



UNITED STATES INTERNATIONAL TRADE COMMISSION

Washington, DC 20436

Service Contract Inventory Analysis Report FY 2020

**REPORT ON FY 2019 SERVICE CONTRACT INVENTORY AND
PLANNED ANALYSIS OF FY 2020 SERVICE CONTRACTS INVENTORY**

I. EXECUTIVE SUMMARY

The Service Contract Inventory (SCI) was mandated by the Office of Management and Budget, Office of Federal Procurement Policy, in a November 5, 2010 Memorandum and again in a December 19, 2011 SCI Memorandum. These memorandums directed civilian agencies to perform an annual analysis of inventory data to determine whether there is an appropriate and effective use of contract labor procured by agencies. In addition, the memorandums directed agencies to determine if the mix of Federal employees and contractor employees is effectively balanced.

This report contains the United States International Trade Commission's (USITC) analysis of its FY 2019 service contract inventory, responsive to Section 743 of Division C of the Fiscal Year 2010 Consolidated Appropriations Act, P.L. 111-117. This report also contains information on the Commission's Planned Analysis of its FY 2020 service contract inventory.

As required, the USITC evaluated the use of contractors versus government employees for purposes of determining if contract labor is being used in an appropriate and effective manner, and if the mix of Federal employees and contractor labor is effectively balanced.

Contracted services at the Commission are important in achieving agency objectives and the services provided are considered "other functions."

II. ANALYSIS OF FY 2019 SERVICE CONTRACT INVENTORY

A. Background

Civilian agencies are required to prepare an annual inventory of, and then analyze, their service contracts in accordance with Section 743 of Division C of the FY 2010 Consolidated Appropriations Act, P.L. 111-117. In accordance with FY 2011 OMB guidance, remaining in effect to date, agencies were asked to identify the Product Service Codes (PSC) on which the agency planned to conduct further analysis.

B. Scope

The USITC planned for and analyzed the following PSC function from its FY 2019 service contracts inventory.

PSC	Description	Action Obligation 2019	# of Contracts Reviewed	% of Obligations within PSC
D321	IT and Telecom- HELP DESK	\$2,832.807	1	27.8%

USITC chose to analyze PSC D321 because it is one of a couple of the Commission's largest contract dollar obligations for contracted services in FY 2019 and has not recently been evaluated as part of this SCI analysis. Annually, a large portion of the USITC's professional services contract obligation dollars is in the area of Information Technology.

C. Methodology

The analysis of USITC's FY 2019 service contracts was performed by the Director, Office of Procurement, based on the Office's own understanding of its professional services contracts. The service contracts analyzed included purchase orders, delivery orders, task orders, and contracts, using data obtained from the Federal Procurement Data System-Next Generation (FPDS-NG). The Statement of Work were re-reviewed from selected awards in performance of this analysis.

D. Agency Findings

Pursuant to OFPP's memoranda, USITC has made the following findings as a result of its analysis:

1. USITC awarded no personal services contracts in Fiscal Year 2019.
2. USITC monitors those very few functions that are closely associated with inherently governmental functions.
3. USITC is not using contractor employees to perform inherently governmental functions. USITC's acquisition staff is knowledgeable of inherently governmental functions, as that term is defined at FAR Subpart Part 2.101 and is able to identify inherently governmental functions as those functions relate to contractor work.
4. USITC monitors contractor labor to ensure that the work does not change or expand during performance to become inherently governmental. Contractor employees performing work in the area of Information Technology (IT) professional support, a category that routinely consists of larger contract dollar obligations for the Commission, remains appropriate and balanced to that performed by federal employees.
5. USITC is not over reliant on contractors and does not use contractor employees to perform critical functions in such a way that could affect the ability of USITC to maintain control of its mission and operations.

6. USITC has allocated resources to manage and oversee its contracts effectively. USITC's policies and procedures provide for oversight of contract administration. Both Contracting Officers and Contracting Officer's Representatives are properly trained and FAC-certified to manage and oversee contracts.

E. Summary / Action Taken

Overall, the USITC maintains a balance between contractor and government employees. USITC's practice is to train, and keep current, its acquisition workforce in awarding, administering, and monitoring its service contracts properly.

Contractors are being utilized in an appropriate manner and the services delivered by those contractor employees effectively support the Commission's operations and mission.

The Commission is mindful of the importance of maintaining control of its operations when it contracts for people to perform important functions of the agency's daily operations. Although no actions were taken as a direct result of this review, USITC is committed to maintaining excellence in its service contracting.

Planned Analysis of Fiscal Year 2020 Inventory

The USITC has selected the following Product Service Codes from its FY 2020 inventory.

PSC	Description	FY 2020 Dollars Obligated
D302	IT and Telecom -Systems Development	\$3,020,020

USITC has chosen to evaluate PSC D302, IT and Telecom-Systems Development, because it ranked highest in FY 2020 funding obligations for contracted services at the Commission.

Accountable Official, USITC Point of Contact:

Questions regarding this analysis may be directed to Debra Bridge, Director, Office of Procurement, at (202) 205-2004, or debra.bridge@usitc.gov.