

December 11, 2002

Memorandum

To: Assistant Directors for Administration

From: Debra E. Sonderman, Director /signed by/
Office of Acquisition and Property Management

Subject: Fiscal Year (FY) 2003 Performance Assessment/Management Control
Guidance for Acquisition and Property Management

This memorandum transmits the Department's FY 2003 acquisition and property management performance assessment/management control review requirements. The Departmental Functional Reviews (DFRs) required by the Office of Acquisition and Property Management (PAM) during the FY 2003 reporting cycle are in the areas of acquisition, procurement reporting, personal property management, and museum property accountability.

Acquisition Performance/Management Control Reviews and Assessments

Beginning with the FY 2003 management control reporting cycle, bureaus will be responsible for performing annual management control assessments/reviews of 25 percent their contracting activity (this includes all headquarters, Regional, and field activities where contracting officers warrants are maintained) over a four-year period, so that by the end of four years, 100 percent of the contracting activity will have been reviewed, assessed, and applicable corrective actions taken. In accordance with Office of Management and Budget Circular A-123, Management Accountability and Control, guidance, reviews/assessments will be conducted to ensure that:

- Bureau contracting programs are achieving their intended results;
- Resources are used consistent with bureau mission;
- Resources are protected from waste, fraud, and mismanagement;
- Laws and regulations are followed; and
- Reliable and timely acquisition management information is maintained, reported and used for decision-making

As appropriate, corrective action plans must be developed, implemented, and tracked for deficiencies identified in the course of reviews/assessments. Managers should complete, within established timeframes, all actions that correct or otherwise resolve the appropriate matters identified in review reports.

The Department of the Interior Acquisition Management Review (AMR) Handbook is being revised. A draft will be distributed for comment within the next 60-90 days. Until a revised handbook is issued, bureaus may use their own AMR guidance or the six Quality in Contracting (QUiC) Acquisition Quality Review Module checklists (available by accessing: <http://www.doi.gov/pam/acqual.html>) as guides in performing the reviews.

Surveys/interviews with program customers, procurement employees, and procurement managers should be included and addressed as part of the review process. In order to avoid possible survey saturation and duplication of effort, applicable results from bureauwide surveys of DOI employees, customers, clients, and partners may be used. Please consult your bureau/office Department of the Interior Customer Service Forum representative regarding bureau/office survey plans for FY 2003.

Bureauwide FY 2003 annual management control assessment reports for acquisition are due to the Office of Acquisition and Property Management by Friday, August 15, 2003. Assessment reports must include the following:

- Summary findings of acquisition management reviews performed and corrective action plans implemented (including timeframes for complete implementation of corrective actions);
- Business-related "best practices" identified in the course of reviews or through knowledge gained from the contracting activity's daily operations during the reporting cycle that can be shared within and among DOI bureaus as a means of improving productivity, effectiveness, and efficiency;
- Summary findings of applicable Office of Inspector General (OIG) (this includes audits prepared by third parties working for the OIG) and General Accounting Office (GAO) reports (including audits, inspections, and reviews) and corrective plans implemented (including timeframes for complete implementation of corrective actions);
- Bureauwide targeted review and supplementary reports (see Attachment for targeted review and supplementary reporting requirements for FY 2003); and
- Assurance statement as to the adequacy of management controls within the bureau's contracting activity based on the assessment.

Bureau acquisition managers must coordinate issuance of their annual management control assessment report with their respective Bureau Management Control Coordinator and ensure that their reports are signed by the Assistant Director - Administration, or bureau equivalent, prior to submission to PAM by Friday, August 15, 2003.

Bureau acquisition managers must provide PAM with a description of their bureau's acquisition compliance review plans for FY 2003 by Monday, January 6, 2003.

Procurement Data Reporting

Federal agencies are required to submit complete, timely and accurate data to the Federal Procurement Data System (FPDS). The Interior Procurement Data System (IPDS) is Interior's established means to respond to this requirement. The completeness, accuracy and timeliness of the IPDS database was the subject of a Department-wide material weakness until the FY 1999 management control reporting cycle when the material weakness was down-graded to the bureau level. PAM will continue to track progress at the single remaining bureau until the Interior Department Electronic Acquisition System is fully implemented and in use within that bureau, and complete, timely, and accurate reporting is demonstrated. PAM continues to monitor procurement data accuracy, and reserves the right to expand or reduce the special reporting requirements of bureaus with identified IPDS reporting weaknesses.

Personal Property Performance Assessments

Beginning with the FY 2003 management control reporting cycle, bureaus will be responsible for performing annual management control assessments/reviews of 25 percent their property management program (this includes all headquarters, Regional, and field activities) over a four-year period, so that by the end of four years, 100 percent of the bureau's property management program will have been reviewed, assessed, and applicable corrective actions taken. In accordance with Office of Management and Budget Circular A-123, Management Accountability and Control, guidance, reviews/assessments will be conducted to ensure that:

- Bureau property management programs are achieving their intended results;
- Resources are used consistent with bureau mission;
- Resources are protected from waste, fraud, and mismanagement;
- Laws and regulations are followed; and
- Reliable and timely property management information is maintained, reported and used for decision-making

As appropriate, corrective action plans must be developed, implemented, and tracked for deficiencies identified in the course of reviews/assessments. Managers should complete, within established timeframes, all actions that correct or otherwise resolve the appropriate matters identified in review reports.

The Department of the Interior Property Management Review Guideline (PMR) is being revised. A draft will be distributed for comment within the next 60-90 days. Until a revised guideline is issued, bureaus may use their own PMR guidance or checklists in performing the reviews. (Copies of the existing DOI PMR Guideline are available upon request to Chris MacArthur, Office of Acquisition and Property Management.)

Surveys/interviews with program customers, property employees, and property managers should be included and addressed as part of the review process. In order to avoid possible survey saturation and duplication of effort, applicable results from bureauwide surveys of DOI employees, customers, clients, and partners may be used. Please consult your bureau/office Department of the Interior Customer Service Forum representative regarding bureau/office survey plans for FY 2003.

Bureauwide FY 2003 annual management control assessment reports for property management are due to the Office of Acquisition and Property Management by Friday, August 15, 2003. Assessment reports must include the following:

- Summary findings of property management reviews performed and corrective action plans implemented (including timeframes for complete implementation of corrective actions);
- Business-related "best practices" identified in the course of reviews or through knowledge gained from the property program's daily operations during the reporting cycle that can be shared within and among DOI bureaus as a means of improving productivity, effectiveness, and efficiency;
- Summary findings of applicable Office of Inspector General (OIG)(this includes audits prepared by third parties working for the OIG) and General Accounting Office (GAO) reports (including audits, inspections, and reviews) and corrective plans implemented (including timeframes for complete implementation of corrective actions);
- Bureauwide targeted review reports (see Attachment for targeted review requirements for FY 2003); and
- Assurance statement as to the adequacy of management controls within the bureau's property management program based on the assessment.

Bureau property managers must coordinate issuance of their annual management control assessment report with their respective Bureau Management Control Coordinator and ensure that their reports are signed by the Assistant Director - Administration, or bureau equivalent, prior to submission to PAM by Friday, August 15, 2003.

Bureau property managers must provide PAM with a description of their bureau's property compliance review plans for FY 2003 by Monday, January 6, 2003.

Museum Property Accountability

During the FY 2002 management control reporting cycle, the following bureaus met or surpassed the 80 percent milestone for museum objects cataloged: Indian Arts and Crafts Board, Minerals Management Service, National Business Center, U.S. Geological

Survey, and the Office of Trust Fund Management. By September 2002, the Bureau of Reclamation had cataloged 78 percent of its museum objects. Based on progress made, the Departmentwide material weakness in museum property accountability is resolved, however, bureau-level material weaknesses remain in the bureaus with the largest collections, i.e., Bureau of Land Management (BLM), U.S. Fish and Wildlife Service (FWS), National Park Service (NPS), and Bureau of Indian Affairs (BIA). Though no longer a Departmentwide material weakness, museum object cataloging will continue to be tracked and reported on at the bureau level by BLM, FWS, NPS, and BIA.

If additional information is required, your staff may contact Patricia Corrigan at 202-208-1906 (acquisition), Chris MacArthur at 202-208-6649 (personal property management), or Ronald C. Wilson (museum property) at 202-208-3438.

Attachments

cc: Director, Office of Financial Management
Bureau/Office Management Control Coordinators
Acquisition Managers' Partnership
Property Management Partnership
Interior Museum Property Committee
Museum Program Executive Program Committee

FY 2003 TARGETED REVIEW REQUIREMENTS

I. Acquisition

All Bureaus:

Report on actions taken by contracting activity in order to meet the President's Management Agenda performance goal for use of the Central Contractor Registration (CCR), an existing on-line database, as the single validated source of data on vendors doing business with the Government.

For Fiscal Year 2003, the Office of Management and Budget established the following performance goal for expanding on-line procurement and electronic government:

FY 2003 Annual Performance Goals: In FY 2003, expand Electronic Government to include use of the Central Contractor Registration (CCR), an existing on-line database, as the single validated source of data on vendors doing business with the Government; and, by October 1, 2003, stop collecting Standard Form 129, Solicitation Mailing List Applications as a source of vendor information.

In a joint Office of Acquisition and Property Management (PAM)- Office of Financial Management (PFM) memorandum dated October 7, 2002, bureau contracting activities were notified that beginning in FY 2003, they were to: (a) use the CCR as the single validated source of data on vendors doing business with Interior. With certain exceptions, prospective vendors must be registered in CCR prior to award of a contract, purchase order, delivery order, basic agreement, basic ordering agreement, or blanket purchase agreement; (b) encourage local and small business partners to register with the CCR; and, by October 1, 2003, (c) no longer accept and maintain the paper-based Standard Form 129, Solicitation Mailing List Application, as a source of vendor information.

The Interior Department Electronic Acquisition System (IDEAS) interfaces with the CCR. Through IDEAS, the CCR is used by Interior acquisition and finance personnel as a source of a wide variety of vendor information, including product/service data, addresses, and payment information. Further Governmentwide CCR implementation requirements and SF 129 information will be provided during FY 2003 through Federal Acquisition Regulation (FAR) coverage. Two FAR cases (one for CCR and the other, abolishing the FAR requirement to collect SF 129's) have been drafted and are under Civilian Agency Acquisition Council consideration.

Attachment 1-6

In responding to this targeted review requirement, bureaus will:

Describe actions taken by them during the FY 2003 reporting cycle in order to meet the President's Management Agenda performance goal for use of the Central Contractor Registration (CCR) as the single validated source of data on vendors doing business with the Government, as follows:

- a. Describe outreach activities to prospective vendors and contractors advising them of the CCR requirement and encouraging them to register with CCR. For example, were vendors advised of CCR requirements on your web site; through one-on-one interviews/meetings; via written notices/letters; at trade fairs?
- b. Were Regional and applicable field contracting offices provided with copies of the October 7, 2002 PAM-PFM policy on CCR on a timely basis? Was supplemental bureau-specific guidance developed?
- c. Was a link to the CCR web site (www.ccr.gov) included on bureau procurement and small disadvantaged business utilization Internet web sites?
- d. Has your bureau notified vendors that effective October 1, 2003, Department of the Interior contracting activities will cease to collect the Standard Form 129, Solicitation Mailing List Application? How was this notification given?

In Addition to the Above, Supplementary Reporting Requirements Specific To:

Bureau of Indian Affairs

Provide update on:

1. Bureauwide implementation and use of IDEAS and resolution of cited contract transaction reporting deficiencies;
2. Establishing an Acquisition Review process to ensure transaction compliance and quality; and
3. Publication of Buy Indian Act regulations.

II. Property Management

All Bureaus

A. Home-to-Work

Provide responses to the following questions regarding motor vehicle home-to-work activities:

1. Has your bureau requested home-to-work authority for certain employees in writing from the Department?
2. To date, how many requests have been approved? At what level was approval given?
3. How many employees are covered under the home-to-work approvals?
4. How does management ensure that toll cards are not purchased with appropriated funds and used to cover non-official employee travel?
5. Are logs or other records maintained that are necessary to establish that any home-to-work transportation was used for official purposes? At what level and where are the logs maintained?
6. How often and who reviews the logs/records for home-to-work transportation?

Real Property Management

Provide responses to the following questions regarding bureau/office real property management programs:

1. Does your bureau/office employ any full-time Real Property Specialists? If so, how many?
2. Does your bureau/office employ any collateral duty Real Property Specialists? If so, how many?
3. Does your bureau have policies and procedures clearly stated in writing and organized in manuals, handbooks or on the bureau website for managing real property? What is the date of the most current version of the guidance?
4. What bureau specific authority does your bureau have for the acquisition, management and disposal of real property?
5. How do you manage effective financial control over real property? Explain the current system used for managing real property. Is it integrated/interfaced with other systems?
6. Do plans and budgets effectively communicate the importance of managing real property? Please describe.