

U.S. Department of Energy



Competitive Sourcing Program Feasibility Review Charter

May 2005

1. INTRODUCTION

1.1 Purpose

This Charter delineates process, roles and responsibilities utilized in planning and executing the Department's Competitive Sourcing Feasibility Reviews approved by the Deputy Secretary. The Plan identifies responsibilities of the Competitive Sourcing Executive Steering Group, Director of the Competitive Sourcing Office, Feasibility Review Program Manager and the Feasibility Review Team Leads. It also provides the approved methodology for conducting the feasibility reviews.

1.2 Background

1.3 Feasibility Reviews

The Office of Competitive Sourcing prepared feasibility review nominations to be considered by the ESG to undergo the feasibility process. The feasibility review is a tool for pre-announcement A-76 study planning, which will establish logical study parameters and a solid foundation for executing an A-76 study. It presents a full set of recommendations on the scope of the review, mission impacts and risks, the estimated savings, study type and proposed timeline. The results of the feasibility review are, in effect, a blueprint for the subsequent A-76 study and a plan of action to execute the competitive sourcing functional study. The feasibility process involves a validation of the proposed FTE and functions nominated for study along with a business case analysis that identifies potential savings, risks and study approach. A competitive sourcing study does not begin until the formal announcement is made.

2.0 Roles and Responsibilities

2.1 Executive Steering Group

The ESG is responsible for approving the feasibility nominations. The ESG subsequently reviews and decides upon the recommendations for competitive sourcing submitted by the feasibility teams.

2.2 Director of the Competitive Sourcing Office

The Director of the Office of Competitive Sourcing/A-76 will provide the ESG with feasibility study nomination recommendations. He also recommends a Feasibility Review Program Manager to oversee the execution of the studies. The Director will provide strategic oversight and serve as liaison between the ESG and the components impacted by the feasibility reviews.

2.3 Feasibility Study Project Manager

The Feasibility Project Manager is responsible for the planning and execution of the DOE Feasibility reviews and will utilize resources of the Department and consultants to accomplish the assignment. The reviews must be done both effectively and efficiently, the Feasibility Project Manager will ensure timely communication of work status and progress; compliance with study methodology; and corrective or preventive actions to ensure timely deliverables, accurate, and complete.

The Feasibility Review Project Manager will provide the Director of the DOE Office of Competitive Sourcing with Study Scoping and Business Case Analysis Reports, along with competitive sourcing study nomination recommendations for presentation to the ESG. The Feasibility Project Manager will provide day-to-day direction, technical guidance and will maintain close communication with the Feasibility Team Leaders and their assigned consultants throughout the studies. He will meet weekly and interface with the Director of Competitive Sourcing as required to obtain necessary resources or operational decisions. Specifically, the Feasibility Review Project Manager:

- Receives overall direction from the Director of the Office of Competitive Sourcing regarding conduct of the studies.
- Works with the Contractor Program Manager, and Feasibility Team Leaders to determine optimal key resource requirements and their project parameters.
- Conducts direct, frequent communication with the Team Leaders to monitor performance of Projects.
- Maintains and ensures implementation of the Program Plan of Action and Milestones
- Receives draft and final deliverables for review and comment.
- Ensures timely formal submission of all required reports and deliverables for presentation to the ESG.

2.4 Feasibility Review Team Lead

The Feasibility Review Program Manager will direct all reviews/projects through Feasibility Team Leaders. A Team Lead will be selected for each of the feasibility reviews in coordination with the Director of Competitive Sourcing and the LPSO of the functional area being reviewed. Each Study Team Lead will identify government members with expertise to serve as Team Members and manage the Team towards its objectives. The Feasibility Team Lead's primary responsibilities are to:

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- Manage the team's milestones and deliverables.
 - Participate in semi-monthly meetings with the Project Manager.
 - Coordinate participation of all Team Members in respect to project planning and execution, deliverable inputs, and logistics.
 - Develop Action Task Plans for the study team.
 - Individually track the hours for all team members and travel dollars spent (if applicable)
 - Ensure all members, including self, sign a non-disclosure statement (Attachment B)
 - Evaluate between study scope, technology, and implementation plans and the corresponding Program mission, objectives, and policies.
 - Assess technical feasibility of proposed recommendations.
 - Determine reasonableness and realism of costs data.

2.5 Team Members

The feasibility teams will be made up of both Federal and contractor personnel. A Team Member's primary responsibilities are to:

- Fully participate in the Feasibility Review.
- Provide timely inputs to deliverables.
- Complete duties as assigned by the Functional Team Lead
- Sign a DOE Non-disclosure Agreement (Attachment B)

3.0 Feasibility Review Planning

When the ESG assigns a function nominated for competitive sourcing to undergo the feasibility review process, the Director, Office of Competitive Sourcing will identify a Team Leader, team members and consultant support. The Feasibility review will discuss the project with the senior official in the function or business unit nominated for review to gain a more detailed understanding of that particular project. He will then develop a task plan for the Team Leaders for development of a subtask plan that will discuss a plan of action and milestones for the project. Each Team leader will investigate his or her assigned team's potential organizational conflicts of interest (OCI) constraints, analyze specific areas of technical expertise necessary for the successful completion of the project, and identify additional personnel or resource requirements for the team. The Team Leader's proposed subtask plan will be returned to the Feasibility Review Project Manager for evaluation and approval.

4.0 Feasibility Review Execution

The feasibility reviews will be conducted in accordance with the requirements identified within this charter and with the greatest amount of sensitivity possible. The information collected, analyzed and presented is "pre-decisional management information" and will not be released without the approval of the ESG. The Feasibility Project Manager is responsible for sustaining the schedule and the notification of the ESG through the Director of Competitive Sourcing of any significant obstacles or deviations from this charter.

4.1 Business Case Analysis

The Business Case Analysis (BCA) forms the basis for management decisions. The purpose of the BCA is to determine the best methodology for the function being considered for study. The objectives of the BCA are to:

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- Define the mission, scope, and boundaries of the function or business unit under study
 - Costs/Savings (using COMPARE)
 - determine potential grouping of FTE and contracts for study
- Clearly define the organization, personnel, cost, and resources of the current function
 - Activities performed by FTE under study
 - Current processes
 - Location of activities
- Consider availability of comparable services in the commercial sector and mission impact.
- Align grouping(s) to existing or proposed DOE business lines.
- Work with the Office of Human Resources and Budget to determine:
 - Employee attrition after announcement and its impact on meeting the mission requirements
 - Early out, buy-out and retirement options
 - Availability of HR resources needed to conduct HR actions to meet regulatory timelines for completing A-76 studies
 - HR impacts on implementing competitive sourcing study
 - Resources needed to conduct and implement the competitive sourcing study
- Define type of Competitive Sourcing most applicable
 - A-76 Standard Study
 - Streamline
- Capture “As-Is” cost, staffing, and performance data.
- Identify industry capabilities, benchmarks, costs, and best practices
- Evaluate data using evaluation criteria;
 - Risk
 - Impact on Cost
 - Benefits
 - Implementation Feasibility
 - Impact on Competition
 - Select recommended alternatives
- Prepare the Study Scoping and BCA Report (See attachment A)

The BCA process consists of the six steps shown in Figure 3.0 and is programmed to take about eleven weeks.

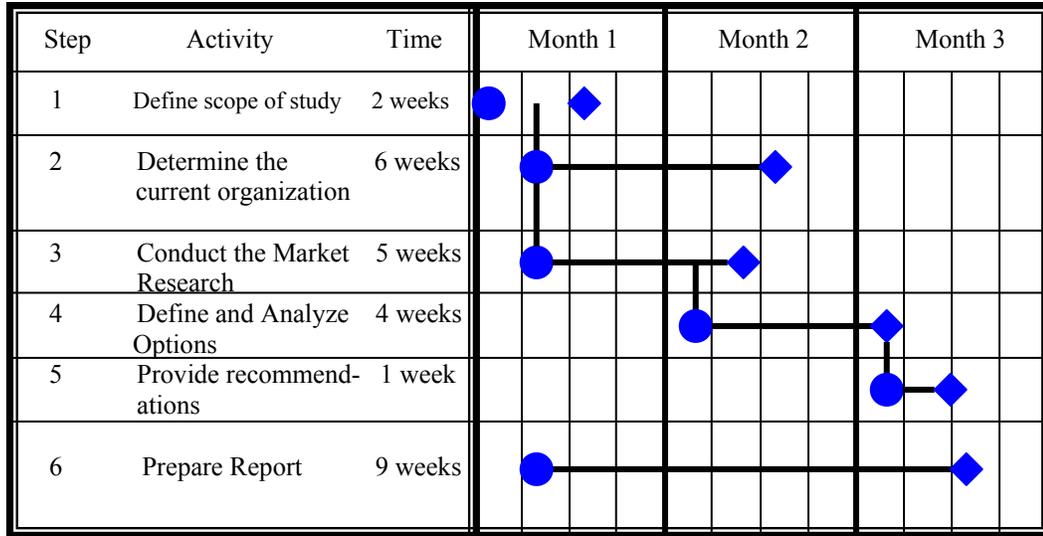


Figure 3.0

Step 1 – Define the Scope of the Study

This is the most important step of the analysis in that it will define the boundaries of the function under study, its relationship to the mission and customers, and the impact of inherently governmental or core functions. The definition of the business unit defines the boundaries of the work that will be included in the study. The business unit must have clear severable work, but the definition cannot state the desired organizational end result.

Step 2 – Define the Current Organization

This step will be the most time consuming and detailed part of the analysis. It defines the foundation for evaluation and the final recommendation. The current organization must be clearly defined to include resources (personnel, facilities, budget), relationships (internal, external support, and customers), and key functions (processes, deliverables, and general workload).

Step 3 – Conduct Market Research

This step requires significant involvement of the Contracting Officer and coordination with the Competitive Sourcing representative. The desired outcome of this section is a clear view of commercial availability of similar services, general commercial standards for the services, and identifies any other potential options for conversion to contract (i.e., Preferential preferred programs such as NISH, NIB, etc.)

Step 4 – Define and Analyze Options

This step examines the available options and analyzes each option. Sufficient information must be gathered for each option to allow management to make a well-informed decision that is in the best interest of DOE. All alternative courses of action should be included in the BCA. Each option should be presented separately and include a basic description, the end result, the tangible and intangible risks of implementing the option. A basic acquisition approach should also be addressed for each alternative.

Step 5 – Provide Recommendations

This step prioritizes the options examined in Step 4 and generates a recommendation identifying the course of action that has the greatest benefit and lowest risk while focusing on the DOE mission. A synopsis of the benefit and risk analysis is provided that supports the recommendation.

Step 6 – Final BCA Report

The Feasibility Reviews Project Manager will present the Office of Competitive Sourcing with a consolidated Study Scoping and BCA Report, along with feasibility study nomination recommendations for the ESG. The Office of Competitive Sourcing will review and present information to the ESG for approval to begin Phase II of the process. It is at this time that the ESG will select FAST Leaders for those nominations moving into competitive sourcing studies.

Decision

The ESG evaluates the recommendation(s) provided in the BCA and will make a final determination as to whether or not to enter the business unit/function into competition. The ESG upon approving a business unit to enter into competitive sourcing, they will assign a Functional Area Team Lead.

5.0 Configuration Control and Management

OCS considers configuration control and management to be a vital part of the Competitive Sourcing Process. It is a formal, disciplined approach that identifies and controls project documentation throughout the Competitive Sourcing life cycle. The following will be maintained:

- Maintain documents in a centralized, secure, and organized manner, including distribution of documentation. Enforce controlled review and approval processes as appropriate for deliverables created by the Feasibility Study teams.
- Control document distributions so that documents are distributed to the right people and old versions of documents are removed from circulation. The information collected, analyzed and presented is “pre-decisional management information” and will not be released without the approval of the ESG.

Configuration control and management will be the responsibility of every member of the feasibility teams.

5.1 Reporting System

The Feasibility Team Leads will meet with the Project Manager semi-monthly:

- Task(s) accomplished in accordance with the schedule.
- Task(s) not accomplished in accordance with Schedule (rationale).
- Task (s) scheduled to be completed in the next two weeks.

ATTACHMENT A**Outline for Scoping and Business Case Analysis Report**

- 1.0 Executive Summary
 - 2.0 Introduction
 - 2.1 Background
 - 2.2 Objective
 - 3.0 Scoping Review
 - 3.1 Define mission, scope, and boundaries of business unit
 - 3.1.1 Costs
 - 3.1.2 Determine potential grouping of FTE and contracts for study
 - 3.2 Develop activity description
 - 3.3 Activities performed by FTE under study
 - 3.4 Current processes
 - 3.5 Location of activities
 - 4.0 Human Resource and Budget Impacts
 - 4.1 Employee attrition after announcement and its impact on meeting the mission requirements
 - 4.2 Early out, buy out and retirement options
 - 4.3 Availability of HR resources needed to conduct HR actions to meet regulatory timelines for completing A-76 studies
 - 4.4 HR impacts on implementing competitive sourcing studies
 - 4.5 Budget resources needed to conduct and implement the competitive sourcing studies
 - 5.0 High Level Market Survey Approach
 - 5.1 Data Validation (collected above)
 - 5.2 Findings
 - 5.2.1 Market Interest Assessment
 - 5.2.2 Capabilities Survey
 - 6.0 Business Case Analysis
 - 6.1 “As-Is” Analysis
 - 6.1.1 Staffing and performance data
 - 6.1.2 Evaluation
 - 6.1.2.1 Risk
 - 6.1.2.2 Impact on Cost
 - 6.1.2.3 Benefits
 - 6.1.2.4 Implementation
 - 6.1.2.5 Impact on Competition
 - 7.0 Additional Considerations
 - 8.0 Recommended Competitive Sourcing Type
 - 9.0 Conclusions
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ATTACHMENT B**DEPARTMENT OF ENERGY EMPLOYEE NON-DISCLOSURE AGREEMENT FOR
SUPPORT TO THE COMPETITIVE SOURCING/A-76 PROGRAM**

1. In the course of supporting the Competitive Sourcing/A-76 initiative, I may be given access to or entrusted with sensitive Government information, such as data identified as Business Sensitive, Procurement Sensitive, Proprietary [e.g., 41 USC section 423, the Procurement Integrity Act restrictive legend per Federal Acquisition Regulation (FAR) 52.215-1)] or Source Selection Information (as defined in FAR 3.104-3) that may be associated with the ongoing Competitive Sourcing/A-76 Cost Competition or activity or future Competitive Sourcing/A-76 Cost Competition or activity. These sensitive data include, but are not limited to, all data, information and software, regardless of the medium, e.g. electronic or paper, and/or format in which the data exist, and includes data that are derived from, Source Selection, Business Sensitive, Procurement Sensitive and/or Proprietary Data (collectively referred to herein as “the data”).
2. As a condition to receiving access to the data, I agree not to discuss with, disclose, release, reproduce or otherwise provide or make available the data, or any portion thereof, to any other Government or non-government employee, person, or organization unless that other employee, person, or organization has signed a non-disclosure statement for this Competitive Sourcing/A-76 study. Furthermore, I agree to adhere to all safeguards established for the data and to use the data solely for the purpose of performing my role in support of the Competitive Sourcing Program. If I have any questions about the non-disclosure guidance contained herein, I shall present those questions to the Director, Office of Competitive Sourcing.
3. I agree that these obligations not to inappropriately use, discuss, disclose, release, reproduce or otherwise provide or make available the data are binding upon me as required by applicable laws, regulations and Department of Energy directives.
4. I understand that any inappropriate use, disclosure, release or reproduction of the data is unauthorized and may result in criminal, civil and/or administrative penalties. I understand that nothing in this nondisclosure agreement changes, alters or, otherwise, is intended to replace the requirements of any applicable laws, regulations and Department of Energy directives. I freely and willingly sign this document, fully understanding its contents.

PRINTED NAME:

POSITION/TITLE: _____

SIGNATURE: _____ DATE: _____

PLAN OF ACTION AND MILESTONES

WORK BREAKDOWN STRUCTURE
