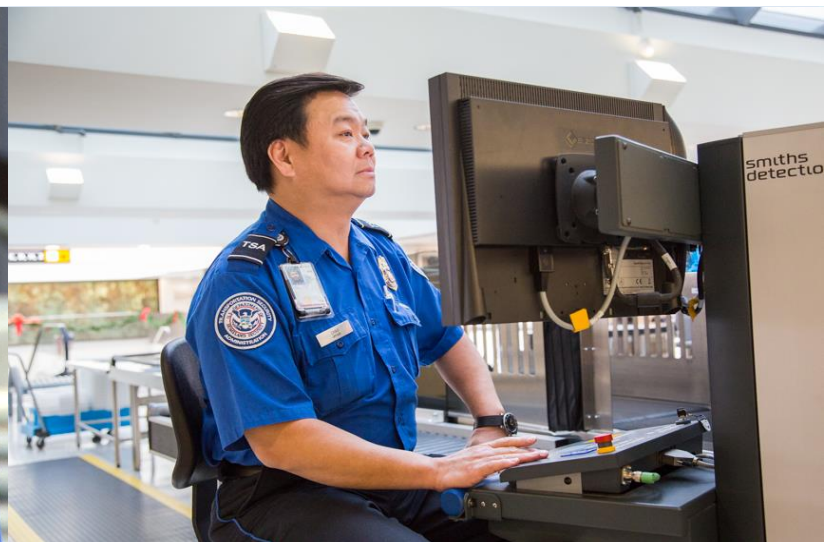


A Report by the Panel of the
NATIONAL ACADEMY OF PUBLIC ADMINISTRATION
for the Transportation Security Administration



*Transportation Security Administration:
An Assessment of Procurement Competition Policies,
Procedures, Strategies, and Goals*



June 2017

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The National Academy of Public Administration is an independent, non-profit, and non-partisan organization established in 1967 and chartered by Congress in 1984. It provides expert advice to government leaders in building more effective, efficient, accountable, and transparent organizations. To carry out this mission, the Academy draws on the knowledge and experience of its over 850 Fellows—including former cabinet officers, Members of Congress, governors, mayors, and state legislators, as well as prominent scholars, business executives, and public administrators. The Academy helps public institutions address their most critical governance and management challenges through in-depth studies and analyses, advisory services and technical assistance, congressional testimony, forums and conferences, and online stakeholder engagement. Learn more about the Academy and its work at www.NAPAwash.org.

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PUBLIC ADMINISTRATION**

for the Transportation Security Administration

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***Transportation Security Administration:
An Assessment of Procurement Competition Policies,
Procedures, Strategies, and Goals***

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Presidential Foreword

The Transportation Security Administration (TSA) provides security for the nation's transportation systems to ensure freedom of movement for people and commerce. In order to achieve this mission, TSA must effectively and efficiently acquire a wide range of goods and services from the private sector: passenger and baggage screening equipment, information technology systems and services, data systems, training and equipping personnel, and other critical items.

TSA's Office of Contracting and Procurement requested that the National Academy of Public Administration (the Academy) conduct a review of how it can enhance its competitive procurement practices and goal-setting. This report of a Panel of five Academy Fellows is the result of nine months of extensive independent research with TSA employees and other federal agencies, as well as with a variety of external stakeholders. Specifically, it not only evaluates TSA's recent competitive procurement rates and goal-setting practices, but also identifies effective practices to promote competitive procurement over time. The Panel concludes with recommendations on how TSA should improve its competitive procurement policy, practices, and performance.

As a congressionally chartered non-partisan and non-profit organization with over 850 distinguished Fellows, the Academy brings nationally-recognized public administration experts together to help public organizations address future challenges. We are pleased to have had the opportunity to assist TSA by conducting this study, and we appreciate the constructive engagement of its personnel, along with external stakeholders, all of whom provided important insight and context needed to inform this report.

I extend my earnest thanks to the Academy Panel, who offered their invaluable expertise and thoughtful analysis to this undertaking, and to the professional study team that provided critical support throughout the project. I expect that this report will contribute to TSA's ongoing efforts to improve its competitive procurement as it performs its critical national security mission.

Teresa W. Gerton
President and Chief Executive Officer
National Academy of Public Administration

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Acronyms and Abbreviations

Academy	National Academy of Public Administration
CA	Competition Advocate
CFO	Chief Financial Officer
CIO	Chief Information Officer
CO	Contracting Officer
COR	Contracting Office Representative
DOD	Department of Defense
DHS	Department of Homeland Security
EDS	Explosive Detection Systems
FAR	Federal Acquisition Regulation
FPDS-NG	Federal Procurement Data System-Next Generation
FY	Fiscal Year
GAO	Government Accountability Office
ITIP	Information Technology Infrastructure Program
OCP	Office of Contracting and Procurement
OCPO	Office of the Chief Procurement Officer
OAPM	Office of Acquisition Program Management
OMB	Office of Management and Budget
OFPP	Office of Federal Procurement Policy
OEM	Original Equipment Manufacturer
RFI	Request for Information
TSA	Transportation Security Administration
TSARA	Transportation Security Acquisition Reform Act
TSO	Transportation Security Officers

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Executive Summary

The Transportation Security Administration (TSA) contracted with the National Academy of Public Administration (the Academy) to undertake a study that would: (1) assess TSA's competitive procurement goal; and (2) identify practices for promoting competitive procurements. More specifically, the Panel of Academy Fellows leading the study was asked to assess whether TSA's procurement competition goal (target competition rate) is reasonable given the particular challenges faced by the Agency and to provide guidance on setting competition rate goals that can be reliably met. With regard to the review of practices related to promoting competitive procurements, the Panel was asked to focus on practices supporting effective procurement planning.

The Panel concludes that TSA's competitive procurement goal is reasonable, given the challenging procurement environment it faces with respect to security technology equipment. The Panel finds that the Office of Contracting and Procurement's (OCP) process for setting its procurement competition goal is consistent with leading agency practice, but that OCP's ability to reliably meet procurement competition goals will depend on improved procurement planning and execution.

The Panel identifies practices that can support effective procurement planning and competitive procurements in four ways: (1) improving collaboration between Agency contracting and program customer staff; (2) building program and top Agency leaders support; (3) strengthening oversight; and (4) leveraging capabilities of the vendor community.

While OCP has taken important steps to improve procurement planning, the Panel concludes that continued progress depends most importantly on building stronger support from program and top Agency leadership for competitive procurement and planning. Toward this end, the Panel makes two recommendations (presented in Section 3) to be implemented sequentially.

The Panel recommends first that OCP adopt effective practices identified in the report that can help build program and top Agency leaders support by communicating the importance of competition and procurement planning in terms of improved mission performance and reduced risks to budget and Agency reputation. Then, in the context of heightened support for competitive procurement and planning, the Panel recommends, that OCP present a plan to top Agency leadership to strengthen program accountability for competitive procurement. This plan would include requiring that Contracting Officer Representative (COR) duties be incorporated into the performance plans of designated program staff and that oversight of the COR be included in the performance plans of COR supervisors.

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Section 1. Project Background

Terrorist attacks perpetrated on the morning of September 11, 2001 led to enactment of The Aviation and Transportation Security Act that was signed into law on November 19, 2001. This law established the Transportation Security Administration (TSA), which in March 2003 became a component of a new cabinet department, the Department of Homeland Security (DHS). The mission of TSA's approximately 60,000 employees is to protect the nation's transportation systems to ensure freedom of movement for people and commerce. TSA is guided by a vision to provide the most effective transportation security in the most efficient way as a high performing counterterrorism organization. Its employees use an intelligence driven, risk-based approach to security, comprising multiple security methods while utilizing cutting-edge technology.

The most visible part of TSA's mission operations is passenger and baggage screening, accomplished by more than 44,000 transportation security officers at more than 440 domestic airports. TSA is responsible for the security of over 20,000 domestic flights per day and over 2,000 outbound international flights per day, using technologically sophisticated equipment and trained screeners. By the numbers, TSA screens:

- approximately 2 million passengers daily and over 700 million every year;
- 1.3 million checked items for explosives and other dangerous items daily; and
- 4.9 million carry-on items for explosives and other prohibited items every day.¹

Besides its passenger and baggage screening tasks, TSA's mission encompasses the work of federal air marshals deployed on domestic and international flights, transportation security inspectors, transportation security specialists, and other security professionals.

The success of TSA's mission depends greatly on the effective and efficient acquisition of a wide range of goods and services encompassing passenger and baggage screening equipment; IT systems and services; data systems to enable credentialing and training; and equipping mission personnel, including screeners, federal air marshals, and transportation security inspectors. In FY 2016, TSA awarded \$1.7 billion in contracts for goods and services, which accounted for over 23 percent of the total Agency budget of \$7.3 billion.²

1.1 Study Origin and Scope

This study, which aims to increase competitive procurements at TSA, was undertaken at the request of the Office of Contracting and Procurement (OCP).³ TSA's desire to enhance

¹ TSA by the Numbers Factsheet", Transportation Security Administration, https://www.tsa.gov/sites/default/files/resources/tsabythenumbers_factsheet.pdf

²U.S. Department of Homeland Security, FY 2016 DHS Budget in Brief, 2015.

³ The Office of Acquisition underwent reorganization in December 2016. OA was split into Office of Acquisition Program Management (OAPM) and the Office of Contracting and Procurement (OCP).

competitive contracting and procurement is salutary. Extensive research by many groups shows that maximizing fair and open competitive contracting and procurement promotes fairer competition; serves to prevent fraud; lowers prices; improves quality of goods, works, and services; and promotes overall better solutions for government needs.⁴

TSA contracted with the Academy to undertake a study that would include two elements:

1. Assess TSA's competition goal; and
2. Identify practices for promoting competitive procurements.

1.2 Background on Procurement at TSA

The procurement function at TSA was formed under challenging circumstances. In the rush to stand up TSA after the tragedies of 9/11, TSA relied on sole source contracts and single-award contracts encompassing a broad spectrum of activities, together creating conditions that hindered competitive procurement in later years. The urgency around the Agency's mission, generous budgets, and its exemption from the Federal Acquisition Regulation (FAR) until 2008⁵ contributed to the development of an organizational culture that placed little value on competitive procurement and planning.⁶

The Transportation Security Acquisition Reform Act (TSARA) (H.R. 2719), signed into law in December 2014, contributed to an increased focus on competitive procurement, requiring, among other things, for TSA to adopt best practices and improve transparency with regard to planning and implementation of security technology acquisition programs. In February 2016, the Government Accountability Office (GAO) completed an evaluation of TSA's implementation of TSARA. The report summary stated that TSA "has policies and procedures that generally address requirements of the December 2014 Transportation Security Acquisition Reform Act (TSARA). Specifically, TSA policy and procedures address TSARA requirements for justifying acquisitions, establishing baselines, managing inventory, and submitting plans, among other requirements."⁷

Based on study team research, TSA has taken actions in recent years to enhance competitive procurement. These actions included: breaking up contracts to enable more effective procurement competition; instituting reviews of major procurement plans and solicitations to help identify opportunities for more competitive procurements; fostering a

⁴ U.S. Congressional Research Service, *Competition in Federal Contracting: An Overview of the Legal Requirements*, by Kate Manual, CRS- R40516, 2011.

⁵ TSA was subject to the Federal Aviation Administration's Acquisition Management System (AMS) from 2001-2007 and, since 2008, has been subject to the FAR.

⁶ TSA was transferred from the Department of Transportation to the Department of Homeland Security (DHS) 2003. As such, TSA's procurement activities fall under the broader authority of DHS's Office of the Chief Procurement Officer (OCPO). TSA's competitive procurement policies, procedures, and operations are regularly reviewed and evaluated by the DHS OCPO.

⁷ U.S. Government Accountability Office, *Transportation Security: TSA Has Taken Actions to Address Transportation Security Acquisition Reform Act Requirements*, 2016, GAO-16-285.

more consistent planning culture and setting consistent procurement policies and processes to enhance competitiveness; and increased oversight by the Competition Advocate (one of whose roles is to review and approve non-competitive contracts). However, challenges remain, such as limited commitment to competition and procurement planning in some program areas.

TSA’s Office of Contracting and Procurement (OCP) works closely with Office of Acquisition Program Management (OAPM) and both offices report to the Chief of Mission Support.⁸ OAPM works with program offices on testing, evaluation, and system lifecycle acquisition issues. OCP is responsible for the procurement of a wide range of goods and services supporting TSA’s mission programs and administrative functions. By law, federal agencies also have a Competition Advocate.⁹ In the case of TSA, among other tasks, the Competition Advocate promotes effective practices in competitive sourcing, leads preparation of TSA’s competition goal, and prepares and submits TSA’s annual competition report to the Department of Homeland Security. The TSA competition advocate works closely with the competition advocate for DHS.

OCP procurement operations are organized under the following five divisions, described in Table 1.

Table 1. OCP’s Five Procurement Divisions¹⁰

Division	Examples of Goods and Services Procured
Workforce & Enterprise Operations	Human resources, training, and administrative services
Credentialing, Screening, and Intelligence	Installation of security detection systems, detection K9s, data systems supporting credentialing and screening
Enterprise Information Technology	IT architecture and software, IT systems development, professional support
Security Technology	Passenger and baggage screening equipment and maintenance
Mission Essentials	field consumables (e.g., uniforms, weapons), purchase card program, professional services

Source: Study team interviews

⁸ “Department Org Chart”, U.S. Department of Homeland Security, https://www.dhs.gov/sites/default/files/publications/Department%20Org%20Chart_2.pdf

⁹ Required by 41 U.S.C. 1705, the head of each executive agency shall designate an advocate for competition for the agency and for each procuring activity of the agency.

¹⁰ A sixth division in Atlantic City, procuring for the Federal Air Marshals Service, has since been dissolved and its procurement activities folded into the five other divisions. Legacy contracts are slowly being phased out but still exist in the Federal Procurement Data System-Next Generation for TSA and thus will be referenced later in the report.

1.3 Research Methodology

The Academy convened an expert Panel consisting of five distinguished Academy Fellows with a broad range of relevant skills to direct this study. The Panel actively guided the work of a four-member professional study team. (Appendix A provides short biographies for members of the Panel and study team.)

The study drew on a mix of interviews and documentary research (interviews are listed in Appendix B and a bibliography is provided in Appendix C). More detailed discussions of the study methodology are provided in Sections 2 and 3, which address the Panel's assessment of TSA competitive procurement goal, goal setting, and review of effective practices related to promoting competitive procurement.

Study team interviews with TSA and DHS procurement officials and TSA program officials helped clarify TSA's particular challenges and tailor a review of effective practices in ways that would be most useful. The study team reviewed effective practices with a range of federal agency officials and non-government experts as well as with TSA's counterpart agency in Canada, the Canadian Air Transportation Security Agency. Other federal agencies interviewed included two overlapping groups, practice leaders and agencies facing similar challenges to competitive procurement. Also, officials with OMB's Office of Federal Procurement Policy and the Government Accountability Office (GAO) were interviewed for expert perspective.

Documentary research included a review of both primary and secondary sources. Primary sources included TSA and DHS policy and procedures, and annual Competition Advocate Reports for TSA and other federal agencies where available. The study team relied on the Federal Procurement Data System—Next Generation (FPDS-NG) for data on agency procurement competition rates and analyzed TSA's internal procurement data using FPDS-NG methodology. The study team's review of secondary documentation included GAO reports on federal agency procurement performance and practice, and reports and guidance issued by OMB.

1.4 Report Structure

The remainder of the report is divided into the following three sections:

- Section 2 discusses the Panel's assessment of TSA's competitive procurement performance and goal setting.
- Section 3 discusses the Panel's review of effective practices related to promoting competitive procurement, the practices identified, and the Panel's recommendations.
- Section 4 presents the Panel's overall conclusions.

Section 2. Competitive Performance and Goal Setting

The Panel was asked to assess whether TSA's competition goal (target competition rate) is reasonable given the particular challenges faced by the Agency and to provide guidance on setting competition rate goals that can be reliably met. This section discusses the assessment approach and the Panel's conclusions.

2.1 Assessing TSA's Competitive Procurement Goal

The Panel's assessment begins with the contention that there is no definitive standard for benchmarking the competitive procurement performance of an agency with the aim to evaluate whether it is reasonable or not. This is implicit in reviews of agency procurement performance, which are limited to comparisons with government-wide competition rates. Agency missions and operating environments are simply too diverse to permit definitive comparisons of competitive procurement rates. Furthermore, the objective of increasing competition must be considered together with other important objectives, such as mission performance and cost savings. While competition generally serves these objectives, in some limited circumstances, achieving these objectives may require foregoing competition. For instance, procurement executives from two agencies interviewed by the study team explained how they made strategic decisions to accept a lower competition rate in order to realize large cost-savings by sole-sourcing maintenance services to original equipment manufacturers instead of systems integrators.

The Panel initially considered benchmarking TSA's performance with individual agencies determined to be "comparable." Customs and Border Protection and the United States Postal Service were found to be comparable with TSA in that they share one or more similar challenges, including procuring equipment for which there are a limited number of vendors capable of meeting specialized, highly demanding mission requirements; procuring maintenance services, for which competition is limited by proprietary rights of equipment vendors; and high risk associated with operational failure. However, the Panel decided against this. Limited public information¹¹ did not allow a sufficiently rigorous analysis of factors driving competition rates which are needed to explain different (and similar) rates, comparison of which would then create the potential for unjust conclusions. While these agencies were not used to benchmark TSA's competitive performance, they were included in the review of effective practices related to promoting competitive procurement due to some of the mission-related similarities. This review is discussed in Section 3.

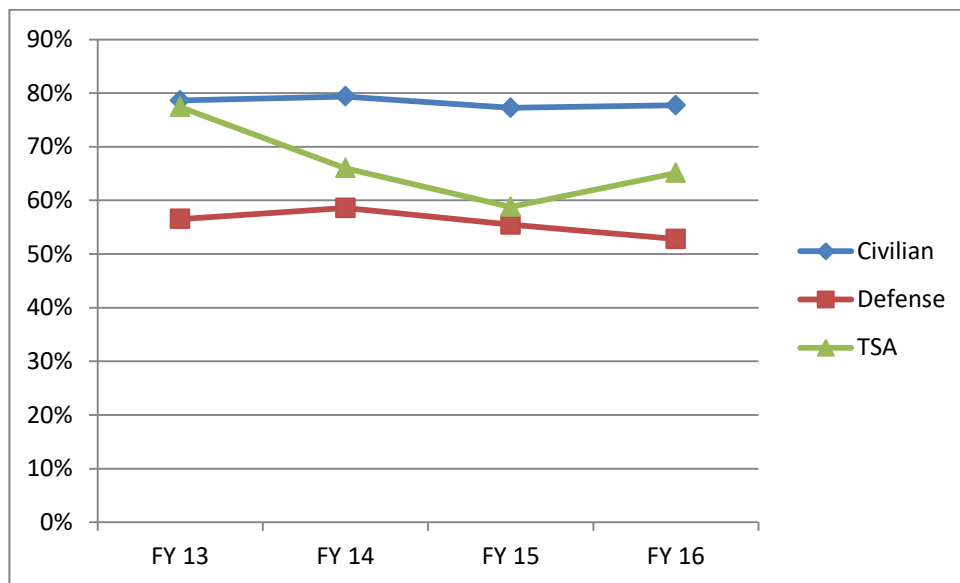
While the Panel decided against benchmarking TSA against individual agencies, it did compare TSA against the government-wide average to provide context. However, a

¹¹ USPS is not required to submit procurement data to the Federal Procurement Data System—Next Generation and even where data is submitted, an analysis of this data would require additional discussions with agency officials, which are not for attribution under the interview protocols used in studies undertaken by the National Academy of Public Administration.

comparison of competition goals across agencies was not possible because information on federal agency competition goals is not systematically available.¹² The Panel decided, instead, to compare TSA's competition rate (as opposed to goal) with the rates of other federal agencies, which are available from the online Federal Procurement Data System—Next Generation (FPDS—NG).¹³

TSA's competition rate was compared with the competition rates for civilian federal agencies¹⁴ and the Department of Defense over the past four fiscal years (FY 2013 – FY 2016).¹⁵ While TSA's competition rate of 77 percent is roughly equal to the civilian government average rate in FY 2013, TSA's competition rate falls between the average rate of civilian agencies and the Defense rate in subsequent years.

Figure 1: TSA Competition Rate, Civilian Federal Agency Average Rate, and DOD Competition Rate, FY 2013 – FY 2016



Source: FPDS-NG

¹² Competition Advocate Reports, where agencies often report competition goals, are not generally available to the public on agency websites. While agencies are required to submit a range of procurement data to OMB for inclusion in the Federal Procurement Data System—Next Generation, they are not required to submit information on competition goals.

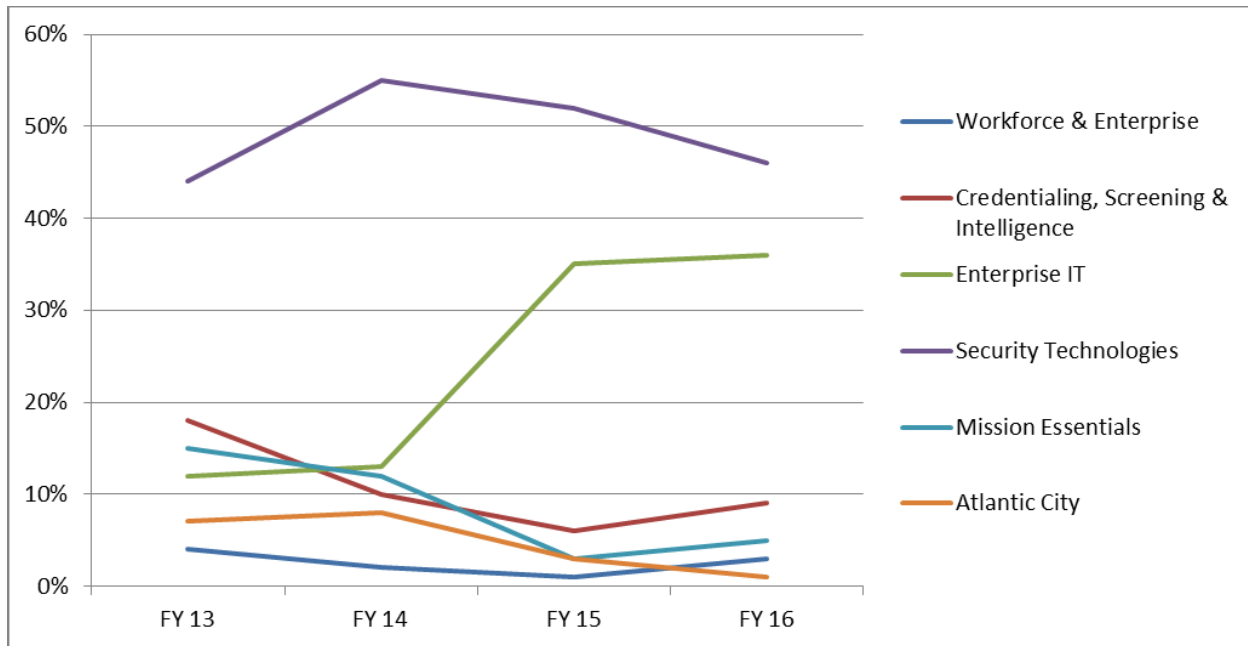
¹³ The Federal Procurement Data System – Next Generation (FPDS-NG) is the repository of all federal contracting data for contracts in excess of \$25,000. As noted earlier, USPS is not required to submit procurement data to the FPDS-NG. Competition rate data for USPS were obtained from its Competition Advocate Reports.

¹⁴ These are the CFO Act Agencies excluding DOD. See Appendix D for a complete list of agencies and their competition rates for FY2013-FY2016.

¹⁵ TSA identified this time period in initial discussions with the Panel.

While TSA's competition rate is low relative to the civilian government rate (after FY 2013), it is important to understand that one procurement division, security technologies, is responsible for a large proportion of TSA's non-competed procurement in any given year. Figure 2 below shows that the dominant share of TSA's total non-competed procurement dollars is accounted for by security technologies from FY 2013 through FY 2016.¹⁶

Figure 2: Percentage of Total Non-competed Procurement Obligation Dollars Accounted for by Each of TSA's Five Procurement Divisions, FY 2013 – FY 2016



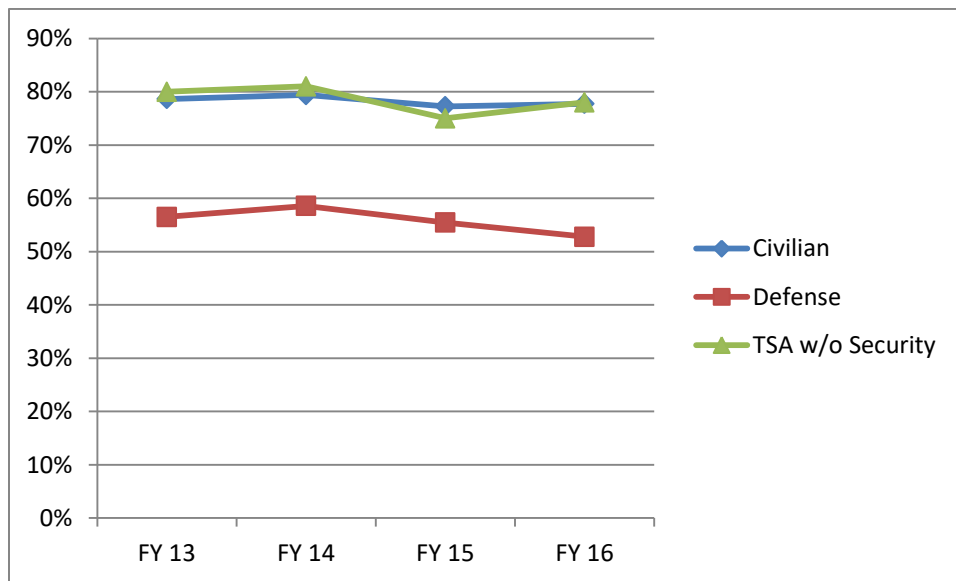
Source: FPDS-NG

Security technologies include baggage and passenger screening equipment used in airports as well as the maintenance of these machines. In the case of baggage screening equipment, the choice of vendor is dictated by compatibility with existing airport baggage handling systems. Therefore, TSA can only compete the procurement of baggage screening equipment for use in airports when new airport baggage handling systems are being designed and TSA can influence the design to enable compatibility with multiple vendors of screening equipment. With few exceptions, TSA is effectively locked into sole source procurement of maintenance services from original equipment manufacturers (OEMs) of both baggage screening and passenger screening equipment. OEMs holds proprietary rights to the data needed to perform maintenance. While TSA could purchase access to these data rights, the cost of data access, together with the investment in in-house expertise needed to utilize the data effectively, was determined by the Agency to be prohibitive.

¹⁶ Appendix E provides a breakdown of each division's proportion of total non-competed procurement dollars for FY 2013-2016.

Given the large impact of security technologies on TSA’s competitive procurement performance and the unique challenges to competitive procurement presented by security technologies, the Panel believes that it is important to consider TSA’s competitive procurement rate excluding security technologies. If security technology procurements are excluded from total procurement dollars, TSA’s competition rate closely tracks the civilian government rate as indicated in Figure 3 below.

Figure 3. Competition Rates for TSA (not including security technology), Civilian Federal Agencies, and DOD, FY 2014 – FY 2016



Source: FPDS-NG

Based on the preceding analysis taking into account the challenging procurement environment for security technology equipment, the Panel concludes that TSA’s competitive procurement performance is reasonable. That said, the Panel urges TSA to continue seeking opportunities to compete more security technology procurements.

2.2 Assessing TSA’s Competitive Procurement Goal Setting

The Panel’s assessment of TSA’s competition goal setting process included: (1) comparing TSA competition goals with actual performance; (2) analyzing key factors leading TSA to miss (over or under-achieve) its competition goal in past years; and (3) a review of competition goal setting practices by other agencies that might prove useful to TSA.

Table 2 provides TSA procurement competition goals and actual competition rates for the past four fiscal years. Since missing its competition goal in FY 2014, TSA has been in the process of recalibrating its goal, seeking a goal that is reasonable can be reliably met.

Table 2. TSA Competition Goals Versus Actual Competition Rates, FY 2013 – FY 2016

	FY 2013	FY 2014	FY 2015	FY 2016
Competition Goal	77.0%	77.0%	65.0%	65.0%
Actual Competition Rate	77.4%	66.0%	58.8%	65.1%

Source: TSA Competition Advocate Reports

TSA set a procurement competition goal of 77 percent for FY 2014, which was consistent with the Agency’s reported competitive procurement rate over the previous several years. However, TSA missed its FY 2014 goal with a competition rate of 66 percent. The TSA’s Competition Advocate Report indicates that the goal was missed due to unanticipated sole-source procurements of security equipment and equipment maintenance. It identifies six high dollar value non-competed procurements that account for the gap between goal and performance: “The three highest dollar value contracts were for the Transportation Security Equipment maintenance, specifically Explosive Detection Systems (EDS), “which requires original equipment manufacturers to perform the maintenance based on various data and vendor proprietary requirements. The next three highest were for EDS units themselves, which were required to be procured from the specific vendor to ensure compatibility with existing equipment at that airport, or to comply with the airport’s design specifications and agreement.”¹⁷

TSA adjusted its FY 2015 competition goal, lowering it to 65 percent, to reflect anticipated sole-source procurements of Explosive Detection Systems. However, TSA missed this goal due to an unanticipated extension of the Information Technology Infrastructure Program (ITIP) contract to allow additional time to prepare a solicitation for a new approach to providing the Agency’s IT infrastructure. This “bridge” contract, valued at \$143 million,¹⁸ exceeded the combined dollar value of sole-source procurements of screening equipment and equipment maintenance.

Despite anticipating the need to extend the ITIP bridge contract into FY 2016 again,¹⁹ TSA decided to retain its competition goal of 65 percent. TSA was able to meet this goal due partly to anticipated transitions from two large bridge contracts to competitive procurements as well as an anticipated decrease in procurements of explosive detection systems in FY 2016.

¹⁷ FY 2014 TSA Competition Advocate Report, p.2.

¹⁸ FY 2015 TSA Competition Advocate Report, p.2.

¹⁹ The ITIP bridge contract approved for FY 2015 included a second year option.

The study team's research on competition goal setting practices relied on interviews with federal agency officials undertaken as part of a larger review of effective practices that also encompassed practices promoting competitive procurement. Other federal agency officials interviewed identified two major considerations in setting the procurement competition goal: past competitive performance and significant sole source procurements anticipated in the year ahead. While past competitive performance provides a starting point, it is important also to identify significant procurements likely to be sole sourced. Both factors are considered by OCP officials as part of a regular process for setting the annual competition goal. About 97 percent of TSA's procurement actions in FY 2016 (out of an approximate total of \$2 billion in total procurement) total \$3 million or less. TSA thus focuses its monitoring efforts on a small number of high-dollar procurement actions in the remaining 3 percent that are likely to have a significant impact on the Agency's competition rate.

In addition to the goal setting process, the study team also discussed factors that can hinder the reliable achievement of procurement competition goals. Interviewees emphasized that seemingly feasible goals can be undone by poor planning and execution. Practices to strengthen procurement planning are discussed in Section 3.

2.3 Findings and Recommendations

The Panel concludes that TSA's competitive procurement rate is reasonable, given the challenging procurement environment for security technology equipment. The Panel finds that the OCP's process for setting its competition goal is consistent with leading agency practice, but that OCP's ability to reliably meet competition goals will depend on better procurement planning and execution. Findings and recommendations on effective practices in this area are discussed in Section 3.

Section 3. Effective Practices for Promoting Competitive Procurement

The Panel was asked to undertake a review of effective practices related to promoting competitive procurement with a focus on practices supporting effective procurement planning. This section discusses the review approach, the practices identified, and the Panel's recommendations.

3.1 Review Approach

The study team drew on a variety of expert resources on effective procurement practice in the federal government, including GAO's 2005 *Framework for Assessing the Acquisition Function in Federal Agencies* and OMB's 2009 guidance specific to promoting competitive procurement.²⁰ The study team conducted interviews with officials at two overlapping groups of agencies--agencies identified as practice leaders, such as the General Services Administration, and agencies identified as comparable to TSA (discussed in Section 2) in that they share one or more similar operating challenges. Also, interviews were conducted with thought leaders outside of government, such as the National Contract Management Association and the Homeland Security and Defense Business Council.

3.2 Identified Effective Practices

The Panel identified effective practices that can support effective procurement planning and competitive procurements in four ways: (1) improving collaboration between Agency contracting and program customer staff; (2) building program and top Agency leadership support; (3) strengthening oversight; and (4) leveraging the capabilities of the vendor community.

3.2.1 Improving Collaboration Between Agency Contracting and Program Customer Organizations

Effective procurement planning depends on timely and effective collaboration among multiple internal Agency stakeholders, including contracting, program, finance and legal.²¹ Collaboration between contracting and program office staff is particularly important.²² Collaboration is necessary to draw on the complementary knowledge, expertise, authorities of these stakeholders and to coordinate their actions. In this section, the Panel

²⁰ U.S. Government Accountability Office, *Framework for Assessing the Acquisition Function at Federal Agencies*, 2005, GAO-05-218G. <http://www.gao.gov/assets/80/76901.pdf>
U.S. Office of Management and Budget, Office of Federal Procurement Policy, *Increasing Competition and Structuring Contracts for the Best Results*, by Lesley A. Field, 2009

²¹ U.S. Government Accountability Office, *Framework for Assessing the Acquisition Function at Federal Agencies*, 2005, GAO-05-218G. <http://www.gao.gov/assets/80/76901.pdf>

²² U.S. Office of Management and Budget, Office of Federal Procurement Policy, *Increasing Competition and Structuring Contracts for the Best Results*, by Lesley A. Field, 2009

discusses common impediments to effective collaboration between contracting and program officials and identifies practices to help overcome them.

The Contracting Officer (CO) brings knowledge of the federal procurement system and the contracting tools available. However, the CO's ability to work effectively with program officials depends on an understanding of the particular technical and business conditions related to procurement in a given domain. This is especially important in highly technical domains, such as IT. The Panel identifies two linked practices to address this issue. These practices have gained currency in the IT field, in particular:²³

- Dedicate contracting staff to work in certain domains so that they can become familiar with the particular technical and business conditions and better understand the needs of program customers.
- Provide specialized training to contracting staff to complement domain experience.

On the program side, the Contracting Officer's Representative (COR) plays a critical role in procurement planning. CORs are responsible for working with program officials to develop requirements and undertaking market research to understand vendor capabilities. However, the effectiveness of the COR role can be hindered by other factors. First, COR responsibilities are generally a collateral duty for program staff that competes with core program responsibilities and program staff are not held accountable for the performance of COR responsibilities. Second, program offices often designate as CORs staff members who lack the technical expertise and training to carry out the role effectively. Often this reflects a lack of appreciation by program leadership for the COR role, seeing it as an administrative duty that distracts from more important mission operations. (The Panel addresses this broader issue of program leadership support in the next subsection, 3.2.2.) The Panel has identified specific practices to help ensure that program officials designated as CORs are competent and are held accountable for COR responsibilities.²⁴

- Program offices should designate technically competent people with specialized qualifications and expertise as CORs.
- Program offices should include COR responsibilities as a critical element in the performance plans of designated program staff and should add a performance standard related to oversight of COR responsibilities to the performance plan of the COR's supervisor to help ensure accountability.

²³ For example, in 2015, the Office of Federal Procurement Policy, together with the U.S. Digital Service launched the Digital IT Acquisition Professional Training and Development Program aimed at creating specialized cadre of contracting professionals to manage IT acquisitions. This initiative is built on a recommendation made in OMB's *25-Point Implementation Plan to Reform Federal Information Technology Management*, December 9, 2010

²⁴ Jefferson Solutions, *Assessment of the USDA's Contracting Officer's Representatives*, U.S. Department of Agriculture, Office of Inspector General, 50099-0002-12, March 2015. ee Appendix A, pp. 39-44.

In the case of planning for more complex procurements, frequent, in-person communication between contracting and program staff is needed for effective collaboration. The collocation of contracting and program staff offers one means of facilitating communication and collaboration. However, permanent collocation may not be feasible and can create its own challenges such as potentially compromising the independence of the contracting staff. The Panel identified the following practice recommendation from the IT field to consider:

- Provide for temporary collocation at critical times, such as during requirements development, when “translation issues” often occur.²⁵

3.2.2 Building Program and Top Agency Leaders Support

Effective procurement planning depends to a great extent on the actions of program office officials. While the lead role typically is assigned to the COR, the ability of the COR to do his or her work depends on the support of program management and leaders. However, the importance of procurement planning is often not sufficiently appreciated by program leaders, who see procurement, like other support functions, as an administrative task that distracts from mission operations. Relatedly, program officials do not always appreciate the positive value of competitive procurement or the risks of non-competed procurements, focusing instead on issues such as possible disruptions of service. In some cases, top Agency leaders may hold similar views and fail to take the actions needed to support effective collaboration. The challenge for procurement officials then is to persuade program and top Agency leadership that competition and procurement planning add value. The Panel identified the following practices that can be adopted by Agency procurement officials to build program and top Agency leaders support for competitive procurement and procurement planning.

- Communicate the importance of procurement planning and competitive procurement in terms of improving mission performance and reducing risks to budget and reputation.
- Reach agreement with Agency leaders on major risks and risk tolerance. Such agreement provides a standard for contracting staff to use when confronted by program staff claims that the risks posed by a possible disruption of service outweigh the benefits of competing procurement.
- Provide regular reports to Agency and program leaders that identify: (1) opportunities to compete major procurements currently sole sourced and (2) risks of sole source or bridge contracts if no or inadequate action is taken.

²⁵ Kundra, Vivek, *25 Point Implementation Plan to Reform Federal Information Technology Management*, US Chief Information Officer, 2010, <https://cio.gov/wp-content/uploads/downloads/2012/09/25-Point-Implementation-Plan-to-Reform-Federal-IT.pdf>. 14.

3.2.3 Improving Oversight

Oversight plays a critical role in helping achieve policy objectives, such as increasing the use of competition in procurement. Federal internal control standards state that agencies should identify, analyze, and monitor risks associated with achieving objectives, and that information needs to be recorded and communicated to management so as to achieve Agency objectives.²⁶ In the case of achieving the competitive procurement objective, this requires clear definitions of limited/sole-source contracts and strategies for tracking and managing their use in order to fully identify and monitor the risks of missing opportunities to increase competition.²⁷ The Panel identified the following specific practices that Agency procurement officials can adopt to help identify opportunities for increasing competition and to help ensure the successful transition to competitive procurements.

- Issue guidance clearly defining what constitutes bridge contracts and laying out the conditions for approving bridge contracts.²⁸
- Tie approval of bridge contracts to the development of a plan for competing procurement and provide for regular reviews of bridge contracts to ensure they are on track to a competitive procurement.²⁹
- Undertake regular reviews of major contracts that are currently sole source due to technical requirements and major orders under existing contracts to identify opportunities for competitive contracts.

3.2.4 Leveraging the Capabilities of the Vendor Community

Vendor outreach can enhance competitive procurements in a few ways, including: (1) gathering information on market capabilities to guide the development of requirements; (2) engaging the attention of vendors and incentivizing them to invest in meeting prospective Agency needs; and (3) learning how best to engage vendor communities.

Requests for Information (RFIs) and holding informational events for industry representatives (“industry days”) are two ways to obtain valuable intelligence on market capabilities that can inform requirements as well as notify industry representatives of Agency needs in advance of solicitations, thus giving vendors time to plan. The Panel identified the following specific practices:

- Issue RFIs at least eight months to a year in advance for more complex procurements to enable vendors sufficient time to prepare quality bids.

²⁶ U. S. Government Accountability Office, Standards for Internal Control in the Federal Government, 1999, GAO/AMID-00-21.3.1.

²⁷ U.S. Government Accountability Office, *Sole- Source Contracting: Defining and Tracking Bridge Contracts Would Help Agencies Manage Their Use*, 2015, GAO-15-16.

²⁸ Ibid,

²⁹ Ibid.

- Provide for one-on-one discussions with vendors to facilitate candid conversations (in addition to public discussions at industry events).³⁰
- Hold discussions with limited groups of vendors that have met certain qualifications or have demonstrated willingness to invest, such as vendors that respond to Agency RFIs.

“Reverse industry days” where an agency invites members of the vendor community to provide the industry perspective, can be a useful tool in learning how to better engage industry in future procurements. Agency practice leaders identified TSA as a pioneer in this area. The Panel identified the following specific practice as useful based on the experience of TSA.

- Organize presentations by vendors about how they make decisions about whether to respond to solicitations.

Competitive procurement can also be enhanced by reaching outside of the traditional vendor community. However, companies outside the traditional community may lack experience with government contracting. This recognition suggests another practice:

- Develop industry events focused on non-traditional groups of prospective vendors to better understand their particular needs and to help them prepare for future contracting opportunities.

3.3 Conclusions and Recommendations

Study team interviews indicate close collaboration between contracting and program staff in the security technologies domain. Contracting and program staff are working together to address the unique challenge they face in competing procurements for explosive detection systems for baggage screening. This includes engaging airports early in the design of new facilities to enable competition among baggage screening vendors before investments in baggage handling systems are made.

Still, procurement planning remains a challenge in some other areas. The Office of Contracting and Procurement (OCP) seeks to bolster procurement planning through training and planning assistance. The OCP provides training, appointment and certification for both Program Managers and Contracting Officer Representatives. Contracting Officers from OCP hold Procurement Planning Conferences at the beginning of each fiscal year with program stakeholders. The Conferences aim to identify all acquisitions and to encourage the advance planning needed to enable competitive procurements.

The OCP exercises oversight through regular reviews of major acquisition plans and reviews of procurement strategy and solicitations to help identify opportunities for more

³⁰ U.S. Office of Management and Budget, *“Myth-Busting”: Addressing Misconceptions to Improve Communication with Industry during the Acquisition Process*, by Daniel Gordon, 2011,

competitive procurements. These reviews assess proposal requirements to help ensure they are adequately informed by market research and are not unduly restrictive. The OCP has continuously strengthened procurement policies on limited/sole-sourced procurements. In 2015, OCP increased oversight by TSA's Competition Advocate in the approval of limited/sole-source contracts. To help reduce the use of bridge contracts, OCP issued a policy that defines bridge contracts and the conditions of their approval, including the development of a plan for competing procurement, and provides for regular OCP reviews of progress against plan milestones.³¹

While the OCP has taken important steps to promote competitive procurement through improved training, assistance and oversight, the Panel concludes that further progress could be enabled by a greater commitment to competition and planning in some program areas and more reliable support from top Agency leaders. Continued progress depends most importantly on top Agency leaders recognizing that competition and procurement planning matter in terms of improving mission performance and reducing risks to budget and reputation.

The Panel offers a prioritized set of recommendations for actions the OCP should take to enable continuing progress in promoting competitive procurement.

Recommendation 1: To lay the foundations for top Agency and program leaders' support for competition and procurement planning, Office of Contracting and Procurement should take steps to communicate the value of competition and procurement planning in improving mission performance and reducing risks to budget and reputation. Specifically, these efforts should include:

- Provide regular reports to top Agency and program leaders that identify: (1) opportunities to compete major procurements currently sole sourced and (2) risks of sole source or bridge contracts if no action is taken.
- Reach agreement with Agency leaders on major risks and risk tolerance. Such agreement provides a standard for contracting staff to use when confronted by program staff claims that the risks posed by a possible disruption of service outweigh the benefits of competing procurement.

In the context of heightened support for competition and procurement planning by top Agency and program leaders, the OCP will be in a position to promote the adoption of policies to that help ensure consistent application of effective planning practices by program personnel.

Recommendation 2: To bolster program office procurement planning efforts, the Office of Contracting and Procurement should request that top Agency leaders require that COR duties be included as a key element in the performance plans of designated program staff

³¹ Policy Letter 2016-009 (Revision 2), Establishing Bridge Contracts and Extending Service Contracts Beyond Period of Performance, signed October 9, 2016.

and that that a performance standard related to oversight of the COR be included in the performance plan of the COR's supervisor.

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Section 4. Conclusion

There are several important challenges to achieving TSA's objective to maximize competitive procurement. Our assessment begins by recognizing unique features of this Agency's creation, sparked by the tragedies of 9/11. Given the exigent circumstances surrounding its urgent start-up, TSA was exempt from the Federal Acquisition Regulation (FAR). During 2008, when TSA began operating under FAR rules, focus on competitive procurement increased. In addition to its historical roots, the Agency's daily security mission is a daunting one for which operational failure has catastrophic implications. TSA procurement operations are complicated by a challenge-rich environment, with specialized/precise requirements particularly when procuring baggage and passenger screening equipment and related maintenance agreements. Adding to the complexity, airports make many decisions impacting TSA equipment procurements where TSA has little or no advance input. Thus, the Panel commends TSA for requesting a report that can contribute to its on-going and diligent efforts to improve its competitive procurement performance while meeting relentless, complex mission demands.

The TSA's Office of Contracting and Procurement requested that the Panel explore how the Agency might improve its competitive procurement performance, including its goal-setting practices and proclivity to adopt effective practices to enhance competitive procurement performance. The Panel was also asked to evaluate whether TSA's competitive procurement goal is reasonable.

The Panel considered benchmarking TSA's procurement competition rate with agencies found to be comparable with TSA. However, the Panel decided against this, given that limited public information did not allow a sufficiently rigorous analysis of factors driving competition rates which are needed to explain different (and similar) rates. While TSA's competition rate is low relative to the civilian government rate (after FY 2013), the Panel concludes that TSA's competition rate is reasonable given the challenging procurement environment for security technology equipment.

Also, the Panel concludes that OCP reliably follows effective federal agency practices to set a procurement competition goal, but that its ability to reliably meet competition goals will depend on better procurement planning and execution. The Panel identified for TSA's consideration effective practices in four areas that support improved procurement planning. While OCP has taken important steps to improve procurement planning, the Panel concludes that further progress depends most importantly on building stronger support from program and top Agency leaders for competitive procurement and planning. Toward this end, the Panel makes two recommendations (see Section 3) to be implemented sequentially. The Panel recommends first that OCP adopt identified practices that can help build this support by communicating the importance of competition and procurement planning to improve mission performance and reduce risks to budget and reputation. Then, in the context of heightened support for competitive procurement and planning, the Panel recommends, that OCP present a plan to top Agency leadership to strengthen program accountability for competitive procurement at least indirectly by requiring that COR duties

be incorporated into the performance plans of designated program staff and that oversight of the COR be included in the performance plans of COR supervisors.

This report is intended to contribute to TSA's continued efforts to achieve an exacting mission, build up a reputation for success, and wisely steward finite resources. TSA must remain vigilant in its planning and execution of its challenging mission by maximizing competitive procurements. The fact that TSA asked for this review is evidence of the diligence and commitment of the Agency's Office of Contracting and Procurement to enhance performance, while simultaneously securing its critical mission to the American people.

Appendix A: Study Team and Panel of Fellows Biographies

PANEL

Allan Burman, Chair,* Dr. Allan V. Burman is President of Jefferson Solutions (Solutions), the government consulting company of the Jefferson Consulting Group (Jefferson). Under his leadership, Solutions over the last 20 years has provided analysis, evaluation, program management and acquisition assistance and assessment services to over 50 government departments and agencies. He possesses a “Secret” security clearance. Prior to Jefferson, Dr. Burman had a lengthy career in the Federal government, serving under Presidents Reagan, Bush and Clinton as Administrator for Federal Procurement Policy, a Senate-confirmed position in the White House’s Office of Management and Budget (OMB). He has also served in other policy positions in the Office of the Secretary of Defense (OSD) and in OMB. Dr. Burman serves as a Strategic Advisor to Government Executives (SAGE) for the Partnership for Public Service. He is Chairman of the Procurement Round Table, a Fellow of the National Academy of Public Administration, a Fellow and Member of the Board of Advisors of the National Contract Management Association, an Honorary Member of the National Defense Industrial Association (NDIA) and a member of the Cosmos Club. He is also an adjunct professor at George Mason University and at the International Law Institute. In 2009 he received a Federal 100 award in recognition of his contributions to the Federal information technology community. While at OMB he was appointed a Federal Executive Fellow at the Brookings Institution. From 1997 to 2003 he wrote a monthly column “Federal Marketplace” for Government Executive magazine. Dr. Burman holds a Ph.D. from The George Washington University, a master’s degree from Harvard University, was a Fulbright Scholar at the Institute of Political Studies, University of Bordeaux, Bordeaux, France, and graduated Summa Cum Laude, Phi Beta Kappa from Wesleyan University, Middletown, Connecticut.

Zal Azmi,* Mr. Azmi is the President and Chief Executive Officer for IMTAS (Innovative Management and Technology Approaches) and was formerly the CEO for Nexus Solutions and a Senior Vice President at CACI International. Prior to those roles, he served in the federal government for 25 years and as the CIO for the last 10 years. Mr. Azmi has received several prestigious awards including the Presidential Rank of Distinguished Executive Award, the President G.W. Bush Award for Excellence in Counter Terrorism Support, the Arthur S. Flemming Award for Excellence in Applied Science and Technology, Federal 100 award, two Bronze medals from the Department of Commerce, and numerous military service medals. In addition, he is an Adjunct Professor at George Washington University, a member of the AFCEA’s Cyber and Intelligence Committees, INSA’s Cyber Council, NDIA, ISACA, IEEE, Board of Directors for InfraGard, Chair Person of the Advisory Board for

University of North America, and several other industry associations. Mr. Azmi holds a Bachelor of Science in Information Systems from American University, and a Master of Science in Management Information Systems from George Washington University.

Rafael Borrás,* Partner, AT Kearney, Rafael Borrás is a partner with A.T. Kearney where he supports U.S. and international clients in the government and commercial sectors.. An expert in public and private organizational leadership, his focus is on management integration and organizational transformation, revenue generation and profitability, financial management, performance management, and law enforcement and security-related initiatives. Rafael is based in A.T. Kearney's Washington, D.C. office. Rafael is a recognized leader who has executed his strategic management vision at the intersection of the public and private sectors. He was recognized by the Homeland Security & Defense Business Council with a lifetime distinguished service award for his management transformation efforts at the U.S. Department of Homeland Security, and he is a fellow with the National Academy of Public Administration. Also active with non-profit organizations, Rafael was most recently named to the board of directors for Kids in Need of Defense which serves at-risk and unattended immigrant minors by providing legal representation in immigration hearings and facilitating safe reintegration when they must be returned to their country of origin. Prior to joining A.T. Kearney, Rafael was the undersecretary for management and acting deputy secretary for the U.S. Department of Homeland Security. He was also a vice president and corporate officer at global engineering firm URS Corporation. Rafael earned his degree in political science and public administration from Florida International University.

Deidre Lee,* Consulting, Deidre Lee Consulting, Ms. Lee served as Chief Acquisition Officer and Director of Management at Federal Emergency Management Agency since October 2006. Ms. Lee also served as an Acting Deputy Director of Operations for the Department of Homeland Security's FEMA and as Assistant Commissioner for General Services Administration's Federal Acquisition Service. Prior to joining GSA she was Director of Defense Procurement and Acquisition Policy at the Department of Defense, where she was responsible for all acquisition and procurement policy matters. She served as the Principal Advisor to the Under Secretary of Defense for Acquisition, Technology and Logistics and Defense Acquisition Board on acquisition/procurement strategies for all major weapon systems programs, major automated information systems programs, and services acquisitions. Ms. Lee also held critical positions including serving as the Office of Management and Budget's Administrator for the Office of Federal Procurement Policy; Associate Administrator for Procurement at the National Aeronautics and Space Administration; and Deputy Associate Administrator for Procurement and the Executive Officer to the Deputy Administrator of NASA. From 1984 to 1990, Ms. Lee worked at the Johnson Space Center as Chief of the Space Shuttle Procurement Division, Chief of the

Orbiter and STS Integration Procurement Branch, and Chief of the Data Systems and Aircraft Operations Branch. She has been a member of the National Contract Management Association since 1984, and has held numerous volunteer positions at the chapter and national level, including member of the Board of Advisors for many years. Ms. Lee holds a Bachelor's degree in Business Administration from Central State University in Oklahoma and a Master's degree in Public Administration from the University of Oklahoma.

Sheryl Sculley,* City Manager, City of San Antonio, TX, Ms. Sculley currently serves as City Manager of San Antonio, TX, a position she has held since 2005. Prior to her position as City Manager, Prior to joining the City of San Antonio, Sculley served as Assistant City Manager of the City of Phoenix and as the City Manager of Kalamazoo, Michigan.

Throughout her career, Sculley has actively participated in non-profit boards of directors as a community volunteer and City management professional. She has served on the San Antonio United Way Board of Directors, the Greater Phoenix Economic Council Board of Directors and Executive Committee, and the Heard Museum of Native American Art. Sculley served on the International City Management Association (ICMA) Board of Directors from 2002-2005 and was president of the Arizona and Michigan City Management Associations. In 2009, ICMA, a 9,000 member professional organization, recognized Sculley with the Career Excellence in City Management Award. In 2014, Sculley was recognized by ICMA for 40 years of service in local government. She is a Fellow in the National Academy of Public Administration, and a member of the National Forum for Black Public Administrators and the International Hispanic Network. Sculley has been an adjunct professor with the LBJ School of Public Affairs at the University of Texas in Austin. She has taught graduate classes in urban studies. Sculley earned a Bachelor of Science degree from Ball State University and a Master of Public Administration degree from Western Michigan University. Sculley also completed the Program for Senior Executives in State and Local Government at Harvard University's John F. Kennedy School of Government.

**Academy Fellow*

STUDY TEAM

Joseph P. Mitchell, III, *Director of Academy Programs* - Dr. Mitchell leads and manages NAPA's studies program and serves as a senior advisor to NAPA's President and CEO. He has served as Project Director for past Academy studies for the Government Printing Office, the U.S. Senate Sergeant at Arms, USAID/Management Systems International, the National Park Service's Natural Resource Stewardship and Science Directorate, and the USDA Natural Resources Conservation Service. During his 16 years at the Academy, Dr. Mitchell has worked with a wide range of federal cabinet departments and agencies to identify changes to improve public policy and program management, as well as to develop practical tools that strengthen organizational performance and assessment capabilities. As the Academy's studies director, he has provided executive-level leadership, project oversight, and subject matter expertise to over 50 highly regarded organizational assessments and studies, consulting engagements, and thought leader engagements. He holds a Ph.D. from the Virginia Polytechnic Institute and State University, a Master of International Public Policy from The Johns Hopkins University School of Advanced International Studies, a Master of Public Administration from the University of North Carolina at Charlotte, and a B.A. in History from the University of North Carolina at Wilmington.

Roger Kodat, *Project Director* - Mr. Kodat has led 15 projects at the Academy, several focusing on strategic planning and organizational transformation. He brings 20 years of commercial and investment banking experience with JPMorganChase, and six years of senior level federal government experience at the Department of the Treasury. He was appointed by President George W. Bush in 2001 to serve as Deputy Assistant Secretary of Treasury, responsible for Federal Financial Policy. Some of his tasks at Treasury included: policy formulation for the 2006 Postal Accountability and Enhancement Act; rule-making and oversight of Federal loan and loan guarantee programs; and managing the Federal Financing Bank (a \$32 billion bank at that time). Mr. Kodat holds a BS in Education from Northwestern University and both an MBA in Finance and MA in Political Science from Indiana University.

Jonathan Tucker, *Project Advisor*: Dr. Tucker joined the Academy's staff in 2004 and is a Senior Analyst with expertise in policy analysis, program evaluation, organizational design and management assessment, strategic planning, and information technology (IT) management. He was the lead analyst for IT issues for the Academy's recent assessments for the Department of Housing and Urban Development and the Social Security Administration. He holds a Ph.D. in Public Policy from George Mason University, an M.S. in Science and Technology from Rensselaer Polytechnic Institute and a B.A. in Public Policy from New College of the University of South Florida.

John Martinez, Senior Advisor: Mr. Martinez has extensive worldwide security and international trade experience acquired through government and private sector executive assignments. He served as a senior advisor on the Academy's reviews of foreign national access management for NASA and on the Academy's assessment of organizational improvement initiatives in the U.S. Secret Service. From 2002 to 2008, Mr. Martinez was an Assistant Special Agent in Charge in the Washington Field Office of the Federal Air Marshal Service (FAMS). For most of that time, FAMS was part of TSA after being moved from the FAA. During 2011, Mr. Martinez worked as a contract program manager for Qinetiq NA and ManTech International, managing the daily operations of a staff of contractors who worked on TSA's Transportation Threat Assessment and Credentialing (TTAC) Program, processing Transportation Worker Identification Credentials (TWIC) and adjudicating TWIC applications that were appealed by applicants who had been rejected based on issues found in their backgrounds. He also completed a one-year project in support of the Independent Monitor and Special Compliance Official (SCO) for the Department of Justice and Department of State. He assisted with the monitoring of a specific defense company's compliance with the Arms Export Control Act (AECA), International Traffic in Arms Regulations (ITAR), and U.S. programs directed at the protection of sensitive and classified information as well as technology. Mr. Martinez supported the oversight of all corporate policies and procedures related to the ITAR and developed strategies for the protection of sensitive and classified information. Mr. Martinez had a distinguished career in the federal service, primarily with the United States Customs Service, Office of Investigations, but also including positions within the Department of State and on Capitol Hill. His last two Customs Service assignments included his appointment as the Agent in Charge of the Washington Field Office and as the U.S. Customs Attaché in the American Embassy, London, England.

Emily Fay, Research Associate: Ms. Fay joined the Academy staff in August and is assisting with the Academy's review of the Maritime Administration's program alignment, National Nuclear Security Administration governance and management reform efforts, and a white paper on project management for the Project Management Institute. She previously worked on the Academy's review of the Bureau of Safety and Environmental Enforcement (BSEE) of the U.S. Department of the Interior. She has previously worked with the Peace Corps as a volunteer in Botswana and for the George Mason University School of Policy, Government, and International Affairs. She received her Master of Public Administration degree from George Mason University and holds a B.A. in International Affairs from James Madison University.

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Appendix B: Participating Individuals and Organizations

Transportation Security Administration Officials

Bolger, Holly- Division Director, Security Technology Division

Coppage, Pam – Federal Procurement Data System Point of Contact

DeBernard, CJ – Division Director, Enterprise Information Technology Division

Dorwart, Chip- Division Director, Mission Essentials Division

Gallihugh, Ron – Head of Contracting Activity, Deputy Assistant Administrator

Gibson, Vincent – Division Director, Workforce and Enterprise Operations Acquisition Division

Grubbs, Marvin – Division Director, Acquisition Policy and Competition Advocate

Johnson, James – Supervisory Transportation Security Inspector

Rice, Stephen- Chief Information Officer

Towles, Robin – Division Director, Credentialing, Screening, and Intelligence Division

Wilson, Mario – Director of Checked Baggage Screening Program

Other Federal Agency Officials

Bajowski, Francis – Competition Advocate, Office of the Procurement Executive, Department of Treasury

Bhagowalia, Sonny – CIO, Department of Treasury

Childs, Erin – Program Managers Office, FedSIM Director, General Services Administration

Davie, Marie – IT Category Manager, General Services Administration

Frye, David – Senior Program Analyst, Office of Government Wide Policy, General Services Acquisition Policy, Integrity, and Workforce, General Services Administration

Grover, Jennifer- Director, Homeland Security and Justice, Government Accountability Office

Gunderson, Rick – Competition Advocate, Customs and Border Protection

Lee, Mark – Deputy Director, Office of Government Wide Policy, General Services Acquisition Policy, Integrity, and Workforce, General Services Administration

Macklin, Michelle- Director, Acquisition and Sourcing, Government Accountability Office

Minson, Susan- Senior Policy Analyst, Office of Federal Procurement Policy, Office of Management and Budget

Nichols-Friedman, Angie- Senior Analyst, Acquisition and Sourcing, Government Accountability Office

Ovase, Muhammed - Manager, Technology and Data Integrity, Supply Chain Management Strategies, United States Postal Service

Schoenbeck, Donna – Competition Advocate and Manager, Supply Chain Management Strategies, United States Postal Service

Steedley, Sonya – Competition Advocate, OCPO, Department of Homeland Security

Taylor, Lindsay- Acquisition and Sourcing, Government Accountability Office

Winger, Tatiana- Assistant Director, Acquisition and Sourcing, Government Accountability Office

Woods, Bills- Director, Acquisition and Sourcing- Procurement Attorney, Government Accountability Office

Other Expert Interviews

Archibald, Gordon- Senior Legal Counsel, Canadian TSA

Azmi, Zal – President and CEO, IMTAS

Burden, Peter- General Manager, Program Improvement, Canadian TSA

Coleman, Casey- Group Vice President, Federal Systems Civilian Agencies, Unisys

Desjardins, Steve- Associate Director, Screening Technology, Canadian TSA

Fischetti, Michael – Executive Director, National Contract Management Association

Gudgeon, Chuck- Director, Procurement and Contracting, Canadian TSA

Haze, Pamela – Project Director, National Academy of Public Administration

Mondor, Martin- General Manager, Corporate Systems, Canadian TSA

Morel, Tom- Chief of Staff, Office of the President and CEO, Canadian TSA

Murphy, Danny – Former CEO and Aviation Director for Sky Harbor International Airports, City of Phoenix

Pearl, Marc – President and CEO, Homeland Security and Defense Business Council

Perron, Denis- General Manager, New Technology, Canadian TSA

Schambach, Pat- Partner, Schambach and Williams Consulting

Sweet, Krista – Director of Policy, Homeland Security and Defense Business Council

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https://obamawhitehouse.archives.gov/sites/default/files/omb/procurement/memo/myth-busting_3_further_improving_industry_communications_with_effectiv....pdf

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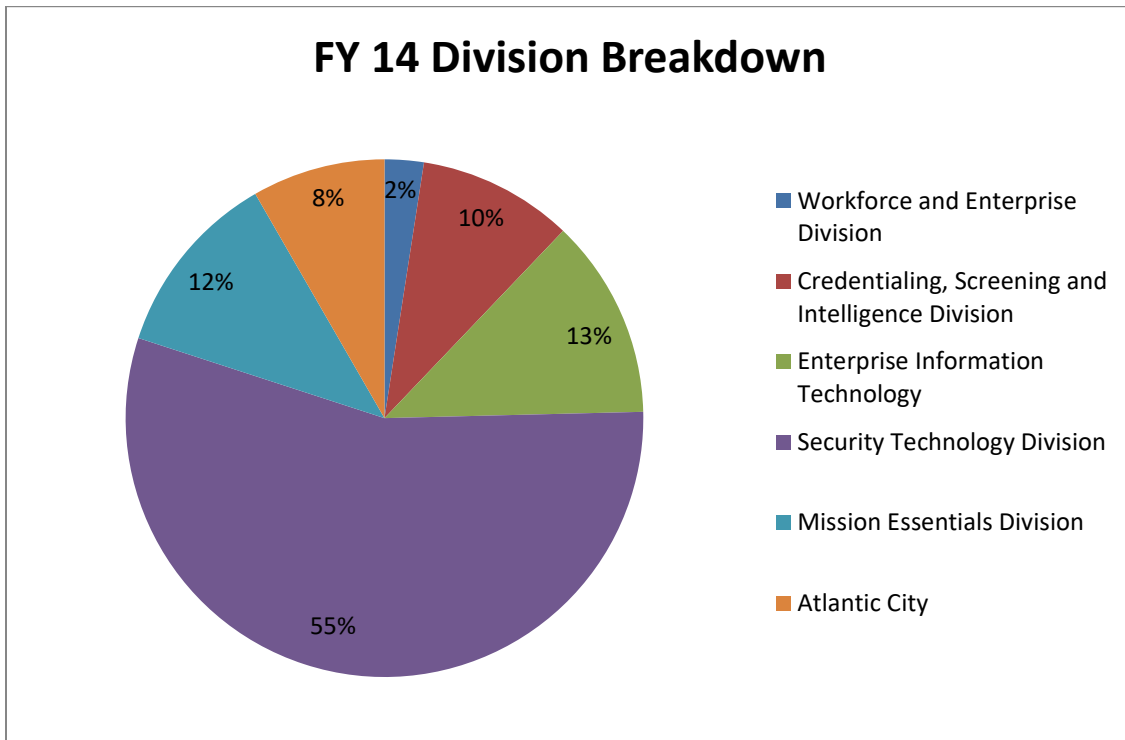
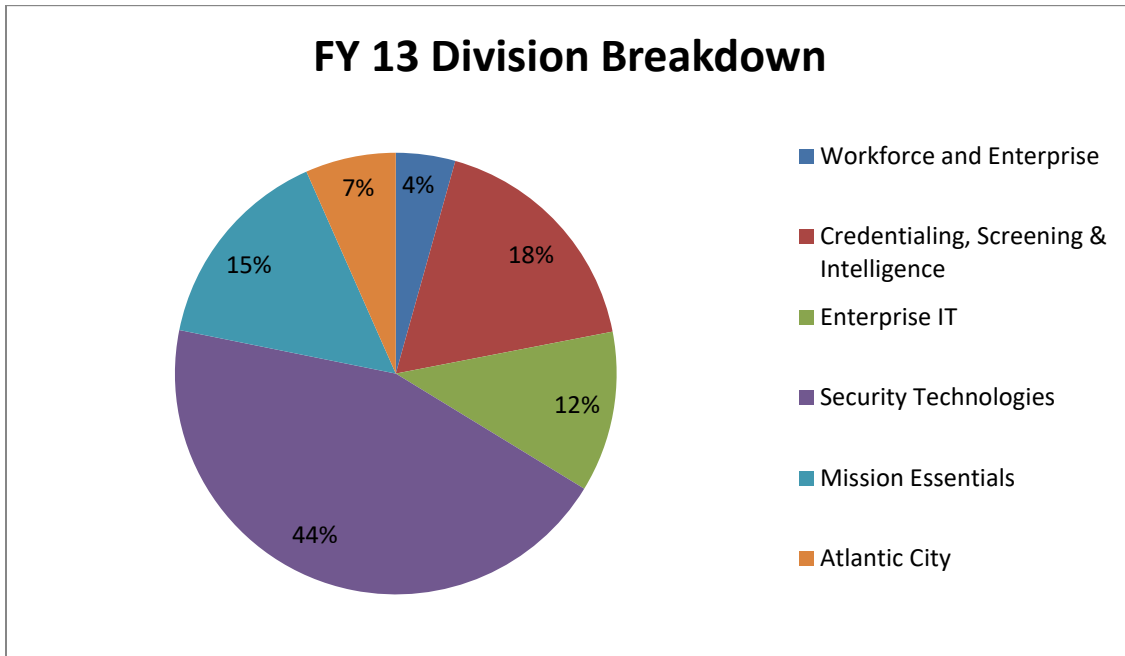
Appendix D: CFO Act Agency Data on Competition Rates

CFO Act Agency Name	FY 13	FY 14	FY 15	FY 16
Agriculture	85.78%	85.52%	84.35%	84.35%
Commerce	77.77%	76.91%	72.12%	76.06%
Defense	56.52%	58.59%	55.47%	52.78%
Education	90.42%	93.15%	86.00%	84.19%
Energy	90.18%	89.93%	91.80%	94.28%
HHS	81.00%	82.89%	83.21%	85.69%
Homeland Security	70.16%	72.45%	71.18%	71.32%
HUD	82.07%	78.24%	63.48%	68.79%
Interior	77.39%	78.40%	78.57%	77.72%
Justice	75.89%	71.28%	75.89%	72.57%
Labor	79.15%	75.98%	62.89%	54.25%
State	80.12%	81.13%	75.80%	73.41%
DOT	83.27%	82.98%	83.05%	85.67%
Treasury	86.26%	83.73%	84.73%	86.61%
Veteran's Affairs	80.31%	80.03%	80.96%	80.99%
EPA	83.05%	84.66%	83.35%	85.36%
GSA	79.48%	78.80%	81.95%	80.86%
NASA	65.19%	67.43%	67.73%	69.36%
National Science Foundation	91.03%	92.23%	92.26%	88.13%
Nuclear Regulatory Commission	74.64%	76.70%	78.13%	75.95%
OPM	88.74%	86.49%	81.75%	78.78%
SBA	57.18%	64.87%	72.58%	73.01%
SSA	58.56%	69.19%	58.12%	58.09%
USAID	70.69%	72.71%	67.04%	82.31%
Maximum	91.03%	93.15%	92.26%	94.28%
Minimum	56.52%	58.59%	55.47%	52.78%
Median	79.80%	78.60%	78.35%	78.25%
Mean	77.70%	78.51%	76.35%	76.69%

Source: FPDS-NG

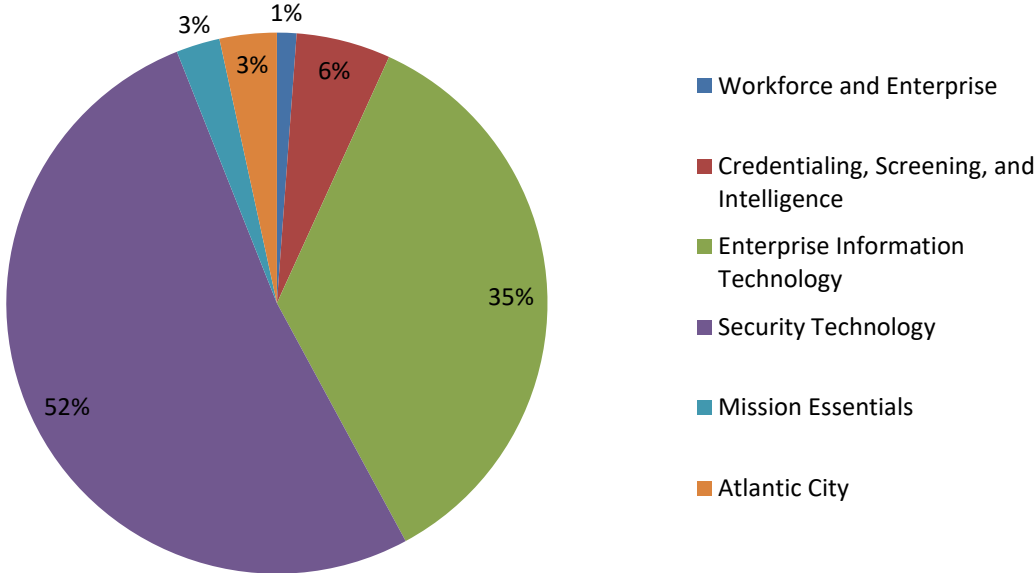
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Appendix E: Noncompeted Procurement Dollars Across TSA Divisions³²

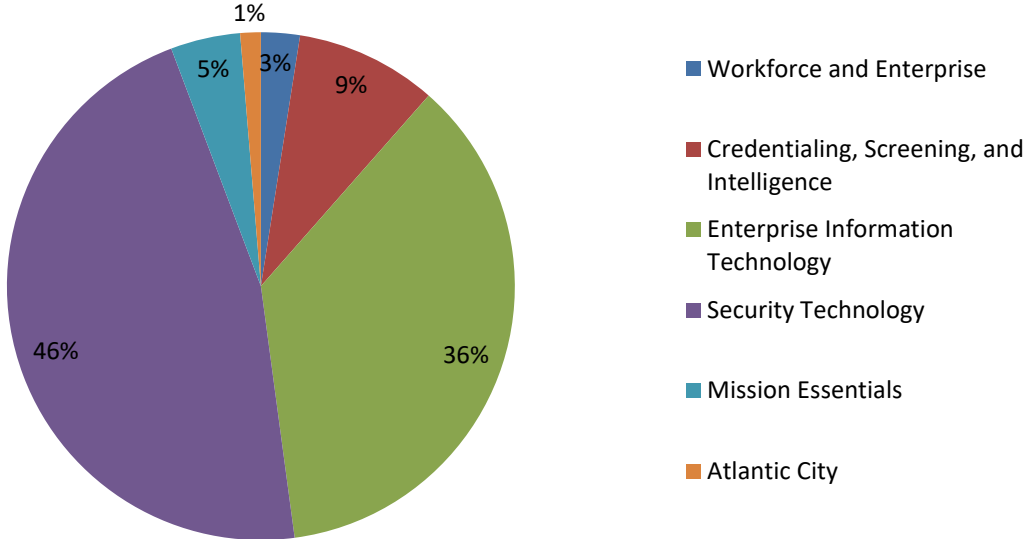


³² Source: FPDS-NG

FY 15 Division Breakdown

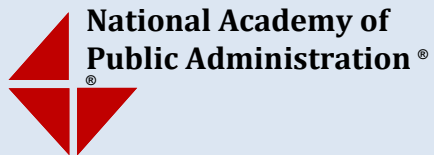


FY 16 Division Breakdown



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