



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

DEPUTY DIRECTOR  
FOR MANAGEMENT

October 15, 2004

M-05-01

MEMORANDUM FOR HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Clay Johnson III   
Deputy Director for Management

SUBJECT: Report to Congress on FY 2004 Competitive Sourcing Efforts

Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, P.L. 108-199, establishes a government-wide requirement for each executive agency to report to Congress on its competitive sourcing efforts for the prior fiscal year. This memorandum provides guidance to assist agencies in preparing their Congressional reports on FY 2004 efforts. Reports on FY 2004 efforts are due to Congress by December 31, 2004.

The guidance for preparing FY 2004 reports is similar to that developed by OMB for 2003 reports (see OMB Memorandum M-04-07). However, the 2004 guidance adds several new elements to improve the usefulness of the data and the transparency of the competitive sourcing initiative overall.

The new reporting elements, which are described in Attachment A, include: (1) achieved savings and/or quantifiable performance improvements on competitions completed in FY 2003, (2) fixed costs for FY 2004, (3) number of offers and tenders received in public-private competitions, and (4) acquisition strategy used. Agencies also will be asked to describe the steps their human resources and competitive sourcing organizations have jointly taken to identify skill imbalances, competency gaps, and organizational redundancies.

Agencies should prepare a draft report -- i.e., transmittal, narrative statement, and spreadsheets with data on individual competitions -- in accordance with Attachment B of this memorandum and transmit the information to OMB by November 12, 2004 for review. Agency reports (including transmittal letters) must be cleared by OMB prior to their transmission to Congress.

OMB intends to prepare a consolidated report covering all agencies' activities. This report will be in addition to -- not in place of -- individual agency reports. OMB seeks to highlight effective competitive sourcing strategies in its report. Agencies are therefore encouraged to provide OMB with one or two narratives describing a successful competition and the practices used to achieve results. Agencies are also encouraged to describe corrective steps

taken to address any shortcomings in their competitions. See Attachment C for a suggested template to provide this information.

In the winter, OMB intends to roll out a competitive sourcing database. The database will be used to track ongoing competitions and post-competition implementation. The database will also be used to assist in the preparation of future reports to Congress.

Questions regarding this memorandum may be directed to your OMB contact or to the Office of Federal Procurement Policy (Mathew Blum, 202-395-4953, [mblum@omb.eop.gov](mailto:mblum@omb.eop.gov); or Barbara Merola, 202-395-5802, Barbara\_F.\_Merola, 202-395-5802). I appreciate your attention to this matter.

#### Attachments

- Attachment A - Summary of New Reporting Requirements for FY 2004  
Competitive Sourcing Report
- Attachment B - Guidelines for Responding to Section 647(b)
- Attachment C - Achieving Results through Competitive Sourcing:  
Examples Template

## **New Reporting Requirements for the FY 2004 Competitive Sourcing Report**

This attachment highlights the reporting elements that are new or significantly modified for the FY 2004 reporting period. Agencies should refer to Attachment B for complete instructions.

1. Achieved savings and/or performance improvements from implementation of competitions. This guidance explains how agencies are to identify savings from implemented competitions for which estimated savings were reported in their FY 2003 and FY 2004 reports. Savings is generally defined as the cost of performing the function or providing the service “as is” less the cost of performing the function or providing the service under the winning bid. Agencies will be required to identify savings from the first date of full performance (i.e., after phase-in tasks have been completed). See Attachment B, section V.7, for instructions on calculating savings.

Agencies will also be required to report if performance improvements are being attained for competitions where quantifiable performance improvements (e.g., productivity gains) were anticipated. See Attachment B, section V.7.

2. Fixed costs. Agencies will be required to identify the cost of providing central direction and oversight on competitive sourcing for the agency – i.e., fixed costs – for FY 2004. OMB recognizes that agencies may not currently be collecting information on fixed costs in a systematic fashion and further understands that these costs may fluctuate as agencies establish programs. For this reason, OMB will accept estimates. See Attachment B, section V.8.
3. Facilitation of competition. For each standard competition completed in FY 2004, agencies will be required to identify the number of bids or proposals received from private sector contractors or public reimbursable providers. This information will help OMB gauge the level of private sector participation, as well as participation by public reimbursable providers, in competitions. See Attachment B, section V.1.
4. Source selection strategy. For each standard competition completed in FY 2004, agencies will be required to identify the strategy that was used to select the winning provider – i.e., sealed bid, lowest price technically acceptable evaluation, phased evaluation, cost-technical trade-off, other. This information will be used to assess the extent to which the strategies made available by the revised Circular are being used. See Attachment B, section V.1.

5. Alignment of competitive sourcing and human capital. Section 647 requires agencies to describe how their competitive sourcing decisionmaking processes relate to the implementation of the Strategic Management of Human Capital Initiative. Agencies will be asked to address the steps human resources and competitive sourcing organizations have *jointly* taken to identify skill imbalances, competency gaps, and organizational redundancies. See Attachment B, section V. 10.

**Guidelines for Responding to Statutory Reporting Requirement  
in Section 647(b) of the Consolidated Appropriations Act  
for Competitions Completed or Initiated in FY 2004**

I. Introduction

The following guidance has been developed to assist agencies in preparing reports to Congress on their competitive sourcing efforts for FY 2004. This guidance is similar to the guidance developed by OMB for preparing FY 2003 reports. See OMB Memorandum M-04-07.

Agencies shall prepare draft report reports – i.e., transmittal, narrative statement, and spreadsheets with data on individual competitions – in accordance with this guidance and submit the draft report to OMB for review. After OMB has completed its review for consistency with this guidance, the report will be cleared for agency transmission to the Hill. See Section VI., below, for specific instructions on transmission.

II. Applicability

The heads of all executive agencies should respond to the requirement set forth in section 647(b) of the Consolidated Appropriations Act, FY 2004. The term “executive agency” has the same meaning as given in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

*Instructions for agencies that have no competitive sourcing efforts to report:* Agencies that have not conducted, or are not conducting, any competitions in FY 2004 should draft a letter to Congress which includes the following:

- (1) a statement that the agency did not complete any competitions in FY 2004 and that the agency did not initiate any competitions in FY 2004;
- (2) an identification of any savings from competitions implemented in FY 2003 (see section V.7); these savings should be reported on spreadsheet S.3 (see section IV); and
- (3) an indication of the number of FTEs that are planned for competition in FY 2005, if any (see section V.9).

The draft letter must be submitted to OMB for review prior to transmission to Congress. See section VI for information on who should receive copies of the agency’s report.

III. Reporting period

Reports should cover competitions that were completed during FY 2004, as well as those that were announced, but not completed, in FY 2004. Reports should also provide follow-up information on savings achieved from competitions for which estimated savings were identified in FY 2003 reports (see section V.7). Agencies should also provide information on the number of FTEs that are planned for competition in FY 2005 (see section V.9).

#### IV. Reporting format

The format for reporting information required by this guidance is as follows:

*Report items 1-8.* Information on report item nos. 1-8 (see section V, below) should be provided on the spreadsheets in the *competitive sourcing report workbook*, which is available at <http://www.whitehouse.gov/omb/procurement/index.html>. (OMB will e-mail the workbook to agency Competitive Sourcing Officials that are members of the President's Management Council simultaneously with the publication of this guidance.) The workbook includes spreadsheets for reporting on competitions completed or announced in FY 2004. OMB has also developed a summary spreadsheet for updating savings and performance information on competitions that were completed in FY 2003. Specifically, the workbook contains the following spreadsheets:

- S.1.** FY 2004 Competitive Sourcing Activities Summary: Completed Competitions
- S.2.** FY 2004 Competitive Sourcing Activities Summary: Announced Competitions
- S.3.** FY 2003 Competitive Sourcing Activities Summary: Savings & Performance Update
- W.1.** FY 2004 Competitive Sourcing Activities Worksheet: Completed Competitions
- W.2.** FY 2004 Competitive Sourcing Activities Worksheet: Announced Competitions

Agencies should complete all spreadsheets and submit them to OMB. However, agencies should include *only* the three summary spreadsheets (S.1., S.2., and S.3) in their final reports to Congress.

Please remember the following points to help OMB more easily consolidate and analyze data:

- Use only the standardized terms and acronyms provided in this guidance (e.g., competition type, winning provider, location, etc.). Pull-down menus are provided in this year's spreadsheets to help ensure consistency.
- Make sure all cells containing dates are formatted in Excel as MM/YY.
- Except as noted, report cost and savings data in millions of dollars, with decimal places to the thousands of dollars. For example, \$2,530,000 should be entered as 2.530 in the appropriate cell.
- Report performance periods in years with one decimal place. For example, if the total of all performance periods under a letter of obligation or contract is 40 months, enter 3.4 in the appropriate cell.
- Distinguish clearly between competitions where no data is available (in such cases, use "N.D.") and where costs or savings figures equal zero (in such cases, use "0"). If a reporting element is inapplicable (e.g., no competitions), use the symbol "N/A." Agency spreadsheets should contain no blank quantitative data cells.

*Report items 9 & 10.* Report items 9 and 10 (see section V, below) should be discussed either in the agency's transmittal letter or in a separate attachment to the agency's report.

#### V. Information to be reported

Although the Congressional report only requires the aggregate numbers, this guidance requires agencies to provide more detailed information, by individual competition, to show the basis for the aggregate numbers.

Agencies precluded from engaging in competitive sourcing activities by law should note these restrictions in their reports.

#### Report items:

##### 1. **the total number of competitions completed**

- List separately all *public-private* competitions that were completed during FY 2004, regardless of when they were initiated. It is anticipated that most competitions identified as announced but not completed in the FY 2003 report will be identified as completed in the FY 2004 report. Completed is defined as any competition for which a performance decision (pursuant to Circular A-76) has been made.
- Include competitions that were announced and completed in FY 2004.
- Do not report *public-public* competitions.
- Report each individually announced competition separately.
- Identify the competition type. Include competitions completed under the old Circular A-76 (i.e., cost comparisons, streamlined cost comparisons, direct conversions, and cost comparisons pursuant to deviation). Include competitions completed under the new Circular A-76 (i.e., streamlined competition, standard competition, streamlined and standard competition conducted pursuant to a deviation). The OMB-furnished spreadsheets include pull-down menus to identify the competition type.
- Identify the activity that was the subject of the competition. Use the activity code(s) that was/were used to identify the activity on the agency's Federal Activities Inventory Reform Act inventory. The spreadsheet includes columns to identify up to three codes. If more than three activities are included in the competition, list only the three primary activities. Enter no more than one code per column. For a list of activity codes, see [http://www.whitehouse.gov/omb/procurement/fair/2004function\\_codes.html](http://www.whitehouse.gov/omb/procurement/fair/2004function_codes.html).
- Include an abbreviated version of the competition title that would be understandable to a lay person (e.g., base operations support; departmentwide IT maintenance).

- For standard competitions, identify the strategy that was used to select the winning provider – i.e., sealed bid, lowest price technically acceptable evaluation, phased evaluation, cost-technical trade-off, other. The OMB-furnished spreadsheets include pull-down menus to identify the source selection strategy.
- Identify the location of the competition (the state(s) where employees are being studied). Use the two letter abbreviation format used by the United States Postal Service.
- Identify the start and end date for the competition. (For competitions under the revised Circular, the "start date" is the date the competition is formally announced in FedBizOpps and the "end date" is the date a performance decision is made, as signified by completion of all necessary certifications.) Format dates as MM/YY.
- Identify the number of bids or proposals received from private sector contractors or public reimbursable providers for each standard competition that was completed in FY 2004. Include only bids/proposals to perform as a prime.
- Identify whether the winning provider is the in-house government personnel (I/H), a public reimbursable source (PRS), or a private sector source (CTR). If the competition was cancelled after the performance decision was announced, use "N/A-C". The OMB-furnished spreadsheet includes pull-down choices.

**2. the total number of competitions announced together with a list of activities covered by such competitions**

- Include all *public-private* competitions that were announced during FY 2004, but were not completed in FY 2004. Do not include competitions that were announced and completed in FY 2004 as they will already be included in item #1 above. Announced is defined as having been announced in FedBizOpps (for actions other than direct conversions).
- Do not report *public-public* competitions.
- Report each individually announced competition separately.
- Identify the competition type (i.e., streamlined competition, standard competition, streamlined and standard competition conducted pursuant to a deviation). The OMB-furnished spreadsheets include pull-down menus to identify the competition type.
- Identify the activity that is the subject of the competition. Use the activity code(s) that was/were used to identify the activity on the agency's Federal Activities Inventory Reform Act inventory. The spreadsheet includes columns to identify up to three codes. If more than three activities are included in the competition, list only the three primary

- activities. Enter no more than one code per column. For a list of activity codes, see [http://www.whitehouse.gov/omb/procurement/fair/2004function\\_codes.html](http://www.whitehouse.gov/omb/procurement/fair/2004function_codes.html).
  - Include an abbreviated version of the competition title that would be understandable to a lay person (e.g., base operations support; departmentwide IT maintenance).
  - For standard competitions, identify the strategy that is expected to be used to select the winning provider (if known) – i.e., sealed bid, lowest price technically acceptable evaluation, phased evaluation, cost-technical trade-off, other. The OMB-furnished spreadsheets include pull-down menus to identify the source selection strategy. If a strategy has not yet been identified, enter “N/A”.
  - Identify the location of the competition (the state(s) where employees are being studied). Use the two letter abbreviation format used by the United States Postal Service.
  - Identify the start date for the competition. (For competitions under the revised Circular, the "start date" is the date the competition is formally announced in FedBizOpps.) Format dates as MM/YY.
3. **the total number -- expressed as a full-time employee equivalent (FTE) number -- of the Federal employees studied under completed competitions**
- For each competition, provide the total number of FTEs studied corresponding to #1 above.
  - Do not include work being performed by subcontractors to an agency’s most efficient organization (MEO).
4. **the total number -- expressed as an FTE number -- of Federal employees that are being studied under announced competitions**
- For each competition, provide the total number of FTEs to be studied corresponding to #2 above.
  - Do not include work being performed by subcontractors to the agency’s MEO.
5. **the incremental costs directly attributable to conducting the competitions identified under items #1 and #2 above, including costs attributable to paying outside consultants and contractors**
- For each competition, report on the FY 2004 costs associated with conducting the competition, as well as any costs in any other year for competitions that spanned multiple years. Costs reported to Congress in connection with a competition that was announced

but not completed in FY 2003 should be included in this reporting cycle if the competition was completed in FY 2004.

- Identify costs expended through September 30, 2004.
- Report costs in millions with three decimal places. For example, \$35,000 would be entered as 0.035 in the appropriate cell.
- *Include* any of the following costs if incurred after public announcement of the competition:
  - i) The costs of consultants or contractors who participated in the conduct of the reported competitions.
  - ii) The costs of travel, training, or other incremental expenses directly attributed to the conduct of the reported competitions.
  - iii) Incremental in-house staff costs that were incurred as part of conducting the competition (i.e., any staff hired specifically to work on a particular competition or competitions or fill behind employees temporarily working on a competition or overtime costs (where overtime costs are tracked)).
- *Exclude* the following costs:
  - i) Any costs incurred prior to public announcement of the competition.
  - ii) Costs of in-house staff that may have spent time on the competition during regular working hours, such as developing the performance work statement, but were on-board before the competition commenced and continue to be on-board. However, as noted above, overtime costs incurred in connection with work on a particular competition should be included.
  - iii) Costs of central program oversight of competitive sourcing (i.e., those resources that do not directly relate to a particular competition) such as competitive sourcing office staff or general training provided to employees that is not considered a part of the competition.

**6. an estimate of total anticipated savings or a quantifiable description of improvements in service or performance, derived from completed competitions**

- Report *total anticipated savings* (for the entire performance period) associated with competitions included in #1 above and identify the associated performance period over which the savings are expected to accrue (e.g., \$20 million over 5 years). This figure should be adjusted to constant 2004 dollars.
- Enter the duration of total performance in years with one decimal place. For example, if the total of all performance periods under a letter of obligation or contract is 40 months, enter 3.4 in the appropriate cell. Enter only numbers; do not add text.

- The *annualized expected savings* for each study (i.e., the total anticipated savings for the entire performance period divided by the years of performance) will be calculated automatically by the workbook spreadsheet furnished by OMB (see section IV) based on the information the agency provides on total anticipated savings and duration of performance.

**Note:** *Savings* is generally defined as the cost of performing the function or providing the service “as is” (the baseline) minus the cost of performing the function or providing the service under the winning bid, over the performance period.

These guidelines are intended to produce a realistic estimate of savings. Accordingly:

- In calculating the baseline costs, follow the guidance provided in Circular A-76 so that baseline, most efficient organization, and other offeror costs are all calculated consistently. For this reporting period, baseline costs should be the total of in-house personnel costs (see ¶ B.2 of Attachment C of the Circular) plus overhead (see ¶ B.5 of Attachment C) and contract costs (i.e., the baseline should include lines 1 and 4 and the contract costs from line 3 of the standard or streamlined competition form). Do not include transition costs (e.g., Voluntary Early Retirement Authority or Voluntary Separation Incentive Program costs, moving expenses, etc.) in the baseline.
- The “as is” or baseline estimate should correspond to the manner in which the function was planned for budgeting purposes in the year that the announcement was made. For example:

The baseline should not be the staffing level that would optimally be needed to provide the service. “We’ve been doing the function with 20 people but haven’t been getting the work done. We really need 25.” The baseline would include the 20 people, not the 25.

The baseline should not reflect actual staffing at the time of the announcement. Over the past 12 months, the function has been performed by 20 people, but since preplanning for the competition began, three staff left so there are only 17 now. The baseline should include the 20 people, not the 17.

- As appropriate, include a description of improvements in service or performance that can be quantified.

**7. actual savings, or quantifiable description of improvements in service or performance, derived from the implementation of completed competitions**

- Identify savings that have been achieved on competitions completed either in FY 2003 or FY 2004 for which there are estimated savings.
- Savings should be identified *starting* on the first day of full performance (i.e., after phase-in tasks have been completed) and *ending* on either:

- The last date of the performance period where work is performed by a contractor or, for in-house performance, where savings are calculated (see below); or
- September 30, 2004 for in-house performance where savings are identified by proxy (see below).

Savings should be calculated as follows.<sup>1</sup>

(i) Contractor performance. For competitions where a contractor was selected to perform, subtract contract payments and contract administration costs (as identified by COMPARE) from the baseline costs that the agency used to calculate estimated savings. As explained above and in OMB Memorandum M-04-07, baseline costs are the total of in-house personnel costs plus overhead and contract costs.

(ii) In-house performance. Agencies may identify savings from in-house performance either by calculation or by proxy, as described below. Agencies should indicate on their spreadsheets which method was used to calculate savings – i.e., calculation (C) or proxy (P).

- Reporting by calculation: Subtract cost of in-house performance from the baseline costs that were used to calculate estimated savings. Agencies may exclude costs that are not directly related to performance, such as “save pay” adjustments for affected employees. When submitting their draft reports for review, agencies should explain to OMB how in-house costs were determined (e.g., labor costs plus fringe benefit cost factor of 32.85% for personnel on board when full performance begins). OMB will review agency methodologies to establish a common methodology for tracking costs associated with performance for the next reporting cycle.
- Reporting by proxy: Agencies may not yet have systems in place to accurately identify costs incurred with their agency providers. The proxy is as an interim mechanism for assessing savings. The proxy approach, described in Table 1, below, assumes that savings are being realized if the conditions for achieving savings (e.g., execution of a letter of obligation, implementation of the MEO staffing levels) have been put in place. For example, if an agency has fully implemented its MEO and performance standards are being met, the proxy will assume the agency’s annualized savings are being achieved for the months that the MEO was in effect. OMB recognizes that savings will accrue at a different pace than indicated by the proxy (i.e., savings are rarely spread evenly over each year of performance).

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<sup>1</sup> Agencies that have achieved “green” status on their competitive sourcing scorecard will also be expected to independently validate savings for completed performance periods on a sampling of their competitions.

Table 1. Savings Proxy

Actions Taken by 9/30/04	Recognized Savings
<ul style="list-style-type: none"> <li>- Phase-in to MEO completed -- e.g., letter of obligation (identifying workload, levels of performance, quality surveillance, cost) has been executed; MEO staffing plan in effect at FTE level identified in the MEO.</li> </ul> <p style="text-align: center;">AND</p> <ul style="list-style-type: none"> <li>- Performance standards fully met (e.g., performance is on time, within budget, and meets or exceeds quality standards)</li> </ul>	<p>Report 100% of estimated annualized savings for the number of months that MEO was in effect during FY 2004 and performance standards were fully met.</p> <p><u>Example.</u> Agency's FY 2003 report estimates annualized savings of \$1.2 million (or \$100,000 per month). MEO was fully implemented on July 5, 2004. Performance standards have been fully met. The agency should report savings of \$300,000 (\$100,000 x 3 months of full implementation).</p>

- Identify any quantifiable performance improvements. For competitions where quantifiable performance improvements were identified in the FY 2003 report, indicate if the performance improvements are being achieved.

Note: Updates for FY 2003 completed competitions should be reported on separate spreadsheets from those used to describe FY 2004 competitions. OMB's competitive sourcing report workbook includes a summary spreadsheet for updating savings and performance information on FY 2003 activities. If the information that was included in the FY 2003 report has changed (e.g., estimated savings figures have changed) the agency should provide an explanation to OMB.

#### 8. **fixed costs associated with the agency's competitive sourcing efforts in FY 2004**

- Identify labor costs associated with providing central direction and oversight. (Central direction would include that provided both by an agency's headquarters and, if applicable, that provided in a bureau.) If the agency is not currently collecting information on fixed costs in a systematic fashion, provide an estimate and identify that the figure is an estimate.
- If the agency has developed a methodology for determining fixed costs, the methodology should be described to OMB when the agency submits its draft report for review.
- Include the cost of FTEs that are fully dedicated to managing the competitive sourcing initiative at the agency and any contract support costs associated with this effort.

- Do not include the cost of FTEs or contract support associated with specific competitions or out-of-pocket (incremental) costs for conducting individual competitions.
- Report costs in millions with three decimal places. For example, \$540,000 should be entered as 0.540.

**9. the total projected number (expressed as a full-time equivalent number) of Federal employees that are to be covered by competitions scheduled to be announced in the fiscal year covered by the next report required under this section**

- Report the total number of FTEs planned to be studied during FY 2005.
- Indicate where the number is an estimate.
- Do not include work that is currently being performed by subcontractors to the incumbent agency provider.

**10. a general description of how the competitive sourcing decisionmaking processes of the executive agency are aligned with the strategic workplan of that executive agency**

- Describe how competitive sourcing activities relate to the agency's implementation of the Strategic Management of Human Capital Initiative by describing the steps human resources and competitive sourcing organizations within the agency have *jointly* taken to identify and address skill imbalances, competency gaps, and organizational redundancies.

**VI. Transmission information**

Agencies shall prepare draft report reports – i.e., transmittal, narrative statement, and spreadsheets with data on individual competitions – in accordance with the guidance above and transmit the draft report to OMB for review by November 12, 2004.

Draft reports should be submitted to the OMB RMO contact with a copy to OFPP (send to Barbara Merola at [Barbara\\_F\\_Merola@omb.eop.gov](mailto:Barbara_F_Merola@omb.eop.gov)).

Final reports are due to Congress by December 31, 2004. After OMB clears the agency's report, the agency should provide its report to:

- The President of the Senate;
- The Speaker of the House;
- The Chairman and Ranking Minority Member of the Senate Governmental Affairs Committee;
- The Chairman and Ranking Minority Member of the House Government Reform Committee; and
- The Chairman and Ranking Minority Member of the agency's appropriations and oversight committees.

OMB intends to provide Congress with a separate consolidated report summarizing individual agency submissions. This report will be in addition to – not in place of – individual agency reports. Each agency will be responsible for ensuring that the data in its individual report is consistent with the summary information on its activities that is provided in OMB’s consolidated report.

### **Achieving Results through Competitive Sourcing: Examples Template**

OMB seeks to highlight effective competitive sourcing strategies in its governmentwide report to Congress. Agencies are therefore encouraged to provide OMB with one or two brief narrative summaries describing competitions successfully completed in FY 2004 and the practices used to achieve results. If multiple competitions are discussed, agencies should include, whenever possible, examples that describe an award to an agency provider as well as an award to a contractor. Narratives should also describe shortcomings, if any, and corresponding corrective actions.

The following template is suggested for organizing narratives. Agencies that choose to prepare narratives should submit them to OMB along with their draft reports so OMB may review and incorporate the examples, as appropriate, in its consolidated report to Congress.

#### **Competition Summary Template**

1.	Describe the activity competed.
2.	Identify the number of FTE studied.
3.	Identify the source selection strategy used.
4.	Describe expected results (estimated savings, anticipated improvements in service or performance).
5.	Discuss how use of competitive sourcing has helped the agency achieve results -- e.g., by facilitating workforce realignment, reengineering, consolidation, new performance standards, modernization through investment in new technology.  <i>Note:</i> Please provide sufficient context about the activity being competed so a reader can understand how agency operations and practices have been made less costly, more efficient and/or more effective for the taxpayer.
6.	Discuss shortcomings, if any, and adjustments made to achieve expectations.
7.	Discuss steps taken to effectuate a successful transition to the MEO or contractor and strategies used to mitigate any adverse impact on federal employees.