

supplement its staff, outsourcing approximately 40 percent of the technical workload over the past three completed fiscal years. The technical workload has a slight increasing trend as a percentage of the Reclamation appropriations.

- Reclamation management practices have resulted in a net reduction of more than 2,000 positions over the past 15 years, which represents a 25-percent reduction in staff over that time period. During the past 15 years, engineering positions have accounted for the majority of this reduction.
- Technical workload is performed by different segments of the organization, with the more specialized technical workload being performed in the Technical Services Center and broader application workload performed in the regional and field offices.

Implementation Status: Completed. On October 19, 2006, the Acting Deputy Commissioner – Operations transmitted the report entitled “Evaluation of Historical and Near-Term Workload” to Team 12 leads.

Action Item 10: Evaluate Workload: Commercial/Commercial Core/Inherently Governmental

Team Lead: Gayle Shanahan

Action Item Statement from the Managing for Excellence Action Plan

Evaluate the identified workload in terms of its commercial, commercial core, and/or inherently governmental nature, in accordance with the definitions in Office of Management and Budget Circular A-76. This will include the critical determination of the sustainable core capability needed to achieve Reclamation's mission-critical work.

Outsourcing Studies

Scope Statement

The objective is to provide Office of Management and Budget (OMB) Circular No. A-76 Federal Activities Inventory Reform (FAIR) Act classification guidance to be used to assist with *Managing for Excellence* initiatives to develop proposals for efficiently and effectively obtaining the technical services needed to carry out the Bureau of Reclamation's mission objectives.

Decision

Transmit the report entitled “FAIR Act Classification” and the Fiscal Year 2006 Act database to the team working on Action Item 12: Right-sizing. The report identified the following major points:

- Classifying activities in accordance with the FAIR Act is an evolving process. Refining and improving guidance and adjusting accordingly continue to improve each cycle. The rightsizing process will provide comprehensive guidance for Commercial Core for future FAIR Act Inventory processes. At some point, the FAIR Act Inventory process will become routine.

- While FAIR Act Inventory data are factors used in reviewing organizational alignment, FAIR Act classification GUIDANCE should be used to determine classifications for organizational alignment.
- Some activities performed may extend beyond the scope of Engineering and Design Services and Technical Services workload defined by Action Item 9: Workload Evaluation and some may be missing. The scope will be refined as a part of the right-sizing process.
- Determining commercial core classification requires a corporate perspective. These activities must be core to Reclamation's mission. As mission objectives change, so do commercial core requirements. For that reason, reviewing and adjusting organizational alignment is a continuous process and should be integrated into the model for Engineering and Design Services and Technical Services.

Implementation status: Completed. On November 30, 2006, the Director, Technical Resources transmitted the report entitled "FAIR Act Classification" to Team 12 leads.

Action Item 11: Analyze the unit to unit costs of in-house performance of the commercial workload vs. outsourcing

Team Leads: Jamie Macartney and Perry Hensley

Action Item Statement from the Managing for Excellence Action Plan

Analyze the unit to unit costs of in-house performance of the commercial workload vs. outsourcing

— Out. Survey Studies

Scope Statement

In today's engineering and construction climate, it is imperative that Reclamation make a concerted effort to collaborate with customers and stakeholders such that our operations are transparent and efficient. At the same time, Reclamation must take positive steps to maintain our core technical capability in order to remain good stewards over our dams and other facilities. The proposed business model is an attempt to meet these objectives while ensuring that our technical resources are fully utilized to the maximum extent possible.

Decision

The report compares data on the cost to contract with private firms (i.e., outsourcing) for engineering and design-related work with data on the cost to perform similar work with Reclamation staff. This information, along with the information developed for Action Items 9 and 10, is being provided to the team which is addressing Action Item 12. This latter Action Item pertains to processes for the continuous "right sizing" of Reclamation's engineering and other technical services workforce.

Comparative data are provided both for unit costs and for total costs for a given kind of engineering job. However, as this report notes, data which can be validly compared are very limited, particularly for total costs.

Implementation status: *Complete. On January 29, 2008 the report was provided to Team 12.*

Action Item 12: Right-sizing

Team Lead: *Jamie Macartney and Perry Hensley*

Action Item Statement from the Managing for Excellence Action Plan

Scope Statement

Decision To be updated when complete.

- Not even decided yet

Implementation status:

Action Item 13: Analyze Alternative Funding for the Technical Services Center

Team Lead: *Larry Walkoviak*

Action Item Statement from the Managing for Excellence Action Plan

Scope Statement

Decision To be updated when complete.

Implementation status:

Action Items 14 and 15: Implement Design, Estimating, and Oversight Functions Policy and Procedures for Oversight of Design and Construction Estimates

Team Leader: *Bruce Moore*

Action Item 14 Statement from the Managing for Excellence Action Plan

Implement design engineering estimate oversight functions associated with the Design Engineering Construction (DEC)/Dam Safety Officer (DSO) position; identify and