitions for past performance history
- PCA if implemented properly, can establish standards for the SP designation as a High Performing Organization (HPO)

Policy and Guidance

- President's Management Agenda (PMA)
- Revised Office of Management and Budget (OMB) Circular No. A-76 dated 29 May 03
- DOE Post Competition Accountability Handbook
- DOE Competitive Sourcing Program Operating Guidelines, June 1, 2004

A-76 Timeline



OMB Circular No. A-76 PCA Requirements

OMB Circular A-76 PCA Requirements

Office of Competitive Sourcing /A-76 (OCS) Responsibilities

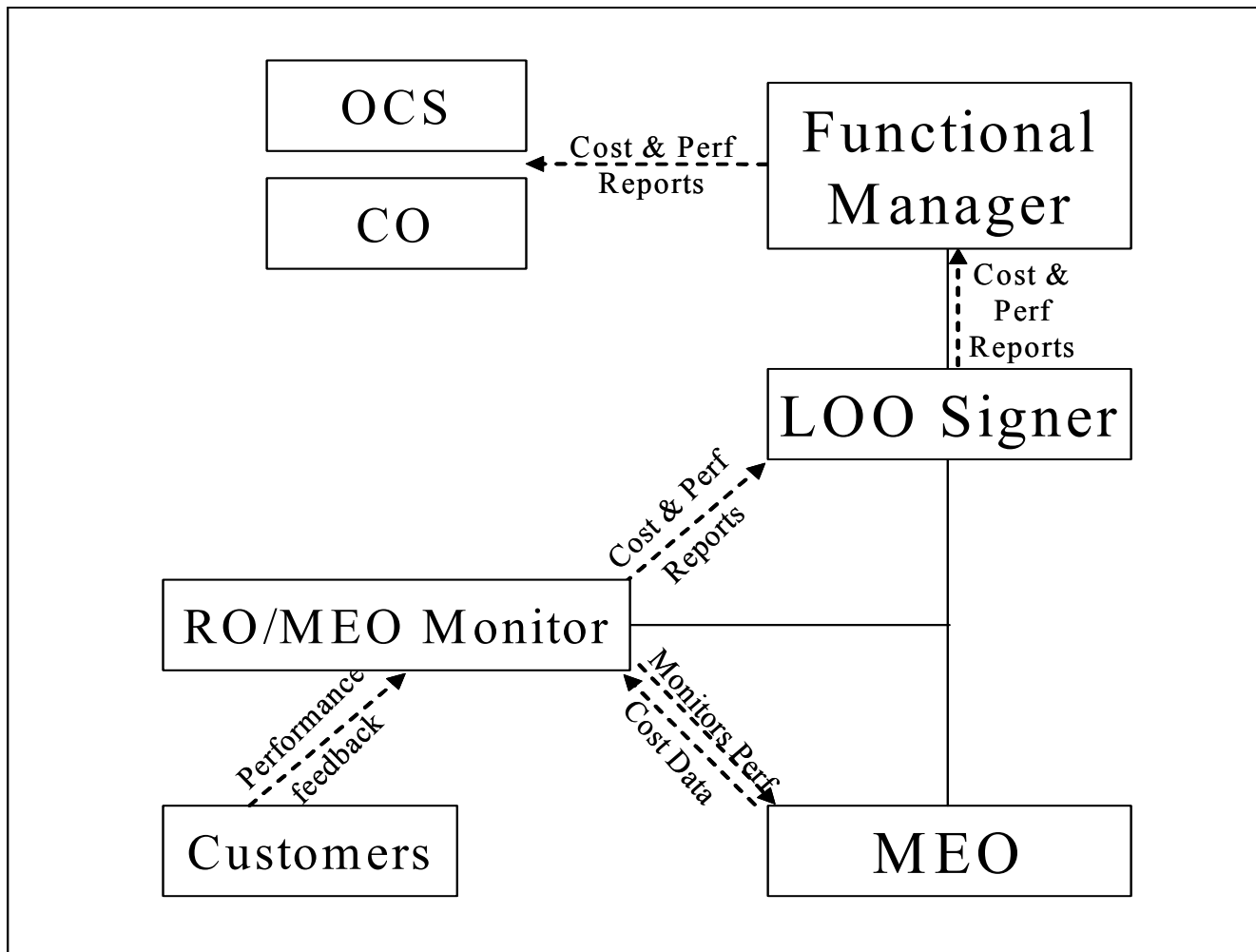
- Agencies shall post best practices and lessons learned resulting from an A-76 competitions on SHARE A-76!
- Agencies shall maintain a database to track the execution of their A-76 competitions
- Agencies shall submit a Competitive Sourcing Report to OMB
- Agencies shall complete another streamlined or standard competition by the end of the last period of performance unless a specific exemption is granted by the Competitive Sourcing Official

RO/MEO Monitor and SP Responsibilities

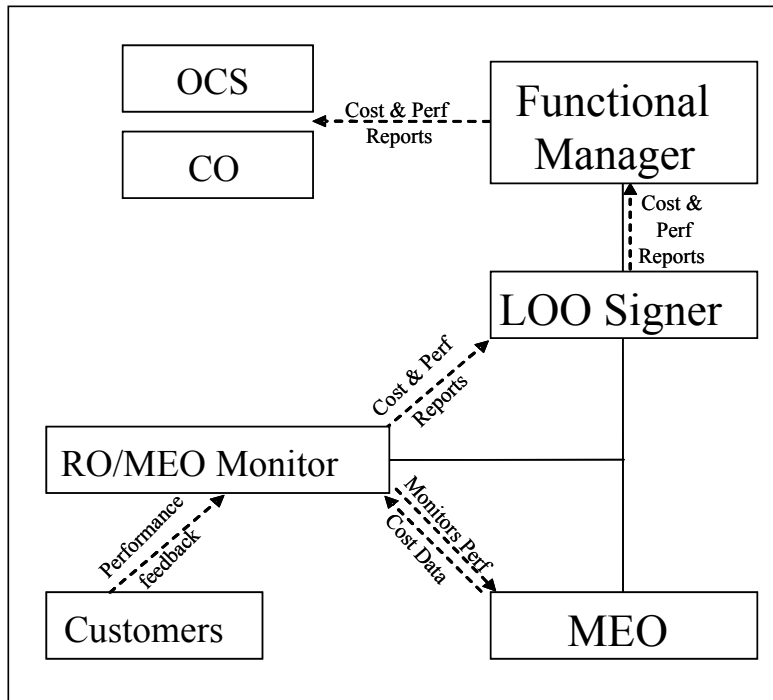
- Agencies shall measure and monitor cost and performance for all performance periods

Roles and Responsibilities

Roles and Responsibilities – Process Flow



Identification of Key PCA Officials



- Submit names of the Functional Manager, LOO Signer and RO/MEO Monitor to OCS by November 15
- OCS will forward the lists of names to the Competitive Sourcing Executive Steering Committee (CSESC)

Roles and Responsibilities

- Office of Competitive Sourcing / A-76 (OCS)
- Contracting Officer (CO)
- Functional Manager
- LOO Signer
- RO/MEO Monitor
- SP
- Customers

Roles and Responsibilities - Office of Competitive Sourcing (OCS)

- The OCS is responsible for providing policy guidance and assistance with issues related to competition execution, transition and Post-Competition accountability. The OCS is also responsible for competitive sourcing reporting outside of the Department and day-to-day operation of the program.
 - ✓ Provide reliable and consistent guidance and assistance in ensuring successful post-competition actions
 - ✓ Resolve issues in a timely fashion
 - ✓ Conduct MEO IV&V and assist the impacted organization in taking appropriate action as the result of the completed IV&V
 - ✓ Obtain CSESG decision regarding cure notices, show cause notices, re-competitions, and terminations

Roles and Responsibilities - Contracting Officer (CO)

- The CO is the individual assigned from the Office of Procurement to support the FAR activities related to the execution of the competition and Post-Competition accountability activities.
 - ✓ Oversee Contractor SP performance and ensure compliance with the contract in accordance with the FAR
 - ✓ Perform Contract Performance Reviews
 - ✓ Ensure the Contract File and records are properly maintained
 - ✓ Issue cure notices and show cause notices if required

Roles and Responsibilities - Functional Manager

- The Functional Manager is the individual that is appointed by the senior DOE functional official and is responsible for Post Competition Accountability
 - ✓ Review Quarterly SP cost and performance documentation
 - ✓ Submit Quarterly documentation to the OCS for the OMB Quarterly Competitive Sourcing Report

Roles and Responsibilities - Letter of Obligation (LOO) Signer

- The LOO Signer is the individual assigned by the senior DOE functional official (typically an Assistant Secretary or Office Director) to sign the MEO LOO.
 - ✓ Oversee MEO SP performance and ensure compliance with the LOO
 - ✓ Prepare all LOO modifications and coordinate them with the RO/MEO Monitor, CO, Functional Manager and OCS
 - ✓ Provide quarterly cost and performance information through the Functional Manager to the OCS and the CO
 - ✓ Ensure records are properly maintained

Roles and Responsibilities - RO/MEO Monitor

- The RO/MEO Monitor is an individual within the RO responsible for ensuring the SP is performing the requirements as defined in the PWS.
 - ✓ Ensure that record-keeping is properly performed
 - ✓ Monitor compliance with fiscal requirements
 - ✓ Ensure SP accomplishment of the requirements and workload as defined in the PWS
 - ✓ Review SP's status reports
 - ✓ Develop policy, procedures, and language to address work requirements not in the current PWS that might be used in a modification or in a re-competition

Roles and Responsibilities - RO/MEO Monitor cont.

- ✓ Ensure the SP is providing the appropriate cost and performance information for Post-Competition Accountability requirements
- ✓ Provide oversight of SP performance to ensure that mission degradation due to unsatisfactory performance by the SP does not occur or is minimized and report observations to the CO and Functional Manager for action
- ✓ Monitor SP compliance with all quality and timeliness standards.
- ✓ Maintain the competition file to include updated competition documents (PWS, QASP, modifications, etc.).

Roles and Responsibilities - SP

- The SP can be either an MEO or Contractor responsible for performing the requirements and meeting the performance standards as stated in the PWS.
 - ✓ Ensure accomplishment of the requirements and workload as defined in the PWS
 - ✓ Gather and submit personnel, workload, cost, and performance information for monthly/quarterly reports and for the MEO IV&V Review or Contract Review
 - ✓ Document and submit any changes to the LOO for approval
 - ✓ Implement a Quality Control (QC) Program
 - Set up QC surveillance schedules
 - Set up QC surveillance files
 - Collect customer complaint records

Roles and Responsibilities - SP cont.

- ✓ Respond to any deficiencies, if necessary, as issued by the RO/MEO Monitor or CO
- ✓ Respond to corrective actions that result from any deficiencies found during the MEO IV&V Review or Contract Review

Roles and Responsibilities - Customers

- Individuals or organizations that receive services performed/provided by the SP.
 - ✓ Participate Quarterly Feedback process and provide any information through Customer Feedback Reviews to the RO/MEO Monitor, Functional Manager, or CO
 - ✓ Provide Customer Comments at any time to the RO/MEO Monitor, Functional Manager, CO or SP

Requirements for Measuring and Monitoring Cost and Performance



Requirements for Measuring and Monitoring Cost and Performance

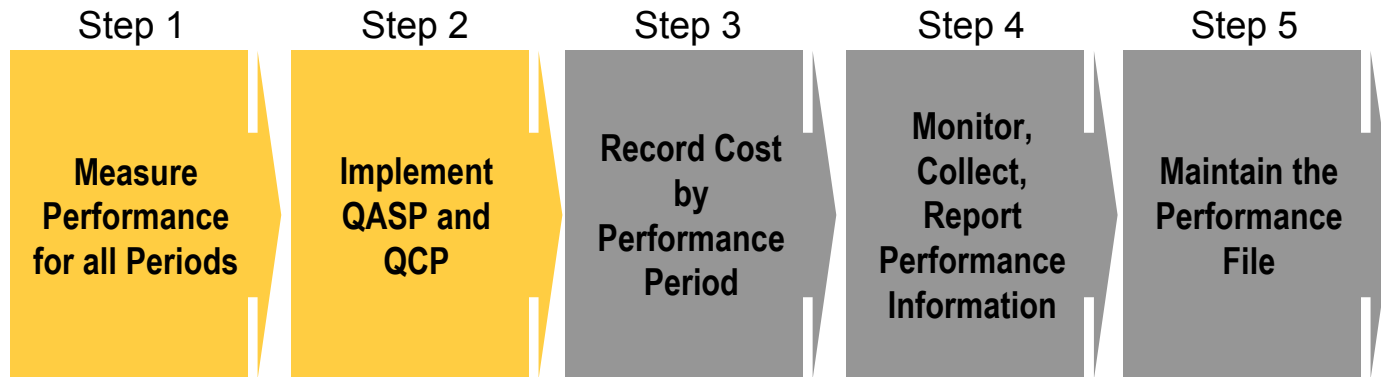
➤ **OMB A-76 Circular Requirements:**

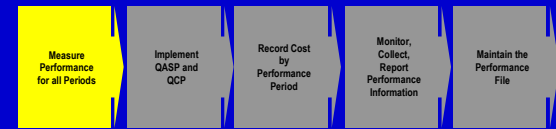
- ✓ Regardless of the selected service provider, after implementing a performance decision, an agency shall:
 - Monitor performance for all periods stated in the solicitation
 - Implement the Quality Assurance Surveillance Plan (QASP)
 - Retain the Solicitation and any other documentation from the Streamlined or Standard competition
 - Maintain the currency of the contract file, consistent with Federal Acquisition Regulation (FAR) Subpart 4.8 for contracts, MEO letters of obligation, and fee-for-service agreements
 - Record the actual cost of performance by performance period
 - Monitor, collect, and report performance information consistent with FAR Subpart 42.15 for purposes of past performance evaluation in a follow-on competition

PCA Requirements Come Down To :

- Performance
- Cost
- Documentation

How Do We Measure and Monitor Performance?





Step 1: Monitor Performance for all Periods

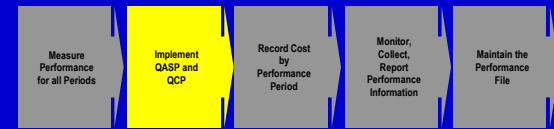
- Monitor SP Performance beginning on the first day of the first performance period
- Monitor SP Performance primarily using the QASP
- Review Solicitation and Other Competition Documents
- Collect, Submit, and Report Performance Information
- Complete SP Performance Worksheets
 - SP Workload – actual workload for the period
 - SP Quarterly Performance Assessment – MEO’s assessment of their performance for the period



Step 1: Monitor Performance for all Periods

➤ SP Performance Worksheet

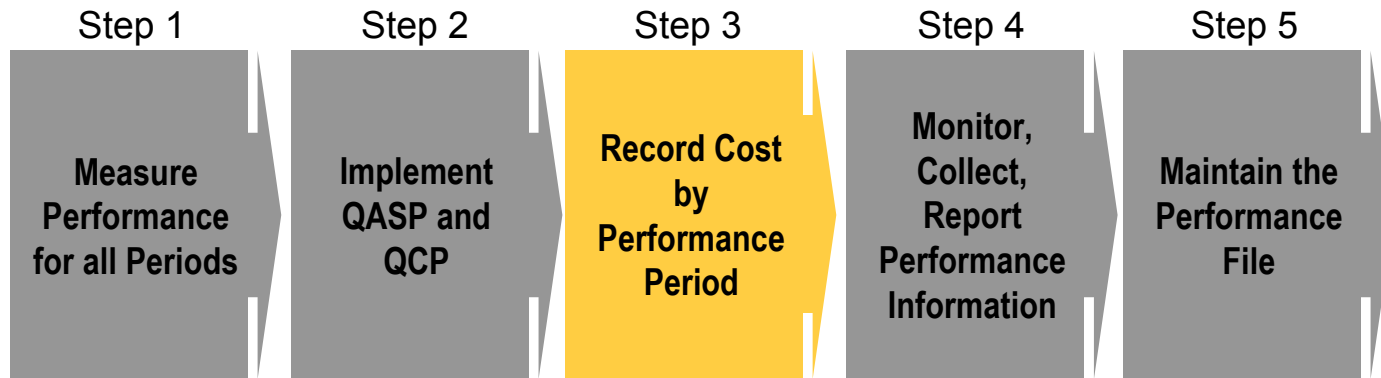
SP Performance Report	
	Quarter Ending Date:
Evaluation of quality of work produced compared to PRS quality standards:	
Evaluation of timeliness of work produced compared to PRS timeliness standards:	
Evaluation of Service Provider cost controls:	
Evaluation of Service Provider compliance with Quality Control Plan:	
Evaluation of Reference Materials workload produced compared to PWS workload:	
Evaluation of Measurement Evaluation workload produced compared to PWS workload:	
Evaluation of <enter specific workload> workload produced vs. PWS workload:	
Evaluation of other workload produced compared to PWS workload:	
Has the contract/LOO been modified or should it be modified based on workload changes or for other reasons?	
Other comments:	
Summary of performance:	

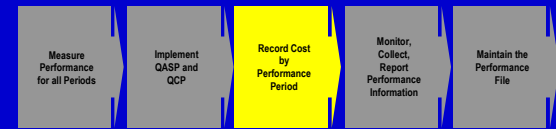


Step 2: Implement QASP and QCP

- Review the QASP and Quality Control Plan (QCP)
 - ✓ Performance Standards, Quality Assurance (QA) and Quality Control (QC) Forms, QA Sampling Guides
- Implement QA and QC procedures prior to the implementation of the new SP organization
- Define and establish Roles and Responsibilities
 - ✓ RO: Quality Assurance Evaluators (QAEs)
 - ✓ SP: Quality Control Evaluators (QCEs)
- Obtain QA Surveillance and QC Training

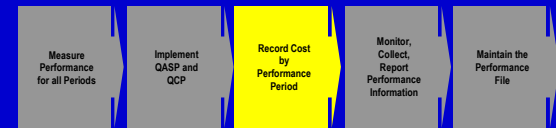
How Do We Measure and Monitor Cost?





Step 3: Record Cost by Performance Period

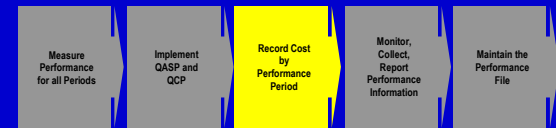
- Review the Agency Cost Estimate (ACE)
- Develop MEO SP Budget based on the ACE
- Collect, Analyze, and Report SP Costs (Quarterly)
 - ✓ SP Cost Worksheets
 - MEO Personnel Worksheet
 - MEO Cost Worksheet (ACE vs. Actual)
 - MEO Cost Worksheet (Budget vs. Actual)
 - ✓ Conduct Analysis
 - ✓ Complete Quarterly OMB Competitive Sourcing Report



Step 3: Record Cost by Performance Period

➤ MEO Personnel Worksheet

MEO Personnel Report								
Personnel as Bid in Agency Tender				Actual MEO Personnel during the Quarter				Quarter Ending Date:
Position Title	Grade	Step	FTE	Position Title	Grade	Step	FTE	Explanation for Difference
Total FTEs:				Total FTEs:				

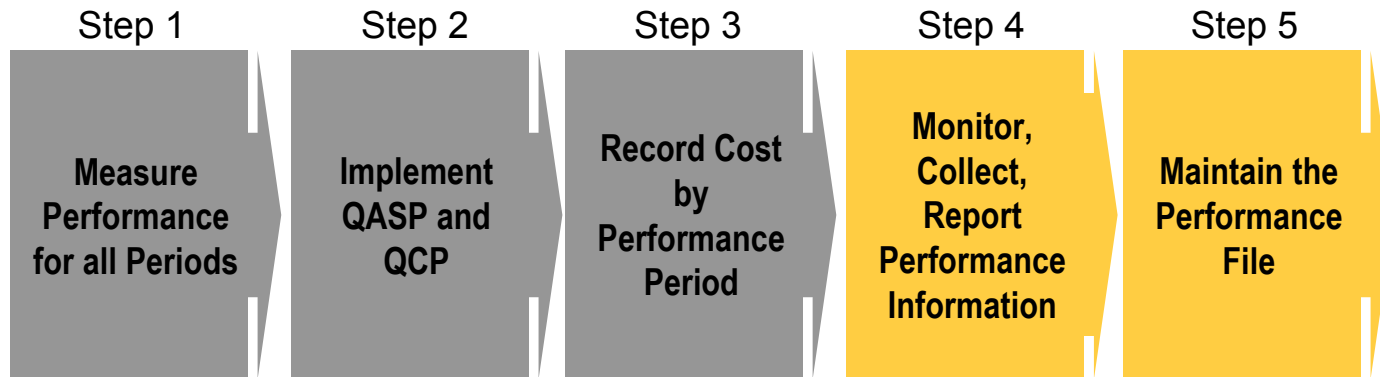


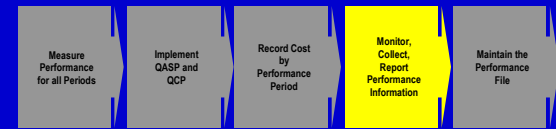
Step 3: Record Cost by Performance Period

➤ MEO Cost Worksheet (Adjusted Budget vs. Actual Cost)

MEO Cost Report				
Competition Form Line	Agency Tender Cost	Adjusted Budget Cost	Estimated Actual Cost	Quarter Ending Date:
				Explanation for Difference between Adjusted Budget Cost and Actual Cost
1: Personnel				
2: Material & Supply				
3: Other				
4: Overhead				
5: Additional				
6: Total				

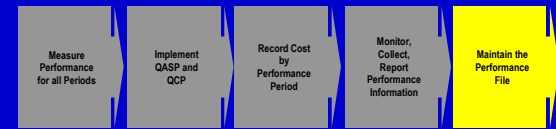
How Do We Document and Maintain Performance Information?





Step 4: Monitor, Collect, & Report Performance Information

- Reporting Requirements
 - ✓ Annual MEO IV&V
 - ✓ Quarterly OMB Competitive Sourcing Report
- Verify and validate the savings and performance improvements



Step 5: Maintain Performance File

- A Performance File should be created and maintained by the RO/MEO Monitor and Functional Manager for all competitions throughout all performance periods stated in the Solicitation
- A Performance File will contain the following information:
 - ✓ MEO SP - documentation from preliminary planning, Requirements Document (RD) development, Agency Tender development, Phase-In, and Post Competition Accountability, the LOO and any Changes to the LOO
 - ✓ Contractor SP – proposal documentation submitted, the original Contract, and Contract Modifications
- The Performance File will assist the OCS and CO in maintaining both the Contract Contract and Competition files
- The SP will provide documentation to update and maintain the Performance File.

MEO Independent Validation and Verification (IV&V) Review

MEO IV&V Review

- Objectives
- Roles and Responsibilities
- Timeline

MEO IV&V Review Objectives

- Verify the MEO was implemented in accordance with the Solicitation, Phase-In Plan and other competition documents
- Verify the MEO performed the services of the PWS and met the performance standards for the first performance period
- Confirm the actual costs were within the cost estimates in the Agency Cost Estimate for the first performance period

MEO IV&V Review – Roles and Responsibilities

➤ MEO SP

- ✓ The MEO is responsible for gathering and validating, throughout the first performance period, the data required to meet the objectives of the MEO IV&V
 - Obtain data from automated tools to capture data
 - Use IV&V Worksheets to capture data
- ✓ Submit data required for the IV&V to the RO/MEO Monitor and Functional Manager prior to the date of the on-site IV&V Review Visit.
- ✓ Implement corrective action resulting from any identified deficiencies during the IV&V Review Process

MEO IV&V Review – Roles and Responsibilities cont.

➤ **RO/MEO Monitor and Functional Manager**

- ✓ Assist the OCS in conducting MEO IV&V
 - Analyze data provided by the MEO SP by populating the IV&V Worksheets
- ✓ Assist the MEO to ensure any deficiencies resulting from the IV&V are corrected

➤ **OCS**

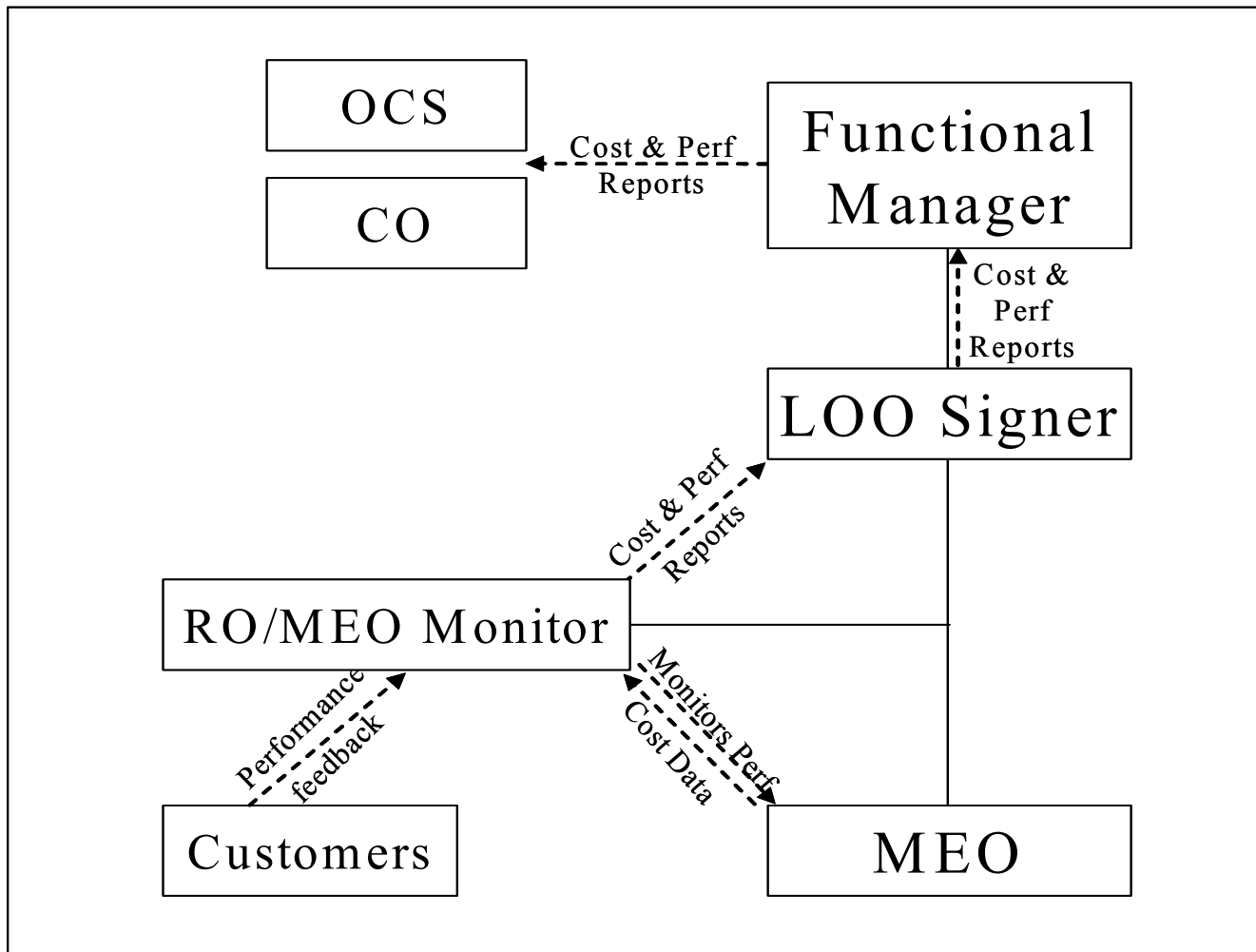
- ✓ Ensure that an MEO IV&V is conducted for each A-76 competition that resulted in an MEO Performance Decision.
 - Analyze data provided by the MEO SP by populating the IV&V Worksheets
- ✓ Recommend any follow on actions to the CSESG resulting from the IV&V
- ✓ May recommend additional annual IV&Vs

MEO IV&V Review – Timeline

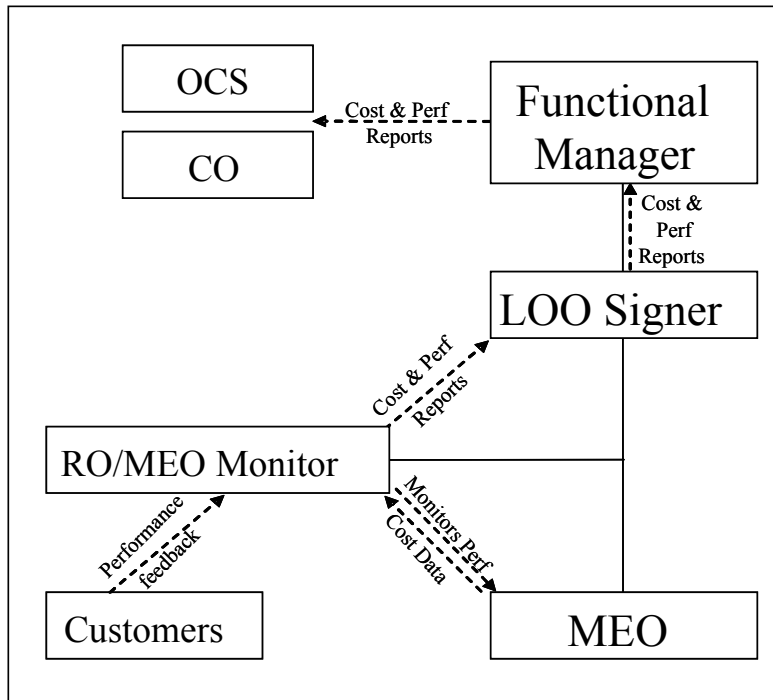
ACTION TO BE COMPLETED	TIME
1. The MEO provides information requested	2 weeks
2. Review information provided and prepare for the on-site Review	1 week
3. Perform on-site Review	1 week
4. Prepare draft report	1 week
5. MEO, RO, Functional Manager, and OCS review draft report and provide comments	2 weeks
6. Prepare and issue final report	2 weeks
Total	9 weeks

Concluding Comments

Roles and Responsibilities – Process Flow



Identification of Key PCA Officials



- Submit names of the Functional Manager, LOO Signer and RO/MEO Monitor to OCS by November 15
- OCS will forward the lists of names to the Competitive Sourcing Executive Steering Committee (CSESC)

Next Steps

➤ Available PCA Training

- ✓ Module 1: Executive Training
- ✓ Module 2: PCA Practitioner's Training
- ✓ Module 3: Quality Assurance Surveillance Training
- ✓ Module 4: Quality Control Evaluator Training
- ✓ Module 5: Service Provider PCA Toolkit

QUESTIONS?