

NATIONAL SCIENCE FOUNDATION

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ARLINGTON, VIRGINIA 22230



OFFICE OF THE
DIRECTOR

January 30, 2006


The Honorable Richard B. Cheney
President of the Senate
United States Senate
Washington, DC 20510

Dear Mr. Vice President:

As required by Section 647(b) of Division F of the Consolidated Appropriations Act, FY 2004, P.L. 108-199, I am pleased to transmit the National Science Foundation's (NSF) report on its competitive sourcing efforts for FY 2005.

For additional information, please contact Donna Fortunat, Director, Division of Contracts and Complex Agreements (dfortunat@nsf.gov, 703-292-8240).

Sincerely,



Arden L. Bement, Jr.
Director

Enclosures

Report on FY 2005 Competitive Sourcing Activities at the National Science Foundation (NSF)

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The following provides detailed information in support of NSF's FY 2005 Competitive Sourcing Activities.

1. Total Number of Competitions Completed: None

2. Total Number of Competitions Announced: 1

NSF undertook our first competitive sourcing activity this fiscal year for technical and administrative support services. The list of activities covered include:

- Support for post-award monitoring and oversight activities
- Support for coordination and administration of outreach functions
- Support for administration and oversight of large facility projects

For this streamlined competition, NSF developed a Most Efficient Organization (MEO) and sought private sector input for development of the private sector estimate of costs. To allow sufficient time for MEO and private sector input, the Competitive Sourcing Official extended the time limit for completion of this streamlined competition from 90 days to 135 days.

3. Total Number of FTE studied under completed competitions: N/A

4. Total Number of FTE studied under announced competition: 22

The services competed represent new requirements that augment existing government performed functions. This activity was selected to address a recommendation to "increase the resources dedicated to post-award monitoring" contained in a repeat reportable condition in NSF's 2004 Financial statement Audit Report.

5. Incremental Costs directly attributable to conducting competitions: \$0.069M

6. Estimate of total anticipated savings or quantifiable description of improvements of service or performance: N/A – no competitions completed

7. Actual savings or quantifiable description of improvements in service of performance: N/A – no competitions completed

8. Fixed costs associated with the agency's competitive sourcing efforts in FY 2005:

There is no agency FTE fully dedicated to managing the competitive sourcing initiative at the agency. However, an estimated \$0.046M is spent to provide central direction and oversight of the agency's competitive sourcing activity. This estimate is based upon .25 FTE of senior staff salary and .1 FTE of senior executive salary plus benefits.

9. Total projected number of FTE to be covered by competitions scheduled to be announced in FY 2006: 7 - 15

10. General Description of how competitive sourcing decision-making processes are aligned with strategic work plan of NSF:

The competitive sourcing decision making process of the National Science Foundation (NSF) is closely aligned with our strategic work-plan. NSF is currently conducting a multi-year, comprehensive, integrated analysis of its business processes, its technology management and its workforce. The current initiative has identified opportunities for the integration of improvements in human capital management, business practices and technology. NSF has worked to develop a Competitive Sourcing Plan that is strategically linked to the Foundation's Human Capital Plan and its e-Government initiatives. NSF's competitive sourcing strategy will help the Foundation continue to evolve as an agency to best serve the needs of our science, engineering and education communities.

In the area of human capital management, NSF has developed a strategic approach to workforce planning and deployment that evaluates mission needs, customer expectations, and workload; identifies competencies; develops strategies to obtain, develop and retain requisite skills and knowledge; and reduces redundancies and excess organizational layers. NSF has also highlighted the priority of these efforts by adding a new section to its strategic plan dedicated to "Organizational Excellence" at the Foundation.

NSF is also currently conducting a workforce planning initiative to identify the needs of the Foundation's scientific staff and its administrative support staff. The effort will determine how to leverage current best practices in human capital management and the opportunities for improvement identified in the business analysis initiative to meet the needs of NSF staff. The workforce planning initiative will likely result in significant changes to NSF's organizational structure and staff composition over time, and NSF's Competitive Sourcing Plan will help enable the Foundation to achieve the realignments and workforce structure changes required across the agency.

If you have any questions concerning this report, please contact NSF's Procurement Executive, Donna Fortunat. Ms. Fortunat can be reached at (703) 292-8094 or via e-mail at dfortunat@nsf.gov.

National Science Foundation
FY 2005 COMPETITIVE SOURCING ACTIVITIES SUMMARY SHEET

None Completed
(Dollars in Millions)

Competition Description														Savings and/or Performance Improvements									
Agency	Bureau	Primary Activity Code	Secondary Activity Code	Additional Activity Code	Description of Activity Competed	Type of Competition	Location (State)	# of FTE in study	# of Bids Received	Start Date (MM/DD/YYYY)	End Date (MM/DD/YYYY)	Expected Phase-In Completion Date (MM/DD/YYYY)	Actual Phase-In Completion Date (MM/DD/YYYY)	Source Selection Strategy Used	Winning Provider	FY 2005 Costs	Total Cost - All Years	Estimated Savings	Period of Est. Savings (Performance Period--in years)	Annualized Savings	Actual Savings (if available)	Saving Methodology: Calculation/Proxy	Quantifiable Description of Improvements in Service or Performance (if appropriate)
STREAMLINED COMPETITIONS																							
									N/A								0.000				N.D.		
									N/A								0.000				N.D.		
									N/A								0.000				N.D.		
									N/A								0.000				N.D.		
									N/A								0.000				N.D.		
								0	0							0.000	0.000	0.000			0.000	0.000	
SUBTOTAL, STREAMLINED COMPETITIONS																							
STANDARD COMPETITIONS																							
																	0.000				N.D.		
																	0.000				N.D.		
																	0.000				N.D.		
																	0.000				N.D.		
																	0.000				N.D.		
								0	0							0.000	0.000	0.000			0.000	0.000	
SUBTOTAL, STANDARD COMPETITIONS																							
TOTAL, ALL COMPETITIONS																							
								0	0							0.000	0.000	0.000			0.000	0.000	

FY 2005 FIXED COSTS* 0.046

National Science Foundation
FY 2005 COMPETITIVE SOURCING ACTIVITIES SUMMARY SHEET

Announced Competitions*
 \$7.0M

Competition Description											
Agency	Bureau	Primary Activity Code	Secondary Activity Code	Additional Activity Code	Description of Activity Competed	Type of Competition	Location (State)	# of FTE in study	Source Selection Strategy Used (If Known)	Incremental Costs of Conducting Studies	Anticipated Savings or Quantifiable Description of Improvements in Service or Performance (if available)
STREAMLINED COMPETITIONS											
NSF		R000 Administrative Support			Technical Support for Award Oversight & Monitoring	Streamlined competition with MEO	VA	22		0.069	
										0.000	
										0.000	
										0.000	
										0.000	
SUBTOTAL, STREAMLINED COMPETITIONS								22		0.069	
STANDARD COMPETITIONS											
										0.000	
										0.000	
										0.000	
										0.000	
										0.000	
SUBTOTAL, STANDARD COMPETITIONS								0		0.000	
TOTAL, ALL COMPETITIONS								22		0.069	
CANCELLED COMPETITIONS (pre-performance decision)											
										0.000	
										0.000	

**National Science Foundation
FY 2003 and FY 2004 COMPETITIVE SOURCING ACTIVITIES**

SAVINGS & PERFORMANCE UPDATE
No Activity

Agency	Bureau	Function Competed	Type of Competition	Total Estimated Savings (As reported to Congress in past 647 reports)	Total Performance Period (in years)	Actual Phase In Completion Date (MM/DD/YY)	Actual Savings FY 2002	Actual Savings FY 2003	Actual Savings FY 2004	Actual Savings FY 2005	Total Actual Savings	Pd Over Which Actual Savings Accrued (In Years)	Savings Methodology: Calculation/ Proxy	Quantifiable Description of Improvements in Service or Performance (if appropriate)
STREAMLINED COMPETITIONS														
											0.000			
											0.000			
											0.000			
SUBTOTAL, STREAMLINED COMPETITIONS				0.000							0.000			
STANDARD COMPETITIONS														
											0.000			
											0.000			
											0.000			
SUBTOTAL, STANDARD COMPETITIONS				0.000							0.000			
TOTAL, ALL COMPETITIONS				0.000							0.000			