Meet OMB's New Competitive Sourcing and Performance-Based Contracting Goals

Competitive Sourcing & Performance-Based Contracting

Competitive Sourcing Under a Revised A-76 Process

April 22-23, 2003

Manage A-76 Competitions, Competitive & Strategic Sourcing and Public-Private Partnerships

- Master New Criteria and Standards
- Meet New Mandates and Time Limits
- Calculate, Analyze and Compare Cost and Performance
- Form the Most Effective Organization (MEO)
- Identify Competitive Sourcing Opportunities

Performance-Based Contracting in Government

April 24-25, 2003

Meet New Procurement Mandates with the Latest Performance-Based Contracting Models

- Draft Statements of Work
- Improve Contract Management
- Provide Incentives for Performance
- Monitor and Accurately Report Contract Performance
- Select Performance Measurements



Presented by:

The Performance Institute

Achieve Cost Savings and Performance Improvements Through Effective Competitive Sourcing and Contracting

Meet New Procurement Mandates with the Latest Performance-Based Contracting Models

Dear Government Contracting Official:

Government contracting is increasingly becoming more results-oriented. The soon to be released rules defined under the revised OMB Circular A-76 are designed to make the process for managing public-private competitions and direct conversion outsourcing more streamlined, cost-efficient and performance-based. The cutting-edge seven step process developed by the Department of Commerce and leading government procurement officers has simplified and streamlined the implementation of PBSC in governmental settings. The implementation of seven step process is one of the most efficient ways to achieve the goals defined in the President's Management Agenda (PMA), including inclusion of competition targets and outsourcing initiatives.

To assist your agency in implementing these changes and requirements, you are invited to join Administration officials, competitive sourcing managers and national PBSC experts on April 22-25, 2003, at the 2003 Competitive Sourcing and Performance-Based Contracting conferences.

Implement the New Rules for Competitive Sourcing in the Federal Government

This timely Competitive Sourcing conference will provide you with up-to-date information on the new competitive sourcing developments and how to use these changes to improve the efficiency of your agency. Experts in performance-based competitive sourcing will present practical techniques to help you fully implement the changes in the new A-76 process.

Sessions are designed to walk through A-76 changes for major parts of the competition process, including preparation of the PWS/QASP, source selection using Sealed Bid and evaluation of bids under the "Cost/Technical Tradeoff" and "Lowest Priced Technically Acceptable" methods. One of the most important elements in the new A-76 process are the accountability provisions being placed on agencies to meet strict timelines for competitions while improving the outcomes of the process. By attending the 2003 Competitive Sourcing conference, you ensure that your agency has the tools and the mastery of the new sourcing rules to stay ahead of the new competitive sourcing process.

Acquire Best Practice Models for Performance-Based Contracting in Government

Performance-Based Contracting is focused on the cutting-edge, seven-step process of performance-based contracting. One of the most important challenges facing agencies today is the need for widespread adoption of performance-based acquisition in order to meet mission and program needs. Performance-based service acquisition can be challenging; it is filled with discussions of work breakdown structures, quality assurance plans, and contractor surveillance. You will be given new insight into developing a contract that actually defines what the goals of the contract are and provides for improved accountability and communication among all players in the contracting process.

Attend a comprehensive walk through of each of the seven steps of performance-based acquisition and learn how to implement these steps into your agency's acquisition plan. Topics that will be discussed during this conference include the development of a performance work statement (PWS) or statement of objectives (SOO), learn how to select the right contractor and decide how to measure and manage performance. Turn to the leaders in PBSC to ensure you are fully prepared for the future by attending the 2003 Performance-Based Contracting conference.

Don't Miss this Opportunity to Acquire the Knowledge You Need at One Comprehensive Source

The rules governing competitive sourcing have changed, with an emphasis being placed on accountability, transparency, cost efficiency and more performance-based results. Use the seven steps of PBSC to successfully meet these new acquisition goals and better manage your contract performance. By attending these events, you guarantee that your agency has the tools and mastery of the soon-to-be-revised competitive sourcing rules to stay ahead of the newly mandated process. Space is limited, so be sure to contact us immediately. Register by calling 703-894-0481 or visit us on the web at www.PerformanceWeb.org to learn more this timely event. I look forward to seeing you in April!

Sincerely,

Jason L. Cooley

Jason L. Cooley
Director, Center for Contracting and Outsourcing
The Performance Institute

Implement the New Changes to the Competitive Sourcing Process

Competitive Sourcing Under a Revised A-76 Process

Day One: April 22, 2003

8:30 **Registration and Continental Breakfast**

9:00 **Managing A-76 and Competitive Sourcing Projects: A Comprehensive Framework and Model Applications**

Anyone who has managed an A-76 project will admit it can be filled with pitfalls. In this full day, interactive training session, arm yourself with helpful templates and strategies devised by successful A-76 managers. Also, implement the new rules for competitive sourcing in the federal government.

You will learn about the importance of conducting an A-76 study, and managing the competitive sourcing process through step-by-step instruction. Sessions will cover the following issues:

- Developing an A-76 Management Plan
- Inventory and Activity Selection
- New Competition Vehicles
- Quality Assurance Plans (QASP)
- New Roles and Requirements
- Developing the Most Efficient Organization (MEO)
- Negotiating New A-76 Mandates and Time Limits

Marc Breson/Ramon Contreras, *Grant Thornton*

4:00 **Adjourn**

Learn From the Leaders

Don't miss these timely courses taught by seasoned experts and drawn from agency best practices!

Day Two: April 23, 2003

8:30 **Continental Breakfast**

9:00 **Performance Management Changes: Improving the Use and Role of Performance Measures in the Competitive Sourcing Process**

- Evaluate availability of performance data at the preliminary planning for public announcement phase
- Identify market and industry benchmarks for use in developing performance standards
- Understand critical success factors for designing effective performance and workload indicators
- Monitor, evaluate and manage for performance: What to look for

Carl DeMaio/Felipe Monroig,
The Performance Institute

10:15 **Break**

10:30 **Changes in the Inventory Process: Identifying and Analyzing Inherently Governmental vs. Commercial Functions**

- Learn about changes in creating an inventory of agency activities to report which are commercial and which are inherently governmental
- Implement new rules and requirements for classifying and justifying inherently governmental activities
- Use new Reason codes for commercial activities

Helen Bradwell-Lynch, *Department of Interior**

11:15 **Understanding New Competition Requirements on ISSAs**

If a commercial activity is performed by a public reimbursable source on a fee for service basis, an Inter-Service Support Agreement (ISSA) exists between the requiring agency and the providing agency. These commercial ISSAs are subject to competition requirements under the revised OMB Circular A-76.

- Identify the competition requirements for ISSAs under the new circular
- Learn how to create an "Annual Agency ISSA Competition Plan"
- Manage agency solicitations and the new commercial ISSA competition process

Roger Neece, *ESOP Advisor Inc.*

12:00 **Networking Lunch**

1:00 **"Integrated" Competitions Under the New A-76: Managing Competition in Information Technology**

Under the new A-76 process, information technology activities can be competed under the "integrated" sourcing selection method using a cost-technical tradeoff approach under FAR Part 15. Learn how the new integrated competition model will affect the management of Information Technology (IT) functions. Experts in competitive sourcing and IT explain how the A-76 revisions can be used to manage competition for IT functions.

Steve Sorett, *Reed Smith Shaw & McClay*

2:00 **Cost Calculation and Evaluation Changes**

To reflect the full cost of agency, private sector and public reimbursable performance to the taxpayer, several new costing policies have been implemented for public-private competitions. Learn how to implement these new policies into your agency's competition plan. Also, learn about the "Cost-Realism" standard approach.

- Understand the special provisions when calculating public-private competition costs
- Learn how to evaluate cost competition
- Manage the minimum conversion differential effectively
- Measure calculated conversion costs

Art Smith, *Management Analysis, Inc*

3:00 **Break**

3:15 **Preparing the Agency Tender and MEO Under the New A-76 Process**

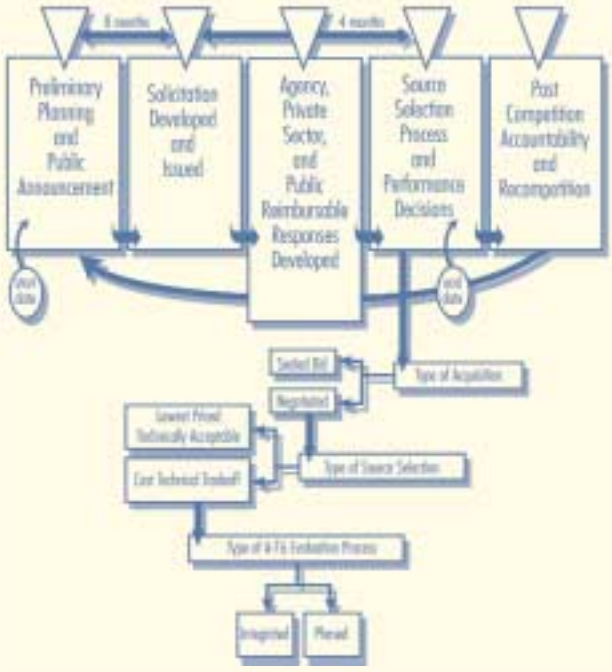
Obtain a step-by-step framework for preparing a successful agency tender during a competitive sourcing initiative. You will emerge from this session with specific tips on how to work with agency employees during a streamlined competition process in several key areas:

- Development of an A-76 Compliant Most Efficient Organization (MEO): Analyzing workload, performance expectations, and internal processes to streamline and produce the most efficient structure for satisfying the requirements of the PWS.
- Devising Quality Control Plans: Identifying strategies, performance measures, and internal management processes to guarantee quality of MEO work product.
- Developing a Phase-In Plan: Defining a plan for handling the transition from agency operation to MEO operation of activities, including staff transitions, asset disposition, etc.
- Preparing the Agency Cost Estimate: Calculating costs according to "Cost Realism" analysis and the Cost Supplement of A-76

Art Smith, *Management Analysis, Inc*

4:30 **Adjourn**

The Standard Competition Process



Performance-Based Contracting in Government

Day One: April 24, 2003

8:30 Registration and Continental Breakfast

9:00 Opening Session: Latest Federal Guidance on Performance-Based Service Contracting

The Bush Administration's newest guidelines for federal agencies require that at least 20% of service contracts worth more than $25,000 meet new performance-based guidelines during FY 2002. By FY 2005, at least 50% of all service contracts must meet these new performance-based standards. This session will introduce you to the expectations of the Bush Administration concerning the devising and implementing of performance-based contracts.

Carl DeMaio/Felipe Monroig,
The Performance Institute

10:00 A Strategic Framework for PBSC – The Seven Steps to Performance-Based Service Contracting

Several federal agencies use a comprehensive "Seven-Step Strategic Framework for PBSC" with great success. Learn the "ins-and-outs" of this cutting-edge system, developed by leading government procurement officials. Walk through the step-by-step framework for devising, implementing and maintaining a performance-based service contract.

- Understand what criteria a performance-based service contract must satisfy
- Explore different options and models
- Learn critical success factors that must be met to ensure a high-quality PBSC

Step One: Establishing Your PBSC Team

- Benchmark the purpose, objective and projected outcome of a contract
- Clearly identify and define the roles and responsibilities of all participants, including vendors
- Create a link between the program's mission and its individual team members

Tina Burnette, U.S. Department of Commerce, Seven Steps Team Member

12:00 Networking Luncheon

1:00 *Step Two:* Base Line to End Line: What Are You Trying to Solve?

- Learn to effectively assess current levels of performance
- Determine the key components of a successful contract
- Link acquisitions to organizational mission and performance objectives

Step Three: Assessing Private and Public Solutions

- Learn to conduct efficient and productive market-sector research
- Improve your contract development by effectively utilizing private-sector input before writing Performance Work Statements (PWSs) and crafting Statements of Objectives (SOOs)
- Apply experience from public-sector counterparts

*Dr. Frank Camm, RAND Corporation**

2:30 Break

3:00 *Step Four:* Developing Performance Work Statements and Statements of Objectives to Fit Organizational Needs

- Learn key components of Performance Work Statements (PWSs) and Statement of Objectives (SOOs)
- Hear effective techniques for comparing strengths and weaknesses of both methods
- Gain essential insight into when to use a PWS versus a SOO

Michelle A. Ringo, SAMHSA

4:00 Adjourn

Day Two: April 25, 2003

8:30 **Continental Breakfast**

9:00 ***Step Five:* Measuring and Managing Performance**

- Learn to identify key performance measures relevant and useful to contracts
- Include contractual language for negotiated changes to the metrics and measures.
- Craft and utilize Statements of Work (SOW)
- Craft and utilize Statements of Objectives (SOO)
- Review the success determinants
- Rely on commercial quality standards

Louis Gaudio, *Sterling Heritage Consulting*

10:30 ***Step Six:* Essential Factors in Selecting a Contractor**

- Learn to interpret past performance to predict future results
- Determine the "best value" when presented with a diversity of proposed services
- Tackle potential conflicts of interest

***Step Seven:* Post-Award Management**

- Learn to establish a clear line of performance accountability
- Incorporate the contractor into the team to improve results
- Maintain continued measurement during the contract to further improve results

W. Gregor Macfarlan, *Logistics Management Institute*

12:00 **Luncheon**

Logic Model

Input ←	Work Processes ←	Outputs ←	Intermediate Outcomes ←	End Outcomes
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Step 1: Establish the Contracting Team

Step 2: Identify Scope and Anticipated End Outcomes

Step 3: Examine Private-Sector and Public Sector Solutions

Step 4: Select Performance Measures (Intermediate Outcomes, Outputs and Work Processes)

Step 5: Develop a PWS or SOO

Step 6: Select Contractor

Step 7: Monitor and Manage Performance

1:00 **Contract Monitoring Systems and Project Management in a Performance-Based Environment**

- Learn how to establish effective systems for collecting performance information on contracts and monitoring performance
- Understand fundamentals of effective project management in performance-based contracting environments
- Evaluate, monitor and manage for performance

Harlan Wax, *Warden Associates*

2:15 **Break**

2:30 **PBSC Application Workshop: Perfecting Your Performance-Based Contract**

Experts in performance-based contracting will examine selected participants' contracts and offer practical ideas for helping them meet federal performance-based standards. A line-by-line review will help you avoid the pitfalls while maximizing the benefits reaped by utilizing performance-based measures.

Sample contracts should be sent to the Performance Institute by March 24th. Due to time constraints, not all participants' contracts will necessarily be reviewed during the workshop.

Harlan Wax, *Warden Associates*

4:00 **Adjourn**

Institute Research: *"Creating a Performance-Based Competitive Sourcing Process"*

During 2002, the Performance Institute and Reason Foundation collaborated on a research initiative to survey federal competitive sourcing managers for ideas for improving the A-76 process. Those recommendations were compiled and issued to the Administration and Congress in a report in October, 2002. Many of the observations, ideas, and recommendations are directed at agency officials-suggesting a number of ways agencies can improve their competitive sourcing initiatives and focus their internal processes more on performance and "best value." To access this groundbreaking report, visit www.competitive-government.org

In-House Training Sessions on the New A-76 Process and Performance-Based Contracting

The Performance Institute offers one, two and three-day A-76 education programs available to federal agencies for in-house training of staff. In-house training provides for customized, cost-efficient ways to educate staff on the new rules for competitive sourcing and performance-based contracting, as well as provides a forum for team building and project planning. Training is conducted by seasoned experts in competitive sourcing and acquisition processes. Where possible, actual example "projects" from the client agency are used during the training program-providing real life examples for agency staff. For more information on in-house training options, contact Felipe Monroig at 703-894-0481.

Administrative Information

Event Location and Hotel Accommodations:

Competitive Sourcing & Performance-Based Contracting will be held at the Performance Institute in Arlington, Va. The Performance Institute is situated just minutes from the Quality Courthouse and Virginia Suites hotels as well as the monuments in Washington, D.C.

A limited number of rooms have been reserved at the Hilton Garden Inn at a discounted rate of $142. Please contact the hotel with the number provided below to make reservations. Be sure to ask for the Performance Institute conference rate. The hotel will ensure that your conference experience is not only educational but also comfortable and enjoyable in every aspect.

Hilton Garden Inn
1333 Courthouse Road
Arlington, VA 22201
Tel: 703-528-4444
Fax: 703-528-4933
www.hiltongardeninn.com

Tuition Rates and Group Discounts:

Tuition rates for *Competitive Sourcing & Performance-Based Contracting* are as follows:

Federal Outsourcing Workshop Only: $995

Performance-based Contracting Workshop Only: $995

Both Workshops: $1695

Group discounts are available to agencies wishing to send 3 or more individuals to the *Competitive Sourcing & Performance-Based Contracting.* For information about group tuition discounts available, please contact Marco Amaro at 703-894-0481.

Administrative Notes:

A 10% cancellation fee on registration will be charged for cancellations received less than three weeks from the date of the conference. As speakers are confirmed six months before the event, some speaker changes or topic changes may occur in the program. The Performance Institute is not responsible for speaker changes, but will work to ensure a comparable speaker is located to participate in the program.

The Performance Institute

1515 N. Courthouse Road
Suite 600
Arlington, VA 22201

Registration Form for the *Competitive Sourcing & Performance-Based Contracting*
Call (703) 894-0481; Fax This Form To: (703) 894-0482;
or visit www.PerformanceWeb.org

☐ Yes! Register me for Competitive Sourcing (C125).
☐ Yes! Register me for Performance-Based Contracting (C126).
☐ Yes! Sign me up for free e-mail updates on PI research on law enforcement issues. My e-mail address is below.
☐ Please call me. I am interested in a special group discount for my team.

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