



MEMORANDUM FOR: Mr. David Childs
Office of Federal Procurement Policy

FROM: Mark Kinsey
Associate Director
Finance and Administration

SUBJECT: **Inventory of Commercial Activities**

Pursuant to the requirements of the Federal Activities Inventory Reform (FAIR) Act, P.L. 105-270, OFHEO has reviewed each of its positions and determined that they are inherently governmental in nature.

From its inception OFHEO followed a strategic path aimed toward utilizing the appropriate mix of permanent staff and contract services. In fact, Congress encouraged the Office to use contracting services rather than hire permanent staff wherever appropriate. We have consistently followed this path throughout our existence. Tasks best performed by the private sector are currently contracted out in order for staff to focus on carrying out our mission-related duties.

In an ongoing effort to best utilize our funding resources OFHEO continues to contract for both large and small projects. Some examples of contracting projects include specialized legal services, inventory control systems, EEO services, accounting systems and support, health fairs, dental benefits, personnel and payroll services, building services, and Enterprise executive compensation reviews. OFHEO has always recognized that these services would be most efficiently performed by commercial entities.

As part of the Executive Branch, OFHEO appreciates and applauds efforts to deliver services to the taxpayer in the most efficient and effective manner possible. It is important to note that OFHEO is not funded by taxpayer dollars, but by assessments on the companies we regulate. OFHEO, however, continues to strive to ensure that the American public is well served by the decisions we make in allocating our resources and managing our programs.

OFHEO's FTE level authorized for FY2003 was 135. This small staff provides a core cadre of government professionals who maintain the institutional capacity necessary for OFHEO to be an effective financial institution regulator, develop OFHEO policy and strategic plans, manage the office, and perform oversight of the activities that are currently contracted out. Other than the

Enterprises themselves, we believe our staff represents the critical mass of individuals able to perform the core duties set forth in our enabling statute.

OFHEO will continue to review its activities to insure that those activities that should be undertaken on a contract basis are accomplished in that manner.

Attached you will find the single inventory submission as required by the March 14, 2003 Memorandum (M-03-09).

If you have any questions, please contact Jill Weide at (202) 414-3813.

Enclosure (1)

Commercial and Inherently Governmental FTE Inventory Worksheet

Seq No.	Org Unit		Location			Total FTEs	Activity Fct Code	Status		Reserved for Future Use	Additional Information						
	Agy_Bur	Abbreviation	State	City	Country			Status	Reason		First Year On Inventory	Year of Cost Compare	CIVFTE Savings	Est Ann Cost	Comp Savings	Year of MEO Review	
1	025-35	OFHEO	DC	WASHINGTON	US	135			A								