

PSC'S 2012 TOP POLICY PRIORITIES

The federal professional services industry is a key strategic partner to the federal government and has a longstanding record of providing critical support to all federal agencies. Through partnerships with the private sector, the federal government is able to tap the best of the private sector's innovation, expertise and technology, as well as its highly qualified and nimble workforce. At the same time, the government's private-sector partners serve as vital cogs in the nation's economic engine by being leaders in job creation, research and development, and skilled workforce development. This is, in short, a partnership that greatly benefits the government, the taxpayer and our national economy.

PSC's policy agenda is focused on sustaining and enhancing that critical partnership. Our agenda seeks to strike the right balance of appropriate and necessary responsibilities and oversight associated with the public trust; to provide the government access to the best the private sector has to offer; and to enable the firms supporting the government to continue to grow, innovate and deliver. PSC's 2012 Policy Priorities are outlined below and will be continually refined as circumstances warrant.

I. Balanced Competition

Competition is the essence of an effective, high-performing market. PSC seeks to ensure the competition rules and procedures overseeing government contracting are balanced and enable innovation and efficiency. To achieve balanced competition, PSC will advocate for the government to:

- Reform public-private cost comparison methodologies to reflect total costs of performance.
- Limit inappropriate insourcing by amending Title 10 (DoD) to align it with civilian agency and OMB policy.
- Require small business impact statements prior to any insourcing action.
- Require transparency of agency insourcing decisions.
- Lift the moratorium on public-private competitions under OMB Circular A-76.
- Constrain the expansion of non-competitive, less transparent and accountable program execution strategies, including the inappropriate use of FFRDCs, and the increasing use of grants over contracts.

II. Regulatory Reform

The government contracting market is, appropriately and by nature, significantly regulated. However, regulatory and oversight requirements on government contractors continue to grow, often with little or no analysis of their impacts or efficacy. To achieve effective regulatory reform, PSC will advocate for the government to:

- Require cost-benefit analyses prior to imposing new compliance, audit or other oversight requirements, and facilitate greater collaboration between DCAA/other government audit entities and contractors.
- Reform DCAA audit procedures to reflect necessary, but less invasive, audit requirements.
- "Fast track" follow up reviews of company corrective action plans where a deficiency is found in a company's business system(s).
- Require periodic reviews of agency regulations to evaluate whether such regulations are still warranted.

III. Smart Procurement

When given the opportunity, industry provides government with critical, innovative tools that enhance mission performance and operational efficiency. However, in recent years, federal acquisitions have become mired in process requirements often at the expense of optimized performance. To achieve smart procurement, PSC will advocate for the government to:

- Expand existing OMB "myth buster" campaign to include continual bilateral government and industry communications and collaboration during planning and performance.
- Reduce the misuse of low price/technically acceptable awards in favor of reasonable and tailored costtechnical tradeoffs.
- Rescind arbitrary limits on contract length and instead tie it to programmatic needs, including capital investment, risk, and cost of recompetition (to government and industry).
- Reiterate that contract margins should be tied to the nature, risk and scope of work to be performed rather than set at an arbitrary level or used as an "efficiency" tool.
- Enhance speed and scope of federal acquisition workforce training/development focused on the acquisition
 of services.
- Clarify and balance procurement processes and flexibilities to account for exigent circumstances (disasters, contingency operations, etc.).

IV. Preserve and Enhance the Services Industrial Base

It is in the government's best interest to adopt policies that both enable robust opportunities for small companies to thrive while also ensuring that companies that are other than small have the opportunity to grow and succeed. To help preserve and enhance the services industrial base, PSC will advocate for the government to:

- Prevent passage of unbalanced small business legislation.
- Ensure appropriate oversight/measurement of small business awards for prime and subcontracted work.
- Report dollars awarded to small business concerns at all tiers.
- Reform small business size standards to more appropriately address the realities of the federal marketplace and provide real opportunities for entrepreneurship.
- Encourage investments in Science, Technology, Engineering, and Math that leverage partnerships between government, universities, and industry.
- Prevent the passage of legislation that changes the current baseline for determining contractor compensation and that puts federal contractors at a competitive disadvantage in the global marketplace for talent.

V. Business Liability

Current policy trends have clearly increased contractor liabilities and risks associated with government contracting. To address business liability concerns, PSC will advocate for the government to:

- Reverse inappropriate use of suspension and debarment procedures and government's failure to provide contractors with appropriate due process protections.
- Balance legitimate cybersecurity/information protections needs with equally legitimate standards and liability protection for companies where appropriate.
- Prevent government from inappropriately interfering with contractor personnel and hiring decisions.