

The Library of Congress
Office of the Inspector General



**Office of Contracts and
Grants Management**

*Comparative Analysis of the Contracts
Office's Workload and Staffing Levels*

Special Project Report No. 2011-SP-105
January 2012

FOR PUBLIC RELEASE





UNITED STATES GOVERNMENT

LIBRARY OF CONGRESS

Memorandum

Office of the Inspector General

TO: James H. Billington
Librarian of Congress

January 11, 2012

FROM: Karl W. Schornagel
Inspector General

SUBJECT: Comparative Analysis of the Contracts Office's Workload and Staffing Levels
Project No. 2011-SP-105

The Office of the Inspector General has completed a comparative analysis of the workload and staffing levels at the Library and six other federal agencies' contracts offices. We performed this review in response to the Office of Contracts and Grants Management's (OCGM) request for assistance in evaluating the Office of Contracts (CO) staffing levels to determine if the office was sufficiently staffed. The following report presents the results of our data gathering and compilation efforts and contains no findings or recommendations that would require further comment.

The intent of this review was not to identify the appropriate staffing levels for the CO, but to provide OCGM management with information to assist in assessing and evaluating the office's staffing levels. OCGM management should consider other factors, which we discuss under the *Background* section of the report, in addition to the data compiled and presented, in determining the appropriate staffing levels for the CO.

We appreciate the cooperation and courtesies extended to our staff during this project by the OCGM.

cc: Chief of Staff
Chief of Support Operations
Chief, Office of Contracts

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▶▶ EXECUTIVE SUMMARY

The Library of Congress' Office of Contracts (CO), a component of the Office of Contracts and Grants Management (OCGM), has a long history of poor performance and high staff turnover. Over the years, the Office of Inspector General (OIG) has reported on the office's lack of compliance with guidelines, inadequate documentation, and numerous other issues. In the fall of 2010, a diverse group of Library managers took over the office and began attempting to repair the many problems we – and they – had identified.

In September 2010, the CO management requested that the OIG assist them in evaluating its staffing level. In response, we designed a review to compare recent workload and staffing data of the office with corresponding data of six other federal agency procurement organizations. Our review was not designed to determine an optimal staffing level for the office. Nevertheless, the results of our review, taken into consideration with other factors, provide information which OCGM can use in making appropriate decisions regarding CO staffing.

The results of our review provided no significant indication that the Library's contract specialists managed a greater or more difficult workload during fiscal years (FYs) 2009 and 2010 than their counterparts in other agencies. For example, the Library had a favorable ratio of total full-time equivalents (FTE) to contract specialist positions – approximately 200 to one – during FYs 2009 and 2010. Moreover, even though the Library had the highest number of procurement actions among the agencies in FYs 2009 and 2010, over half of those actions were below the \$100,000 simplified acquisition threshold. Actions below that dollar threshold are generally less difficult and time consuming for a contract specialist.

Background information and details on the various analyses we performed to assist OCGM management are provided in the following sections. This report does not include any findings or recommendations which require a management response.

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▶▶ BACKGROUND

The Office of Contracts and Grants Management (OCGM) provides contracting and grants management support to the Library of Congress. It was established in fiscal year (FY) 2003 as an organizational element within the Office of the Librarian, and later devolved to the Office of Support Operations. Working in coordination with the Library's service and support units, the office awards and administers contracts, grants, funded cooperative agreements, fellowships, and awards that enable the Library to fulfill its mission.

The Library's financial and procurement system of record is the Momentum Financial System (Momentum). The Acquisitions subsystem of Momentum facilitates and tracks all procurement and financial activities associated with the Library's procurement process.

The focus of this report is the Office of Contracts (CO).

OFFICE OF CONTRACTS. The CO has a long history of performance issues. Numerous management, operational, and personnel problems affecting the office have been reported through several audits and reviews that we have conducted since the OCGM was established.

In a 2004 report, we reported that the CO lacked adequate staffing, and that some contract specialists lacked experience and training in critical contracting areas.¹ In a 2007 audit, we found that the office continued to lack adequate staffing and that procurement policies and procedures needed to be established.²

In FY 2010, the Director of OCGM position became vacant and the CO lost nine employees. Shortly after, the OCGM management team requested that the Office of the Inspector General provide assistance in evaluating the staffing level of the CO. In response, we designed a review to compare recent workload and staffing data of the office with corresponding

¹ Assessment of the Library's Contracting Office, Memorandum, dated August 19, 2004.

² *Service Remains Less Than Satisfactory Despite Steps Taken Toward Improvement*, Audit Report No. 2007-PA-102, issued September 2007.

data of other federal agency procurement organizations. Our review was not designed to determine the optimal staffing level for, or the most effective way to organize, staff within the CO. Nevertheless, the results of our review, taken into consideration with other factors, provide helpful information which OCGM can use in making appropriate decisions regarding staffing.

WORKING CONDITIONS IN THE OFFICE OF CONTRACTS. We sought to determine the reasons why employees have left jobs in the CO by conducting interviews with five individuals who recently separated from that office. Although anecdotal, the information we obtained through the interviews provides some insight into the working conditions in the office during FY 2010. When we asked why they left their jobs, two individuals claimed they were overburdened with work, two reported problems with management, and the fifth explained that another opportunity became available. When asked if they thought that the office's staffing level was adequate, only one of the former employees believed that it was at an appropriate level.

ELEMENTS OF A SUCCESSFUL ACQUISITION ORGANIZATION.

Operating a successful acquisition organization depends on a variety of factors, including the strength of management, the level of agency acquisition spending, the soundness of acquisition principles and management practices, the structure and distribution of organizational authority/responsibility, and a sufficient number of trained, experienced personnel to effectively process and manage acquisitions. OCGM management should assess all of these factors as they apply to the CO to identify reasons why the office's performance has not met expectations, and to determine the optimum staffing level for and the most effective way to organize the office.

►► OBJECTIVES, SCOPE, AND METHODOLOGY

The purpose of this review was to provide information to OCGM management to assist it in assessing and evaluating the staffing level of the CO. We designed the review to compare FY 2009 and FY 2010 workload and staffing data of the CO with corresponding data for procurement organizations of six federal agencies.

We judgmentally selected a mix of six federal agencies for our review, as follows:

- U.S. Equal Employment Opportunity Commission (EEOC),
- National Archives and Records Administration (NARA),
- Pension Benefit Guaranty Corporation (PBGC),
- U.S. Patent and Trademark Office (USPTO),
- U.S. Small Business Administration (SBA), and
- Federal Trade Commission (FTC).

This report includes data regarding the Library and each of the above agencies. The report's data is for FY 2009 and FY 2010 and encompasses:

- Annual appropriations,
- Full-time equivalent (FTE) staff positions,
- Procurement award amounts,
- Procurement actions,
- Contract specialist FTE positions,³ and
- Procurement Administrative Lead-Times (PALTs)⁴

We obtained data on procurement actions and spending award amounts for the six federal agencies from the Federal Procurement Data System (FPDS).⁵ We gathered data on

³ We used the number of authorized contract specialist FTEs, staffed and vacant positions, for each agency in FY 2010 for our analyses.

⁴ A PALT timeframe is the lead time (in days) that the CO requires to process and complete an acquisition action.

⁵ The Federal Acquisition Regulation (FAR) requires federal agencies to enter information on all of their reportable contract actions into FPDS and to certify its accuracy annually. The FPDS is an automated on-line data system, established by the Federal Procurement Data Center, which collects historical and statistical information about federal government procurement contracts,

procurement staffing directly from each agency involved.⁶ We did not independently verify the data we obtained from FPDS or the agencies. As a result, we do not attest to the accuracy or reliability of that data.

We performed this review as a non-audit service. Therefore, because non-audit services are not covered by generally accepted government auditing standards, we did not plan or perform our work to meet those standards.

primarily to meet the information needs of the U.S. Congress, federal agencies, and the public.

⁶ Procurement data was provided voluntarily by agencies and is based on estimates by those agencies. We were unable to independently verify these data.

►► PRESENTATION OF DATA

The comparative analyses that we performed provided no significant indications that the Library's contract specialists managed a more difficult workload than their counterparts at other agencies during FYs 2009 and 2010. Although the Library had the highest number of procurement actions among the seven agencies, most of them were below the simplified acquisition threshold of \$100,000.⁷ Compared to actions above the threshold, simplified acquisitions generally require less time and effort to process.

Our analysis also indicated that, at 18, the Library had the second highest number of authorized contract specialist FTEs for FY 2010 among the agencies. In addition, the Library's ratio of agency FTEs per contract specialist position was favorable – at approximately 200 to one – during FYs 2009 and 2010. The following sections present background information on the agencies included in our review, and the results of various analyses that we performed to assist OCGM management.

Background Information				
Federal Agency	Annual Appropriations (in thousands)		Total Agency Staff	
	FY 2009	FY 2010	FY 2009	FY 2010
FTC	\$ 259,200	\$ 291,700	1,116	1,167
EEOC	343,391	367,303	2,192	2,385
PBGC	444,722	464,067	928	941
NARA	459,277	469,870	3,002	3,216
LOC	612,956	676,654	3,597	3,573
SBA	980,818	966,696	3,945	3,365
USPTO	1,864,512	1,938,958	9,594	9,430

Figure 1: Background Information for FY 2009 & FY 2010 on Agencies Reviewed. Source: Agency Budgets for FY 2009 & FY 2010.

I. Background Information on Agencies

a. Size of Agencies

As shown in Figure 1, the annual appropriations and authorized staffing levels of the agencies included in our review vary. The Library fell in the middle of the group.

The six agencies we selected for comparison to the Library are all part of the executive branch of the federal government. As such, they are required to comply with the Federal Acquisition

⁷ Less than 10 and 13 percent of the Library's FYs 2009 and 2010, respectively, procurement actions were over \$100,000. Actions under the \$100,000 threshold are classified as "simplified acquisitions." As of October 1, 2010, the simplified acquisition threshold was raised from \$100,000 to \$150,000. However, to remain consistent throughout this comparative analysis we only refer to procurement actions less than \$100,000 as simplified acquisition.

Regulation (FAR). The Library, is not bound to, but generally follows, the FAR as a matter of policy.⁸

b. Volume and Value of Procurements by Agency

The data presented in Figure 2 are the total number of procurement actions that each agency processed in FYs 2009 and 2010. The procurement action data include oral or written actions which result in the purchase, rent, or lease of supplies or equipment, services, or construction using appropriated dollars, or modifications to those actions, regardless of dollar value.

The data does not include grants, cooperative agreements, other transactions, real property leases, requisitions from federal stock, training authorizations, or other non-FAR based transactions.⁹

Figure 2 shows that, among the seven agencies in our review, the Library had the highest number of procurement actions. The majority of those actions, though, were below the simplified acquisition threshold, which decreased their complexity and difficulty as compared to acquisitions over \$100,000.

Annual Procurement Actions		
Federal Agency	FY 2009	FY 2010
SBA	915	1,119
FTC	1,114	1,266
PBGC	1,296	1,430
NARA	1,465	1,586
USPTO	1,776	1,619
EEOC	1,782	2,154
LOC	2,858	2,455

Figure 2: Procurement Actions by Agency. Source: FPDS.

The data presented in Figure 3 (see page 7) are the total dollar amounts of each of the seven agencies' procurement actions for FYs 2009 and 2010.

⁸ Library of Congress Regulations (LCR) 2110, Section 3.1. states "[i]t is the policy of the Library to follow the Federal Acquisition Regulation ... unless a deviation therefrom is determined to be in the best interest of the Library."

⁹ The Library's procurement actions include property lease transactions with the General Services Administration (GSA) for the Library's Landover Center Annex and Taylor Street Annex as well as other non-FAR based transactions. These procurement actions were not excluded from the Library's procurement action numbers because they are part of the Library's contract specialist responsibilities. Had they been excluded, the volume and value of procurement actions managed by the contract specialists would not have been accurately reflected. We did assess the volume and value of the property lease transactions to determine if they were material and would affect the Library's ranking in our analysis. We found that those transactions were nominal, and if excluded they would not have affected the Library's ranking.

An estimated award amount for an acquisition is an important value because it strongly influences the methodology and contract type that will be applied, and directly impacts the time and effort it will take to perform and manage the acquisition.

II. Comparison of Contract Specialist Workload

In our review, we placed major emphasis on the contract specialists' workloads because those employees are responsible for executing and administering their respective agencies' acquisitions.

We compared the FY 2009 and FY 2010 workloads of the Library's contract specialists with those of the other agencies by:

Annual Award Amounts in Dollars (000s)		
Federal Agency	FY 2009	FY 2010
FTC	\$ 64,735	\$ 51,948
EEOC	47,938	52,125
SBA	107,372	144,304
LOC	174,546	243,008
NARA	223,062	253,334
PBGC	278,457	278,113
USPTO	384,119	430,667

Figure 3: Procurement Dollars by Agency. Source: FPDS.

- identifying the total number of contract specialist positions,¹⁰
- computing four ratios that measure the seven agencies' contract specialist workloads in different ways, and
- comparing the Library's contract specialist workload ratios with corresponding ratios of the six other agencies.

The four ratios we used included the:

- total number of agency employee FTE positions to the total number of agency contract specialist FTE positions,
- total number of agency procurement actions to the total number of agency contract specialist FTE positions,
- total agency acquisition award amounts to the total number of agency contract specialist FTE positions, and

¹⁰ The contract specialist positions we used for our FY 2009 and FY 2010 comparative analyses were authorized FTE positions that were staffed or vacant in FY 2010.

- total agency acquisition award amounts to the total number of agency procurement actions.

It is important to note that in every calculation, we used the number of FTE positions authorized, whether or not actually filled, by the agency. While using only the filled positions may have provided a somewhat better measure of *actual* workloads, we chose to use authorized positions partly because each agency has the opportunity to staff up to its authorized levels, and second, because we had no information to indicate the actual staffing levels of each agency. From this point on, this report refers to “contracting specialists” to indicate *authorized* staffing levels.

a. Contract Specialists per Agency

The data presented in Figure 4 represents contract specialist positions in the federal contracting job series, GS-1102,¹¹ both managerial and non-managerial, that the agencies in our review were authorized to staff in FY 2010. As shown, the Library had the second highest number of authorized contract specialist positions.¹²

Contract Specialists							
Agency	NARA	LOC	SBA	USPTO	PBGC	EEOC	FTC
No. of Contract Specialists	24	18	17	17	16	7	4

Figure 4: Number of Contract Specialists per Agency in FY 2010.

¹¹ The position classification for contracting series GS-1102 “includes positions that manage, supervise, perform, or develop policies and procedures for professional work involving the procurement of supplies, services, construction, or research and development using formal advertising or negotiation procedures; the evaluation of contract price proposals; and the administration or termination and close out of contracts.”

¹² All contract specialist positions, whether or not funded by OCGM, are included in Library data; however, contract specialist positions assigned to the FEDLINK Contracts Section are excluded. These positions do not participate in the Library-wide acquisitions process, but execute only FEDLINK-specific actions not included in our overall data.

b. Agency FTEs to Contract Specialist

The first set of ratios (Figure 5) that we computed measure the

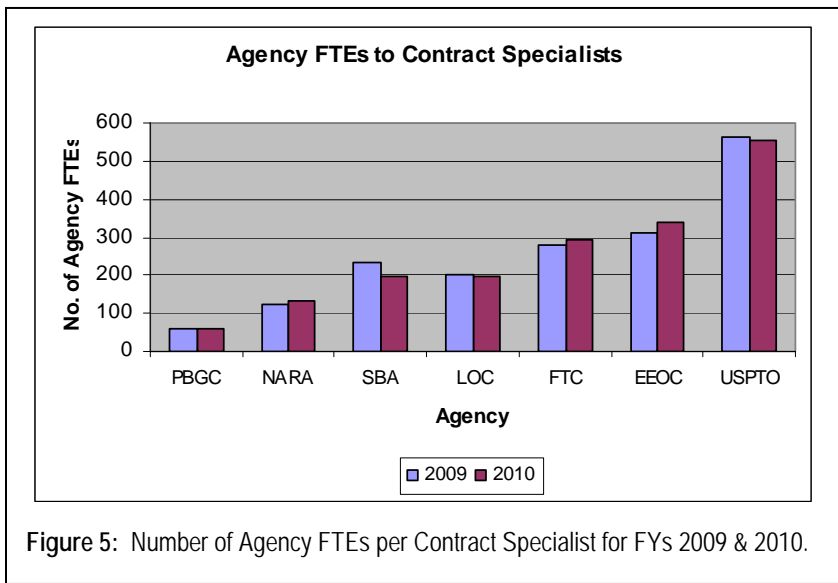


Figure 5: Number of Agency FTEs per Contract Specialist for FYs 2009 & 2010.

number of agency employees supported by each contract specialist.¹³ The average agency’s employee to contract specialist ratio for FYs 2009 and 2010 was 253:1. Lower numbers generally indicate a lighter workload. Comparatively, the Library’s ratios – 200:1 and 199:1, in those FYs, suggest a favorably low workload per contract specialist.

Moreover, compared to FY 2002, the Library’s ratios for FYs 2009 and 2010 are lower and show significant improvement. An audit survey we performed in 2002 found that each

contract specialist position in the Library’s CO was supporting 333 Library FTEs at that time.¹⁴

c. Procurement Actions per Contract Specialist

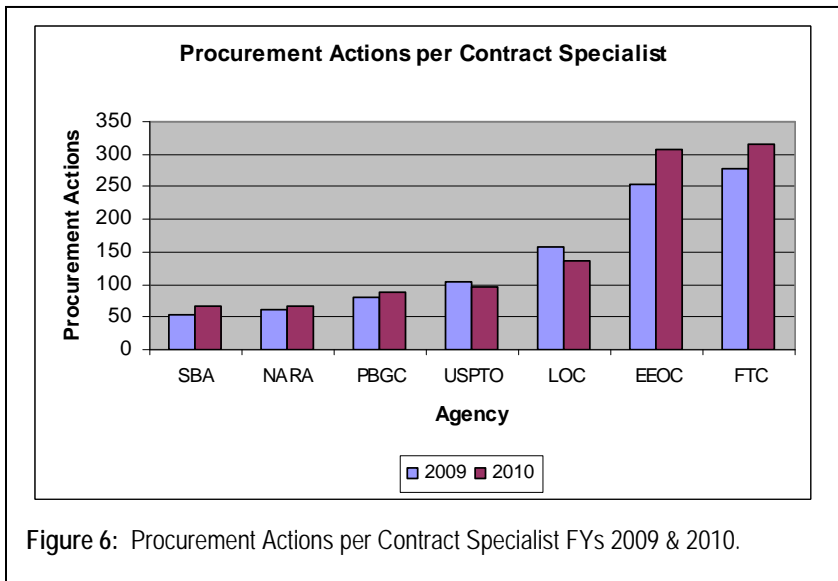


Figure 6: Procurement Actions per Contract Specialist FYs 2009 & 2010.

The second set of ratios (Figure 6) measures procurement actions per contract specialist.¹⁵ The overall average ratio of procurement actions per contract specialist positions was 142:1 for FY 2009 and 154:1 for FY 2010. The Library, at 159:1 and 136:1, for FYs 2009 and 2010, respectively, does not appear to have an exceptionally high number of actions per contract specialist.

¹³ We divided each agency’s total number of FTEs by the total number of contract specialist positions.

¹⁴ Contract Services Audit, Memorandum dated September 18, 2002.

¹⁵ We divided the number of procurement actions by the number of contract specialist positions.

d. Procurement Dollars per Contract Specialist

The third set of ratios (Figure 7) measures procurement dollars per contract specialist.¹⁶ Lower numbers generally indicate a lighter workload. Overall, the average contract specialist awarded \$12.6 million and \$13.6 million in FYs 2009 and 2010, respectively. Comparatively, each contract specialist at the Library awarded \$9.6 million and \$13.5 million in the same FYs.

We note that 57 percent of the Library’s procurement actions for FYs 2009¹⁷ and FY 2010 were below the simplified acquisition threshold. Procurement actions that fall below the threshold generally require less time and effort to process than larger actions.

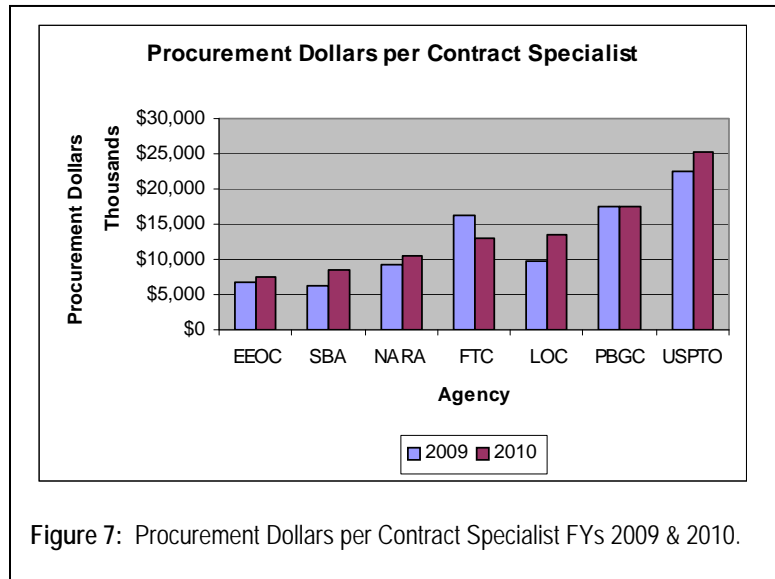


Figure 7: Procurement Dollars per Contract Specialist FYs 2009 & 2010.

e. Procurement Dollars per Procurement Action

The fourth set of ratios (Figure 8) measures the average procurement amount.¹⁸ Lower numbers are a general indication of less complex procurements. At \$61,073 and \$98,985 in FYs 2009 and 2010, respectively, the Library’s average acquisitions were the third lowest among the agencies.

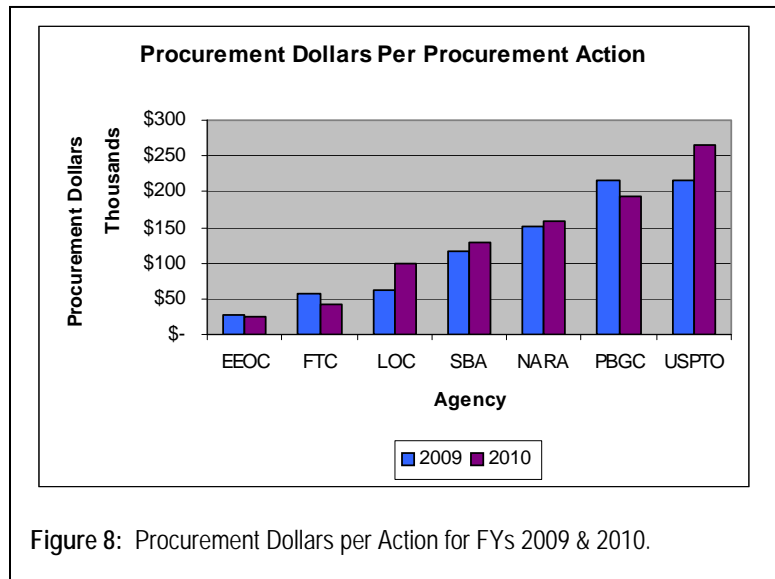


Figure 8: Procurement Dollars per Action for FYs 2009 & 2010.

¹⁶ We divided total acquisition award amounts for each year by the total number of contract specialist positions.

¹⁷ In FY 2009, 34 percent of the Library’s procurement actions were contract modifications.

¹⁸ We divided each agency’s annual total acquisition award amounts by the number of procurement actions processed that year.

►► CONCLUSION

This report presents results of various analyses that we performed to assist OCGM management evaluate the COs' staffing level.

Our analyses appear to indicate that the COs' staffing levels are generally on par with those of other agencies. In all of the statistical measures we used to evaluate those levels, the Library came in solidly in the middle or generally in a better circumstance than the other agencies in our review.

Clearly, we made certain assumptions in our review; for example, we assumed that simplified acquisitions are generally less time-consuming and labor-intensive than those acquisitions over the threshold. The assumptions we made may be generalizations; however, statistically, the take-away message from this report is that our analysis indicates that the CO should be able to function properly if most of its authorized slots were filled by competent staff.

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