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# Coalition seeks halt to insourcing

An industry group asked the Obama administration last week to halt efforts to bring contractor jobs in-house, following Defense Secretary Robert Gates' Aug. 9 statement that insourcing efforts are not producing the savings the Pentagon expected.

Gates stopped short of canceling the Defense Department's insourcing initiatives. However, the Business Coalition for Fair Competition seized on Gates' comments and sent a letter Aug. 13 to acting Office of Management and Budget Director Jeffrey Zients, asking OMB to impose an immediate moratorium on federal insourcing efforts. The administration has highlighted insourcing as a key component of its plan to reduce the government's reliance on contractors.

Coalition President John Palatiello wrote in the letter to Zients that "this shift to government performance of commercial activities not only hinders the private sector, including small and minority-owned business, but places additional costs on taxpayers."

OMB sent draft guidance to agencies March 31 to help them decide what positions should be insourced, and is currently reviewing public comments before it issues a final version of the guidance.

#### Senator challenges USPS rate-hike request

In a letter to the Postal Regulatory Commission last week, Sen. Susan Collins, R-Maine, claimed some unusual authority in challenging the U.S. Postal Service's request for an "exigent" rate increase: She wrote the law.

Filed July 6, the proposed hike would raise prices of most postal products and services Jan. 2 between 4 percent and 6 percent and push up the price of a first-class stamp from 44 cents to 46 cents. By filing for the changes under "exigent" circumstances, the Postal Service can ask for increases greater than the annual inflation rate, with a decision by PRC to come within 90 days.

"As the author of the exigent rate authority, I can attest that the provision was not intended to be used under the current circumstances," Collins wrote. Under the 2006 Postal Accountability and Enhancement Act, she said, exigent rate increases are to be filed only if "terrorist attacks, natural disasters and other events ... cause significant and substantial declines in mail volume or increases in operating costs that the Postal Service cannot reasonably be expected to adjust to in the normal course of business."

On its face, however, the law is not that specific.

"We believe that our filing with the commission is grounded in law and we're pleased the commission is going forward with the hearings," Postal Service spokesman Gerry McKiernan said.

# Watchdog groups urge new budget process

A task force of watchdog organizations and other groups has released a report calling for a unified security budget that would take a more comprehensive view of security spending rather than focusing on defense.

Currently, the budgets for the military, homeland security and nonmilitary international engagement are considered separately, the Institute for Policy Studies, one of the lead participants, said on its website. "This makes it hard to do integrated thinking about the security challenges we face and the best applications of our resources to address

Other groups involved in the project were the Cato Institute, Taxpayers for Common Sense and the Project on Defense Alternatives.

## **Groups oppose FOIA exemptions at SEC**







A coalition of 35 watchdog and open-government groups is endorsing a bill to eliminate new Freedom of Information Act exemptions folded into the financial services overhaul legislation approved last month.

The exemptions affect certain records provided by businesses to the Securities and Exchange Commission. If interpreted broadly, they "have the potential to severely hinder the public's ability to access critical information related to the oversight activities of the SEC," the coalition wrote in an Aug. 10 letter to Senate Judiciary Committee Chairman Patrick Leahy, D-Vt., and three other lawmakers who are sponsoring the bill.

Signers included Citizens for Responsibility and Ethics in Washington, the American Library Association and the Virginia Coalition for Open Government.

SEC Chairwoman Mary Schapiro said the exemptions are meant to encourage businesses to cooperate with SEC investigations, not shield the agency from accountability.

### Industry: DHS wrong to limit subcontract work

Industry groups warned last week that a Department of Homeland Security proposal to limit subcontractors on emergency contracts will reduce the speed and flexibility of post-disaster response efforts.

DHS has proposed amending the Homeland Security Acquisition Regulation to curb the use of subcontractors on cost-reimbursement contracts used to prepare for and respond to disasters. Contracting officers would have to obtain evidence from prime contractors that they do not plan to subcontract out work exceeding 65 percent of the cost of the contract.

The new rule would implement a law passed by Congress in 2008.

#### Improved measurement of improper payments

As part of the Obama administration's quest to reduce improper payments, the Centers for Medicare and Medicaid Services issued final regulations to implement improvements in the Payment Error Rate Measurement, or PERM, for Medicaid and the Children's Health Insurance Program, according to a news release.

PERM measures improper payments and produces national-level error rates for both programs, the release says. Reviews examine whether the sampled cases meet applicable fee-for-service, managed care and eligibility requirements.

The final rule puts in place changes required under last year's reauthorization of the Children's Health Insurance Program and makes changes based on participant feedback. The changes give states more time to submit corrective action plans and extends the time for health care providers to submit documentation.

## Survey shows OPM employees' concerns

Office of Personnel Management employees reported greater job satisfaction in the latest survey of the federal work force, but growing concerns about the agency's ability to hold poor performers accountable and foster collaboration.

In the 2010 Federal Employee Viewpoint Survey, more than 38 percent of OPM employees felt that in their unit, steps are taken to deal with a poor performer who cannot or will not improve. That is an almost six percentage point drop from the last survey two years ago, and one of the largest declines at the agency.

And more than 78 percent of employees felt the people they work with cooperate to get the job done — a more than eight percentage point decline from 2008.

In a summary of the survey results posted online Aug. 9, OPM pledged to develop a plan to address the areas of greatest concern.

OPM said all seven survey questions that measure job satisfaction, such as "the work I do is important," showed increases from 2008.

## Randolph AFB's new, 'green' building

Randolph Air Force Base, Texas, has jumped on the Defense Department's go-green bandwagon.

The base's newest hall — dedicated this month — is its first to qualify for the U.S. Green Building Council's Leadership in Energy and Environmental Design gold certification, the program's second-highest award.

Once certification is official, Blanchard Hall will be one of only about a half dozen facilities across the Air Force to receive such a rating, said Air Force Personnel Center civil engineer Ralph Williams.

The \$10.9-million, 36,000-square-foot hall will house about 150 Personnel Center employees. Features include highefficiency air conditioning and heating, windows meant to maximize lighting over work areas, and a roof that cuts down on solar absorption.

"The idea is to bring the outside inside," Williams said.

### DARPA seeks energy-efficient supercomputer

The Defense Advanced Research Projects Agency has selected four companies to invent prototypes for a more energy-efficient supercomputer for the Defense Department.

Plans under DARPA's Ubiquitous High Performance Computing program call for systems that are at least 50 times more energy efficient and yield 100 to 1,000 times more performance than current systems, a DARPA spokesperson said. These models could be used to enhance everything from sensors distributed in the field to complex weapons

system simulations. DARPA awarded \$76.6 million in contracts to Intel Corp., NVIDIA Corp., Massachusetts Institute of Technology Computer Science and Artificial Intelligence Laboratory and Sandia National Laboratory. Georgia Institute of Technology will lead a team to evaluate the developing systems, expected to be completed by 2018. Long is first woman to lead intelligence agency Letitia Long last week became the first woman to command a major intelligence agency when she was sworn in as the new director of the National Geospatial-Intelligence Agency. Long was previously deputy director of the Defense Intelligence Agency. "I am excited by the opportunity to continue to serve our nation, not only alongside NGA's outstanding and dedicated professionals, but also with our partners and colleagues that span the U.S. intelligence community, the international community, academia and industry," Long said Aug. 9. DoD told to crack down on counterfeit parts Two senators urged the Defense Department last week to remove counterfeit parts from its supply chain. "Counterfeit parts manufactured offshore not only hurt American manufacturing and competitiveness, but in this case, have the potential to put our military at risk and jeopardize our national security missions," said Sen. Sherrod Brown, D-Ohio, who co-authored a letter with Sen. Tom Carper, D-Del., to Pentagon acquisition chief Ashton Carter. The lawmakers cited a March report from the Government Accountability Office that said DoD doesn't have a policy to identify counterfeit parts. The report referenced fake parts such as GPS oscillators used for navigation and selflocking nuts used in aviation braking. Search Topics : Defense Comments | Read reactions to this story Newest first ▼ You must be logged in to leave a comment. Login | Register 1000characters left Submit **Related Stories** Can Gates get it done? His role key to success of cuts, experts say - Aug 16, 2010 Should more agencies use business boards? - Aug 15, 2010 News Digest - Aug 15, 2010 Agencies advance use of health IT - Aug 13, 2010 Guardsmen begin patrols of Mexican border - Aug 12, 2010 Pay & Benefits Personnel Agency News Travel IT Acquisition Facilities, Fleet & Energy Congress Advice & Opinion Departments Forums Site Map

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