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## White House to Seek Input on Roles of Private Contractors, Federal Workers

By Ed O'Keefe  
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On Wednesday, the Obama administration will begin seeking formal input from stakeholders on a knotty pair of questions: What kind of tasks should be performed by federal workers, and which ones can be handled by contractors?

The Office of Federal Procurement Policy will publish draft guidelines in Wednesday's Federal Register to clarify the definition of "inherently governmental functions," or jobs that should be performed by government workers instead of private contractors. The draft says that such tasks are so directly tied to the public interest that they must be done by government workers.

Those tasks include setting agency policy, hiring workers, awarding contracts and performing other core roles, such as inspectors at the Labor Department or airport security screeners with the Department of Homeland Security.

But the guidelines also seek to define tasks that could be performed by either private- or public-sector workers, such as providing technical assistance to government officials evaluating contracts or managing an agency's information-technology infrastructure.

The administration hopes to have final guidelines by the fall, after hearing from agencies, contractors, federal workers and their unions over the next two months.

The discussion comes amid a growing appetite in Washington to rein in wasteful government spending and improve oversight of multimillion-dollar contracts. The White House has proposed to cut \$40 billion in high-risk and noncompetitive contracts by the end of fiscal 2011 and to hire more government workers to manage large contracts. Administration officials said that Wednesday's move is not designed to abolish the use of private contractors.

"This is not about a bigger government; it's about a better government," said Jeff Zients, deputy director of the Office of Management and Budget.

"There are situations where the mix of federal workers and contractors is out of balance," Zients said. "This effort is about identifying those areas, correcting them and striking the right balance."

Over time, agencies will need to avoid allowing a contractor's duties to become more inherently governmental, said OFPP Administrator Dan Gordon.

"The remedy is oversight and management," Gordon said, promising that his office and OMB will keep closer tabs on the balance.

Stan Soloway, president of the Professional Services Council, which represents hundreds of contracting firms, credited the administration's review and applauded what he sees as a focus on government management instead of potential political gain.

"It's focused on really understanding the different kinds of work the government does, and I think they've really put out something that's really balanced," Soloway said, acknowledging that some of his members may eventually lose business.

"If the government can find work that's being performed by contractors that is inherently governmental, no one can argue with them bringing it back in house," Soloway said.

Union leaders, who have long fought privatization efforts, also cheered the move.

Colleen M. Kelley, president of the National Treasury Employees Union, said the new efforts should "level the playing field in public-private competitions for federal work" after privatization efforts during the Bush administration "wasted millions of taxpayer dollars."

John Gage, president of the American Federation of Government Employees, said the administration "can ensure that the private interests of contractors will finally be subordinate to the public's interest in accountable and efficient federal services."