
Office of Inspector General

Audit Report

FAA POLICIES AND PLANS ARE INSUFFICIENT TO ENSURE AN ADEQUATE AND EFFECTIVE ACQUISITION WORKFORCE

Federal Aviation Administration

Report Number: ZA-2011-148

Date Issued: August 3, 2011





Memorandum

U.S. Department of
Transportation

Office of the Secretary
of Transportation
Office of Inspector General

Subject: **ACTION:** FAA Policies and Plans are Insufficient
to Ensure an Adequate and Effective Acquisition
Workforce
Federal Aviation Administration
Report Number: ZA-2011-148

Date: August 3, 2011

From: Mary Kay Langan-Feirson 
Assistant Inspector General
for Acquisition and Procurement Audits

Reply to
Attn. of: JA-60

To: Federal Aviation Administrator

In fiscal year 2010, the Federal Aviation Administration (FAA) obligated over \$3.7 billion on contracts for goods and services. FAA plans to increase its annual major investments funding by half a billion dollars between fiscal year 2008 and fiscal year 2012.¹ This increase helps fund important modernization programs, including the Next Generation Air Transportation System (NextGen)—a system intended to accommodate increased air traffic, which is expected to triple by 2025. At the same time, 20 percent of FAA's acquisition workforce is eligible to retire, with a cumulative retirement eligibility of 40 percent by fiscal year 2015. FAA's significant contracting budget coupled with the projected attrition emphasizes the need for effective acquisition workforce planning.

In 2008, FAA launched an ambitious planning effort to develop strategies for hiring, training, developing, and retaining acquisition employees. In 2009, FAA issued its initial Acquisition Workforce Plan on the agency's workforce needs from fiscal year 2009 through fiscal year 2011, and updated the plan in 2010 to project these needs through fiscal year 2014.² As part of our recent audit on NextGen,³ we reviewed the 2009 plan and found that it lacked sufficient development to ensure FAA staff would have the skills and expertise needed to effectively manage and oversee FAA's acquisitions.

¹ Capital investment funding from DOT's budget estimate for FAA, fiscal years 2010 to 2012.

² FAA's Acquisition Workforce Plan is updated annually.

³ OIG Report Number AV-2010-068, "Timely Actions Needed to Advance the Next Generation Air Transportation System," June 16, 2010. All OIG reports are available on our website at www.oig.dot.gov.

Given the risks an inadequate workforce poses on FAA's multibillion dollar contracting budget, we assessed FAA's Acquisition Workforce Plan to determine whether it comprehensively identifies FAA's acquisition workforce and the required skills and competencies needed now and in the future, and whether it addressed gaps in the hiring and development of this important workforce. We also determined whether FAA identified and implemented the programs, policies, and practices needed to ensure it has an adequate acquisition workforce. Our audit included a comprehensive review of the initial plan, including assessments based on regulations and best practices, and discussions with officials on the updated plan. We conducted our audit between December 2009 and May 2011 in accordance with generally accepted government auditing standards. Our scope and methodology are discussed in detail in exhibit A.

RESULTS IN BRIEF

FAA's Acquisition Workforce Plan is not comprehensive. The 2009 plan excluded acquisition employees in a number of FAA's lines of business,⁴ as well as its support contractor and service contract staff. While FAA's updated 2010 plan includes acquisition staff from additional lines of business, the plan continues to omit both Federal and contractor acquisition employees working on FAA's support services contracts, such as FAA's Systems Engineering 2020 (SE-2020) contracts, which have a potential maximum value of greater than \$7 billion. Excluding these employees creates significant risks in administering contracts. For example, poor contract administration of the Air Traffic Controller Optimum Training Solution (ATCOTS) support services contract contributed to cost overruns totaling \$46 million during the contract's first 2 years. Further, FAA did not require Technical Officer Representatives (TORs) to be included in the plan, despite their role in overseeing and evaluating contractor performance. In addition, the plan lacks competency models for about a third of FAA's acquisition roles.

FAA has not sufficiently addressed gaps in hiring and developing its acquisition workforce. FAA reported that it met 99 percent of its overall acquisition workforce hiring target for fiscal year 2009;⁵ however, this percentage is misleading because three of seven ATO service units exceeded their overall hiring targets, while the remaining four fell short. FAA also hired more employees in some categories and fewer in others than the plan called for. For example, according to FAA data, FAA hired almost double the number of contracting officers than the plan called for, yet hired less than 40 percent of the engineers

⁴ FAA is divided into individual organizations called "lines of business." For example, FAA's Air Traffic Organization (ATO) is one of FAA's lines of business.

⁵ FAA has compiled fiscal year 2010 hiring data for publication in its 2011 Acquisition Workforce Plan; however, further assessment of this data is needed to determine whether the data addresses FAA's hiring needs across all lines of business and for each acquisition discipline.

needed to support acquisition programs. FAA's lack of adherence to its workforce plan—combined with a lack of accurate hiring data—suggests that additional controls are needed to ensure a fully staffed acquisition workforce. For example, FAA could not accurately determine whether it hired enough program managers and engineers for its NextGen unit because FAA's hiring data does not include information on the acquisition discipline for many of the unit's employees. FAA also lacks the controls needed to ensure that its workforce is qualified and properly trained. In one case, FAA granted unlimited warrant authority to an uncertified contracting officer.⁶

Finally, FAA has not fully implemented the programs, policies, and practices needed to ensure an adequate workforce. FAA's plan is vague about specific approaches and milestones for hiring, training, and certifying its workforce. FAA's plans also lack internal certification programs for about half of its acquisition disciplines, which would ensure that employees have the experience, education, and skill set to perform acquisition duties. In addition, FAA is not effectively communicating the agency's workforce planning efforts to its acquisition employees. More than half of the acquisition employees in our random sample of 63 out of 879 had not read FAA's 2009 Acquisition Workforce Plan; and several acquisition employees were reluctant to meet with us because they did not believe they were part of the acquisition workforce.

We are making a series of recommendations aimed at strengthening FAA's acquisition workforce planning.

BACKGROUND

In March 2009, the President stated that a strong acquisition workforce is critical to meeting each agency's unique mission, and he called on Federal agencies to perform thorough management and oversight of its contracts.⁷ In response, the Office of Management and Budget (OMB) issued an Acquisition Workforce Development Strategic Plan in October 2009,⁸ which provides a structured approach to improving both the capacity and capability of the civilian acquisition workforce. The strategic plan expands on OMB's Office of Federal Procurement

⁶ FAA policy as well as Office of Management and Budget (OMB) and departmental best practices state that contracting officers must be certified at an appropriate level to support their warrant obligations. For example, a contracting officer with an unlimited warrant should complete the highest level of contracting officer certification, Level III.

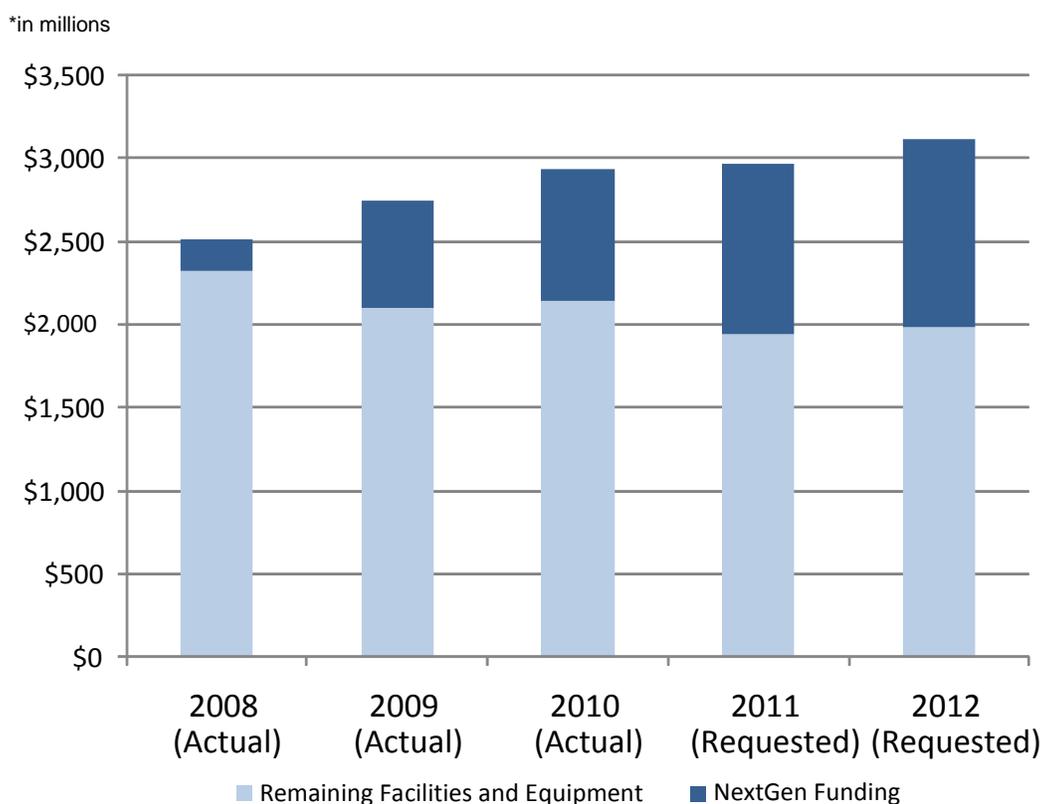
⁷ Presidential Memorandum for the Heads of Executive Departments and Agencies: "Government Contracting," March 4, 2009.

⁸ OMB OFPP Memorandum: "Acquisition Workforce Development Strategic Plan for Civilian Agencies—FY 2010-2014," October 27, 2009.

Policy's (OFPP) April 2005 policy letter issued to establish a governmentwide framework for creating a Federal acquisition workforce.⁹

Since 2009, OIG has identified FAA's acquisition workforce as a concern in our Department of Transportation's Top Management Challenge reports.¹⁰ The transition to NextGen has significantly increased FAA's acquisition workload and will require new skills and additional resources. In fiscal year 2009, FAA's acquisition funding increased to accommodate NextGen contracts. In fiscal year 2012 contract funding is expected to exceed fiscal year 2008 funding by half a billion dollars (see figure 1).

Figure 1. Increase in FAA Capital Funding for Fiscal Years 2008-2012



Source: FAA and OIG

In fiscal year 2009, 20 percent of FAA's acquisition workforce was eligible to retire; by fiscal year 2015, 40 percent will be eligible to retire. In July 2009, OMB issued a memorandum requiring agencies to develop and implement policies, practices, and tools for managing the multi-sector workforce, which includes both

⁹ OMB OFPP Policy Letter 05-01: "Developing and Managing the Acquisition Workforce," April 15, 2005.

¹⁰ OIG Report No. PT-2010-008, "Top Management Challenges," November 16, 2009, and Report No. 2011-010, "Top Management Challenges," November 15, 2010.

Federal and contractor employees.¹¹ OMB identified three steps that agencies should take immediately to achieve an effective balance of public and private labor resources: (1) adopt a framework for planning and managing the multi-sector workforce; (2) conduct a pilot human capital analysis of at least one program, project, or activity where the agency has concerns about the extent of reliance on contractors; and (3) use in-sourcing guidelines that facilitate consistent and sound application of statutory requirements. In 2008, the National Academy of Public Administration (NAPA) and the Government Accountability Office (GAO) made a number of recommendations in two separate reports on actions FAA needed to take to address its acquisition workforce challenges.¹² In particular, NAPA found that FAA's acquisition workforce would require greater emphasis in 26 technical competencies needed for NextGen implementation, including acquisition planning, contractor performance management, and contract administration.

In response to the NAPA report, FAA issued its 2009 Acquisition Workforce Plan, which laid out FAA's assessment of the skills and competencies needed for its current and future acquisition workforce, established initial hiring strategies for acquisition categories, and described FAA's new certification and training programs. In 2010, FAA issued an update of its Acquisition Workforce Plan, which projects its acquisition workforce needs through fiscal year 2014.

FAA'S ACQUISITION WORKFORCE PLANS ARE NOT COMPREHENSIVE

FAA's 2009 Acquisition Workforce Plan excluded acquisition staff in a number of FAA's lines of business, as well as its support contractor and service contract staff. While FAA's 2010 plan includes additional lines of business, it continues to exclude support services contracts—both contractors that provide acquisition support and FAA oversight staff. FAA also does not require TORs to be included in the plan, despite their important role in regional contract oversight. At the same time, FAA's plan relies on workforce data that were gathered through interviews with FAA managers, yet FAA did not sufficiently verify the data to ensure the accuracy. Finally, the plan lacks competency models for about a third of its acquisition disciplines.

¹¹ OMB Memorandum M-09-26, "Managing the Multi-Sector Workforce", July 29, 2009.

¹² NAPA report, "Identifying the Workforce to Respond to a National Imperative: The Next Generation Air Transportation System," September 2008. GAO report, "Next Generation Air Transportation System, Status of Systems Acquisition and the Transition to the Next Generation Air Transportation System," September 2008.

FAA's Acquisition Workforce Plan Does Not Identify Its Entire Acquisition Workforce

FAA uses both Federal employees and private contractors to fulfill its mission. However, FAA's 2009 Acquisition Workforce Plan was limited to Federal employees who work for ATO's National Airspace (NAS) capital investment programs.¹³ The 2009 plan excluded FAA's other lines of business and several staff offices, including the acquisition workforce for Regions and Center Operations (ARC).¹⁴ While FAA's 2010 plan added ARC and additional lines of business, it still excludes some sectors within FAA (see exhibit B).

Additionally, FAA's 2010 plan continues to focus on the Federal rather than contractor workforce. For example, the initial and updated plans exclude both the contractor and Federal workforce that perform acquisition functions for FAA's support service contracts, including high-value contracts, such as SE-2020 and ATCOTS, potentially valued at \$7 billion and \$859 million, respectively. In September 2010, we reported that FAA did not have enough qualified acquisition personnel to administer the multimillion dollar support service contract for its ATCOTS program.¹⁵ Poor contract administration, due in part to an inadequate acquisition workforce, contributed to cost overruns of \$28 million during the first year of the contract and \$18 million during the second year.

According to FAA, only Federal employees were identified in the plans because they provide long-term staffing, whereas contractors are used to address fluctuating staff and skill requirements. In contrast, OMB's July 2009 memorandum requires agencies to adopt a framework for planning and managing both the contractor and Federal workforce.¹⁶ Specifically, OMB stresses the importance of identifying the proper roles of contractors and Federal employees and achieving the most effective balance of public and private labor resources.

Further, FAA does not require that TORs be included in the plan. TORs play an important role in overseeing contract work and giving technical direction to contractors at FAA's numerous regional facilities, such as air traffic control centers. By not requiring TORs to be included in workforce planning, FAA has created a significant gap in its efforts to effectively oversee its contracts. For

¹³ These employees are directly engaged in the design and development of mission-critical technologies and systems that provide the backbone for NAS.

¹⁴ ARC delivers shared services throughout the agency and the Aeronautical Center, such as acquisition and real estate functions throughout FAA, as well as materiel management functions for both FAA and the Department of Transportation.

¹⁵ OIG Report No. AV-2010-126, "FAA's Air Traffic Controller Optimum Training Solution Program: Sound Contract Management Practices Are Needed to Achieve Program Outcomes," September 30, 2010.

¹⁶ OMB Memorandum M-09-26, "Managing the Multi-Sector Workforce", July 29, 2009.

example, our ongoing review of FAA's En Route Automation Modernization (ERAM) found that the program's TORs did not receive adequate training and lacked a full understanding of their contract oversight responsibilities.¹⁷

Failure to fully and accurately identify FAA's acquisition workforce has significant risks, especially as increasingly complex NextGen programs require new approaches and skills. For example, our audit of Automatic Dependent Surveillance-Broadcast (ADS-B)—a \$4 billion ground and aircraft surveillance system—found that it will be difficult for FAA to develop in-house expertise to effectively oversee NextGen since much of ADS-B's infrastructure will be embedded in contractor-owned commercial equipment and networks. This limits FAA's access to and understanding of ADS-B equipment. Further, our ongoing review of ERAM—a \$2.1 billion air traffic software program—showed that FAA's acquisition workforce has ineffectively managed and overrelied on support contractors to administer the contract.¹⁸ Poor contract administration may be contributing to the program's 4-year delay and potential \$500 million cost overrun.¹⁹

Acquisition Disciplines and Number of Acquisition Employees Were Not Accurately Captured in FAA's Plans

We identified numerous discrepancies in the information provided in FAA's acquisition workforce plans. Through interviews with a random sample of 63 out of 879 FAA acquisition employees, we identified inaccuracies in the acquisition disciplines entered for 16 employees—for example, one program manager was incorrectly listed as "engineer." We also found that time spent on acquisition duties was inaccurately recorded for 26 employees. Further, FAA based its 2009 plan on an incomplete list of acquisition employees. FAA's Technical Operations service unit alone omitted 110 acquisition employees that should have been identified in the 2009 plan.

These discrepancies are largely the result of FAA's process for identifying its acquisition workforce. Whereas OMB considers critical acquisition workforce roles to be (1) contracting staff, (2) contracting officer's technical representatives, and (3) program management, FAA uses an expanded definition that includes five additional acquisition labor categories, such as research and engineering (see

¹⁷ A similar issue has been identified in our ongoing review of FAA's SE-2020 contracts. TORs play a key role in overseeing SE-2020 task orders; however, they are not required to complete training or a certification program.

¹⁸ Our ongoing ERAM audit work is looking further into this issue.

¹⁹ OIG Report No. AV-2011-002, "FAA Faces Significant Risks in Implementing the Automatic Dependent Surveillance-Broadcast Program and Realizing Benefits," October 12, 2010. OIG Audit Announcement, "Progress and Problems Implementing the En Route Automation Modernization Program," September 14, 2010.

exhibit C).²⁰ Further, FAA defines its acquisition workforce by role rather than job series, and as a result, FAA cannot rely on its personnel database to distinguish acquisition employees from non-acquisition employees. Instead, FAA relies on its managers' knowledge of employees' acquisition roles to identify the acquisition workforce. At the same time, FAA is continually revising how it defines "acquisition workforce" as FAA decides whether employees—such as spectrum engineers—should be included. FAA did not effectively communicate the definition of acquisition workforce to its acquisition employees. Ten of the acquisition employees we interviewed did not believe they were part of FAA's acquisition workforce.

Consequently, FAA managers are left to interpret FAA's definition and identify employees who fall within it. Some managers counted employees who were not part of the acquisition workforce and omitted others who were. For example, in identifying their contracting officer technical representatives (COTRs), some managers may have included TORs and Contracting Officer's Representatives (CORs), which technically are not considered COTRs, while other managers did not. Ultimately, FAA has no assurance that the information it receives is accurate enough to support plans for hiring, training, and developing its current and future acquisition workforce.

FAA Workforce Plan Lacks Competency Models for Key Acquisition Disciplines

Competency models specify the knowledge, skills, and abilities that an employee needs to perform a role or function. As such, they provide the foundation for training, hiring, and performance management. While FAA's methodology for developing competency models was comprehensive,²¹ the 2009 plan lacked competency models for test and evaluation, specialized support, and logistics—three of FAA's eight acquisition roles. Without complete competency models for these acquisition disciplines, it may be more difficult for FAA to ensure that all of its training courses target skill areas crucial to the agency's mission and that new employees will possess the skills most needed by the agency.

Prior to issuing its 2010 plan, FAA completed competency models for logistics. However, competency models for test and evaluation, specialized support, and acquisition law—a new discipline in the 2010 plan—are still incomplete. According to officials from FAA's Office of Acquisition Policy, Workforce

²⁰ In 2009, FAA defined its core acquisition workforce as those employees whose primary functions involve (1) the acquisition of mission-critical NAS infrastructure and (2) direct engagement of projects or programs that fall within the specific phases of FAA's acquisition management lifecycle.

²¹ FAA based its acquisition competency models on input from its acquisition leaders and Government best practices from the Federal Acquisition Institute (FAI) and the Department of Defense. FAA also participated in FAI's competency self-assessments in 2008.

Development, and Evaluation, FAA is working with contractors to develop these competencies for future updates of the plan.

FAA HAS NOT SUFFICIENTLY ADDRESSED GAPS IN HIRING AND DEVELOPING ITS ACQUISITION WORKFORCE

FAA has not hired a sufficient number of employees to meet its acquisition workforce needs. Four out of seven ATO service units are understaffed, and FAA lacks enough COTRs and engineers to support acquisition programs. In addition, FAA's tracking systems do not effectively monitor the hiring, training, and certification of its acquisition workforce.

FAA Has Not Met Its Acquisition Staffing Demands

Based on its interviews with FAA managers, FAA determined that ATO service units needed an additional 350 acquisition employees through fiscal year 2011, including 201 for fiscal year 2009 alone. According to FAA's 2010 Acquisition Workforce Plan, FAA met 99 percent of its overall acquisition workforce hiring target for fiscal year 2009.²² However, FAA data showed that three ATO service units hired more acquisition staff than demanded—as much as 80 percent more—while four ATO units remained understaffed (see table 1). Officials from FAA's acquisition policy office noted that the plan's projected hiring demands are considered guidelines rather than strict requirements and believe that concerns regarding the risk of staffing shortfalls for some service units due to overstaffing in other service units are not warranted. While the plan may serve as a guide, the risks associated with some locations not meeting their missions because of understaffing could impact acquisitions throughout FAA.

²² FAA has compiled fiscal year 2010 hiring data for publication in its 2011 Acquisition Workforce Plan; however, further assessment of this data is needed to determine whether the data addresses FAA's hiring needs across all lines of business and for each acquisition discipline.

Table 1. Percentage of Fiscal Year 2009 Hiring Demand Achieved in ATO

ATO Service Unit	Demand (additional staff needed)	Net Gain[*]	Percent of Demand Achieved
Technical Operations	24	2	8.33%
En Route	7	5	71.43%
System Operations	39	29	74.36%
Terminal	15	13	86.67%
NextGen	76	97	127.63%
Finance	10	14	140.00%
Acquisition and Business	30	54	180.00%
TOTAL	201	214	106.47%

^{*}Net gains are the sum of gains minus losses.

Source: FAA and OIG

FAA also did not verify all acquisition workforce hiring data. Our verification of the hiring data found significant omissions. For example, while NextGen hiring data show that more employees were hired than called for in the plan, the discipline fields for many of these employees were blank or incorrect. As a result, FAA could not determine whether it met its demands for acquisition disciplines, such as program managers and engineers.

Within the ATO service units other than NextGen, two acquisition disciplines did not meet hiring demand—COTRs and engineers (see table 2).

Table 2. Percentage of Fiscal Year 2009 Hiring Demand Achieved by Acquisition Disciplines in ATO Units Other than NextGen

Acquisition Discipline	Demand (additional staff needed)	Net Gains[*]	Percent of Demand Achieved
COTR	4	1	25.00%
Engineering and Research	59	23	38.98%
Logisticians	1	1	100.00%
Program Management	13	15	115.38%
Specialized Support	9	10	111.11%
Business and Financial	12	19	158.33%
Contracting Officers	30	54	180.00%
Testing and Evaluation	0	0	N/A

^{*}Net gains are the sum of gains minus losses.

Source: FAA and OIG

Officials from FAA's acquisition policy office also noted that many of the new contracting staff are entry level and lack the skills and competencies FAA needs to support its acquisition programs.

OMB best practices call for collaboration between agencies' acquisition and human resources departments to ensure that workforce plans focus on long-term staffing and developmental needs, rather than simply filling vacancies. FAA hired a contractor to develop workforce recruitment plans instead of working with its own human resources department during the initial phases of workforce planning. Although the human resources department was later invited to participate in implementing the plan's recruitment strategies, implementation efforts were hampered by disagreements between human resources and the contractor. For example, the contractor had suggested hiring strategies that did not comply with established FAA hiring policies, such as developing a hiring website for women and minorities.

FAA Lacks Adequate Tracking Systems to Monitor Acquisition Workforce Hiring, Training, and Certification

Until recently, FAA calculated hiring updates at the end of each year, which did not allow FAA to gauge whether it was meeting hiring goals throughout the year. Officials from FAA's acquisition policy office report that FAA recently began monthly tracking of its hiring. However, those officials acknowledge that the multiple systems and databases FAA uses to track the hiring, training, and

certification of its acquisition workforce are inadequate for workforce planning. FAA developed a coding system in the Federal Personnel Payroll System (FPPS)—the agency’s existing personnel database—to identify acquisition employees and track their certification. However, FAA lacks consistent processes to ensure FPPS data are useful. For example, newly hired acquisition employees are not coded as “acquisition” in the system because FAA has not yet established a consistent coding process with its human resources department. We found inaccurate data in the system, including the following:

- Fourteen acquisition employees originally coded as “acquisition” in FPPS had their codes inadvertently changed to “non-acquisition.”
- One employee coded as part of FAA’s acquisition workforce no longer worked for FAA.
- None of the certification codes in the system were verified. FAA used “0” as a placeholder for all employees’ certification codes.²³ A “0” indicates that an employee is uncertified, yet we confirmed that some employees coded with “0” were certified.
- Sixteen of the 63 acquisition employees in our sample had been tagged with incorrect acquisition disciplines. For example, one employee was described as an engineer but is actually a full-time project manager.

FAA’s official training record system—Electronic Learning Management System (eLMS)—also contained errors. In our sample of 63 employees, 36 employees’ training records were incomplete; other employees’ training records listed courses that the employees did not take. FAA also lacks documented internal controls to ensure that certification data are accurate and up-to-date.

Reconciling the data in FAA’s multiple systems can add to these weaknesses—as OMB warns in its acquisition workforce planning guidance.²⁴ For example, the spreadsheets FAA uses to track certification of its COTRs, contracting specialists, and program managers have not been used to update FPPS certification data.

Without reliable information systems, FAA cannot ensure that its acquisition employees have completed required training and certification. We found cases where contracting officers and COTRs did not complete required refresher training or were not appropriately certified. In one case, FAA granted unlimited warrant

²³ According to FAA’s numeric coding system, a “0” indicates that the employee has no certification, while a “1,” “2,” or “3” indicates the level of certification achieved.

²⁴ OMB OFPP Memorandum, “Acquisition Workforce Development Strategic Plan for Civilian Agencies—FY 2010-2014,” October 27, 2009.

authority²⁵ to a contracting officer who lacked the highest certification, which FAA requires for managing contracts of unlimited value. In another case, a contracting officer admitted to signing invoices that exceeded the officer's warrant authority.

FAA HAS NOT FULLY IMPLEMENTED ACQUISITION WORKFORCE PROGRAMS, POLICIES, AND PRACTICES

FAA lacks the programs, policies, and practices needed to ensure an adequate and effective acquisition workforce. Although FAA has developed training programs for its acquisition workforce, it has yet to specify the resources needed to implement its general workforce strategies. FAA has developed internal certification programs for only half its acquisition disciplines and lacks an effective approach for communicating its workforce planning efforts to its acquisition workforce.

The 2009 plan outlines four general strategies for improving FAA's acquisition workforce: (1) fill gaps according to supply and demand analyses, (2) develop and execute a consolidated acquisition sourcing plan, (3) create an integrated acquisition career program, and (4) institutionalize an acquisition workforce planning process. FAA has also developed several metrics to measure its progress in developing an effective acquisition workforce, including number of new hires, percentage of employees certified, and attrition rates. However, FAA has not specified the resources and procedures needed to implement the strategies or meet the metrics. Specifically, the plan lacks logistical details such as timelines, milestones, deliverables, and planned funding needed to keep FAA accountable for and on schedule with hiring, training, and certifying its acquisition workforce.

Certifying acquisition staff provides another level of assurance that FAA employees have the experience, education, and skill set to perform their acquisition duties. FAA currently has certification programs for four of the acquisition disciplines identified in its 2009 plan—contracting, COTRs, program management, and logistics. In contrast, the Department of Defense has developed internal certification programs for 15 of its acquisition disciplines, including test and evaluation, 2 separate business disciplines, and 4 separate engineering disciplines.

²⁵ FAA's Federal Acquisition Executive delegates contracting authority to contracting officers through a written certificate of appointment, also known as a warrant, which authorizes the individual to legally bind FAA. Warrants define the dollar and scope limitations of the authority. An unlimited warrant allows transactions at any dollar value.

Finally, FAA has not effectively communicated the agency's workforce planning efforts to its acquisition workforce. FAA has not communicated its definition of acquisition workforce to the entire agency. Thirty-three—or more than half—of the acquisition employees in our sample had not read FAA's 2009 Acquisition Workforce Plan. Moreover, 10 acquisition employees we interviewed were not aware that they were part of FAA's acquisition workforce. Consequently, even if employees did read the plan, they may not have realized that the plan and the new certification requirements in the plan applied to them.

CONCLUSION

An effective acquisition workforce is critical to ensuring that the Government's multibillion dollar contracts provide the best value for taxpayer dollars. While FAA's acquisition policy office has devoted significant resources collecting workforce data and developing projection models to establish hiring goals, its workforce plan and implementation of the plan lack the rigor needed to ensure FAA has the right number of qualified Federal employees and contractors to manage its complex and demanding acquisitions. Until FAA implements a workforce plan that identifies all of its acquisition workforce needs and an effective hiring, training, and certification strategy that complies with its plan, it will continue to put at risk its ability to effectively oversee its acquisitions, including its billion dollar NextGen contracts.

RECOMMENDATIONS

To ensure FAA comprehensively identifies its acquisition workforce and required competencies, we recommend that FAA's Director of Acquisition Policy, Workforce Development, and Evaluation:

1. Develop a standard definition of acquisition workforce and clarify which employees are included in each acquisition discipline. Communicate this definition to all staff involved in identifying the acquisition workforce.
2. Identify the entire FAA acquisition workforce, including contracted and Federal employees for all lines of business. Develop and implement tools and internal controls to ensure that FAA accurately identifies its acquisition workforce.
3. Determine the best mix of labor resources by identifying the proper roles of both contractors and Federal employees, along with the skills sets and expertise needed for each group.

4. Assess the function and role of TORs. Determine the need to include TORs as a part of FAA's acquisition workforce.
5. Complete competency models for all acquisition disciplines.
6. Determine the need for certification programs for each acquisition discipline, and review existing certification programs to determine whether certifications should be internal or external. Document justifications for decisions made, and include these justifications in the next update of the plan.

To ensure that FAA sufficiently addresses gaps in hiring and developing its acquisition workforce, we recommend that the Director:

7. Document reasons for when FAA cannot meet its hiring goals, both overall hiring goals and specific hiring targets, for FAA's lines of business and acquisition disciplines.
8. Establish processes for tracking workforce hiring, training, and certification. Validate hiring data by requiring that service units identify the discipline fields for newly hired acquisition employees.
9. Enforce employee development policies to ensure that all acquisition workforce employees complete required training. In particular, ensure that contracting officers meet minimum certification requirements for their warrant authority.

To ensure FAA fully implements the programs, policies, and practices needed to ensure an adequate workforce, we recommend that the Director:

10. Include details on the resources, specific steps, timelines, milestones, and deliverables needed to implement future updates to the Acquisition Workforce Plan.
11. Notify all acquisition employees of their acquisition roles and duties and ensure that they are aware of applicable certification requirements.

AGENCY COMMENTS AND OFFICE OF INSPECTOR GENERAL RESPONSE

We provided FAA with our draft report on May 25, 2011, and received its response on June 27, 2011. FAA's response is included as an appendix to this report.²⁶ In its response, FAA concurred with 10 of our 11 recommendations and

²⁶ FAA's informal technical comments are not included.

partially concurred with one. Although FAA concurred with the majority of our recommendations, FAA raised concerns that some of our conclusions are misleading and that we do not appropriately recognize the progress the Agency has made to date. We acknowledged in our report that FAA has made strides in its acquisition workforce planning through its updated 2010 workforce plan. For example, FAA has expanded its workforce planning to include additional lines of business and has developed additional competency models to specify the skills and abilities needed to perform acquisition roles. FAA also reported that it has begun tracking its acquisition workforce for large support service contracts and updated its Acquisition Management System (AMS) to require all designated contract administration staff to certify as COTRs. We believe these positive steps will advance FAA's acquisition planning. However, we have made numerous recommendations to ensure that FAA has the right number of qualified Federal employees and contractors to manage its complex acquisitions. FAA has already implemented many of these recommendations, as we shared our findings with FAA throughout our audit.

FAA's response also stated that our criticism that its 2009 workforce plan was not comprehensive is misleading, as the initial plan was never intended to be more than a first step. We recognize that acquisition workforce planning is a challenge for all Federal agencies and support FAA's efforts at taking the first step. However, in addition to evaluating FAA's first steps, we wanted to offer a big picture view of FAA's acquisition planning and the steps FAA must take to effectively oversee its acquisitions now and in the future. For that reason, we regularly updated FAA with our preliminary findings, and FAA implemented many of our recommendations.

In addition, FAA indicates that our report offers an inaccurate perspective of its staffing levels. We disagree. While FAA's response cites its 2010 hiring data, our conclusions are based on comprehensive analysis of FAA's own fiscal year 2009 hiring data. This data showed that the Agency needed an additional 59 engineers in fiscal year 2009, but only gained 23—or 38.98 percent—of its engineer demand in service units other than NextGen.²⁷ Therefore, our assertion that FAA hired less than 40 percent of the engineers it needs to support acquisition programs remains accurate. Despite concern with our staffing calculations, FAA has concurred with our recommendation to document the reasons when it does not meet its annual staffing projections.

For all recommendations, except 2, 3, and 11, corrective actions taken or planned by FAA address the intent of our recommendations. We consider these recommendations (1, 4, 5, 6, 7, 9, and 10) resolved, but open pending our

²⁷ Because NextGen hiring data contained many blank and incorrect fields, we could not determine whether FAA met NextGen's demand for engineers.

verification that the planned actions are complete. Although FAA has provided sufficient planned actions for recommendation 8, we request that FAA submit a target date for completion of those actions.

For recommendation 2, FAA partially concurred, stating that it does not have the resources to include contractors in the workforce plan, but expects program officials to “consider” the balance of Federal and contractor FTEs²⁸ required when validating current and future staffing requirements. It is unclear to us, however, how FAA program managers can “consider” available contractors, if contractors are not counted as part of FAA’s acquisition workforce. In addition, FAA states that it complies with the OMB’s multi-sector workforce analysis requirements as related to the Service Contract Inventory. However, OMB’s guidance on Service Contract Inventories requires that inventories account for the number of contractor and first tier subcontractor employees, which FAA is currently not doing for its acquisition workforce. Accordingly, we are requesting that FAA clarify how it plans to count its entire acquisition workforce, including both Federal and contracting employees. We also request that FAA submit a planned completion date for this recommendation.

Additionally, FAA cannot effectively accomplish recommendation 3, identifying the best mix of labor resources, without first completing recommendation 2. Accordingly, we request that FAA provide clarification of how it will use the contractor count from recommendation 2 to complete recommendation 3. Finally, for recommendation 11, FAA did not define the outreach process it plans to use to ensure all acquisition employees are aware of roles, duties, and applicable certification requirements; therefore, we are requesting that FAA provide us with this information as well. Accordingly, we consider all three of these recommendations open and unresolved.

ACTIONS REQUIRED

In accordance with Department of Transportation Order 8000.1C, we request that you provide a response within 30 days to this report that clearly indicates how you will resolve recommendations 2, 3, and 11. We request that you provide a plan for counting contractors for recommendation 2, clarify how results from recommendation 2 will be used to complete recommendation 3, and describe the outreach process for recommendation 11. We also request that you clarify the target date for recommendation 8.

²⁸ Full-Time Equivalent (FTE): the staffing of Federal civilian employee positions, expressed in terms of annual productive work hours.

We appreciate the courtesies and cooperation of FAA representatives during this audit. If you have any questions concerning this report, please call me at (202) 366-5225 or Terry Letko, Program Director, at (202) 366-1478.

#

cc: Assistant Secretary for Administration
Federal Aviation Administrator
Associate Administrator, Regions and
Center Operations, FAA
Vice President of Acquisition and
Business Services, FAA
Director of Acquisition Policy,
Workforce Development, and
Evaluation, FAA
Martin Gertel, M-1
Anthony Williams, AAE-001

EXHIBIT A. SCOPE AND METHODOLOGY

We conducted our audit work from December 2009 through May 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We reviewed OMB guidance on acquisition workforce planning, as well as National Association of Public Administrators (NAPA) and General Accountability Office (GAO) reports, which provided recommendations to improve FAA's acquisition workforce. We also reviewed FAA's Acquisition Management System (AMS), which establishes acquisition policies and procedures for FAA, and other applicable laws and regulations.

We interviewed officials from FAA's acquisition workforce policy office, human resource department, and training office. We also spoke with members of FAA's Acquisition Executive Council, Acquisition Workforce Council, and strategic working groups to determine FAA's progress for implementing its 2009 Acquisition Workforce Plan. To verify whether FAA met its hiring needs, we examined FAA's hiring numbers for fiscal year 2009. Further, we independently verified FAA's acquisition workforce tally and its training and certification spreadsheets against DOT's Federal Personnel Payroll System (FPPS) and electronic Learning Management System (eLMS), which are additional systems FAA uses to track acquisition training and certification.

To verify the data in FAA's tracking systems, we selected a random sample of 63 FAA acquisition employees from a universe of 879 acquisition employees identified in FPPS. During the interviews, we determined whether the employees' education, training, and certification corresponded with FAA's records and whether the employees completed the required training courses and certification for their acquisition roles. To verify each employee's skills and competencies, we requested copies of the employees' certifications, warrants, and other relevant documentation.

EXHIBIT B. COMPARISON OF FAA'S 2009 AND 2010 ACQUISITION WORKFORCE PLANS*

	2009	2010
<i>Employees and demand</i>		
Core acquisition employees	960	1,500
Hiring demand	350	400
<i>Lines of business included in plan</i>		
Air Traffic Organization (ATO)		
ATO employees directly engaged in NAS capital investment programs	✓	✓
ATO Mission Support Services		
ATO Service Center		
Aviation Safety (AVS)		✓
Airports (ARP)		
Commercial Space Transportation (AST)		
<i>Staff offices included in plan</i>		
Aviation Policy Planning and Environment (AEP)		
Civil Rights (ACR)		
Communications (AOC)		
Financial Services (ABA)		
Government and Industry Affairs (AGI)		
Human Resources Management (AHR)		
International Affairs (API)		
Chief Counsel (AGC)		✓
Regions and Center Operations (ARC)		✓
Information Services/Chief Information Officer (AIO)(CIO)		✓
Security and Hazardous Materials Safety (ASH)		✓

* Factors contributing to the increase in acquisition employees reported in 2010 plan are the inclusion of other FAA lines of business beyond ATO and further redefinition of the acquisition workforce.

Source: FAA

EXHIBIT C. DESCRIPTION OF FAA'S ACQUISITION DISCIPLINES

Acquisition Discipline	Description
Program/Project Management	Program management involves establishing, tracking, managing, and reporting all facets of programs and projects, including budget, technical requirements, personnel, and customer needs. This job family includes those who are officially designated as a program manager, project manager, or project lead with authority and responsibility for the management and oversight of Federal Aviation Administration (FAA) major and non-major acquisition programs or projects.
Engineering and Research	Engineering is the discipline and profession of applying scientific knowledge and using natural laws and physical resources to design and implement materials, structures, machines, devices, systems, and processes that realize a desired objective and meet specified criteria.
Testing and Evaluation	This discipline includes those who are responsible for testing systems and programs to ensure they meet specifications, as well as those who lead testing activities.
Business and Financial Management	Employees in this job family use their knowledge of financial systems and business processes to develop, coordinate and integrate performance-based budgets; develop metrics; manage, track and report financial transactions; develop cost projections; develop recommendations to mitigate financial risks; and provide financial and investment analysis, including return on investment (ROI).
Contracting	This discipline is responsible for all processes and procedures involved in establishing and maintaining contractual relationships. This includes understanding the technical requirements, assisting with the development of the acquisition strategy, developing a procurement strategy plan, reviewing statements of work, evaluating cost estimates, determining contractor responsibility, performing administration by determining contractor compliance, negotiating cost or price or technical changes, monitoring contractor performance, and approving payments.
Contracting Officer Technical Representative (COTR)	The discipline resolves technical issues, gives technical direction to the contractor and interprets technical processes and procedures for the contracting officer.
Integrated Logistics Support (ILS)	Integrated Logistics Support is the critical functional discipline that plans, establishes and maintains an ILS system for the life cycle of FAA products and services.
Specialized Support	Individuals that support acquisition-related programs but do not fit any of the roles above. This can include: safety manager, information system specialist, air traffic specialist, administrative functions, training.

Source: FAA

Exhibit C. Description of FAA's Acquisition Disciplines

EXHIBIT D. MAJOR CONTRIBUTORS TO THIS REPORT

Name	Title
Terry Letko	Program Director
Dory Dillard-Christian	Project Manager
Michele Scott	Senior Auditor
Christina Lee	Analyst
Heather Voda	Analyst
Petra Swartzlander	Senior Statistician
Karen Sloan	Communications Officer

APPENDIX. AGENCY COMMENTS



Federal Aviation Administration

Memorandum

Date: JUN 27 2011

To: Mary Kay Langan-Feirson, Assistant Inspector General for Acquisition and Procurement Audits

From: Clay Foushee, Director, Office of Audit and Evaluation, AAE-1

Subject: OIG Draft Report: FAA Policies and Plans are Insufficient to Ensure an Adequate and Effective Workforce

The Federal Aviation Administration (FAA) is concerned that the OIG draft report does not appropriately recognize the progress the Agency has made to date. It is the Agency's view that a more accurate title would be "FAA Has Made Strides in Acquisition Workforce Planning and Development."

FAA Achieved Significant Strides in Acquisition Workforce Planning

FAA's initial acquisition workforce planning document was, as the OIG's draft report recognized, an ambitious planning effort, intended to take the first incremental step towards comprehensive acquisition workforce planning. In accord with OPM direction to sharpen planning for mission critical positions, FAA focused its initial efforts on the workforce associated with the Capital Investment Plan (CIP). The acquisition workforce plan was labeled "Phase 1," with the intent to expand to other FAA lines of business in the 2010 update, which FAA accomplished. Further iterations will continue to expand and refine our acquisition workforce planning efforts. As a result, criticizing the plan for not being comprehensive, is misleading, as it was never intended as anything more than a first step.

In FY2009, FAA began developing a staffing model for the acquisition workforce. FAA used capital investment programs as an organizing construct for the model and examined current and historical staffing patterns for Federal employees and contractor support. This included a sampling of 47 acquisition programs of various Acquisition Categories (ACAT 1-5, based on criteria such as cost, complexity, risk and potential impact to safety) and in various phases of the acquisition lifecycle (research and analysis, investment analysis, early solution implementation, mid solution implementation, late

solution implementation). Consistent with government-wide findings, collecting accurate data on contractor FTEs was especially challenging, and FAA decided to focus, at least initially, on the Federal employee workforce. This decision was consistent with our objective, as the main focus of the acquisition workforce planning effort is to help ensure FAA has a cadre of capable Federal employees to provide consistent, long-term staffing and maintain core in-house capabilities vital to the successful management of FAA's major systems acquisitions.

FAA now tracks acquisition workforce gains and losses on a monthly basis and updates its planning projections on an annual basis. Data is captured down to the program level. FAA is now in the process of expanding its efforts to include acquisition personnel on major service contracts such as SE 2020.

FAA Clarified Policy around Technical Officer Representatives

FAA has also resolved issues associated with the use of Technical Officer Representatives. Effective in the FAA's Acquisition Management System (AMS) April 2011 Quarterly Update, the terms "Task Order Representative" and "Contracting Officer's Representative" were eliminated. All persons appointed by the Contracting Officer to support contract administration are now designated Contracting Officer Technical Representatives (COTR). In order to be appointed as a COTR, each individual must receive a training certification from the Contracting/COTR Career Programs Team, Acquisition Career Management Group. Training requirements are established in AMS Policy Chapter 5. COTRs that provide direct support to Capital Investment Plan programs are included in the Acquisition Workforce Plan. All other agency COTRs are tracked separately.

FAA Has Complete Set of Competency Models

FAA has developed, and provided in its 2009 acquisition workforce plan, a complete set of competency models for Program/Project Management, Research/ Engineering, Business and Financial Management, Contracting, Contracting Officer's Technical Representative, and Leadership. The 2010 plan added competency models for Cost Estimating and Integrated Logistics. In FY 2011, FAA completed the competency model for Test & Evaluation Specialists (December 2010) and updated/refined its model for System Engineering (May 2011). The only profession for which a competency model has not been developed is Acquisition Attorney. FAA conducted a benchmarking study in 2010 and did not find any organization using a formal competency model for the Acquisition Attorney role. The only other role identified by the FAA is "Specialty Support," which is not a candidate for a competency model due to the varied nature of the work performed by individuals in this category.

FAA Implemented Measures Necessary to Monitor and Maintain Acquisition Workforce

Appendix. Agency Comments

Since launching its ambitious planning effort to develop strategies for hiring, training, developing, and retaining acquisition employees in September 2009, FAA has:

- refined definitions of the acquisition workforce and specific professions and disciplines;
- developed an infrastructure and increased collaboration and review protocols to support the collection, analysis, and reporting of acquisition workforce data;
- added and refined competency models for acquisition disciplines/professions;
- initiated development of an acquisition workforce community portal, including an automated certification application process to streamline the certification process, track training leading to certification, and create a data warehouse;
- enhanced the workforce planning process to collect information at the program level to improve fidelity of projections; and
- developed guidance for individuals and their managers to help guide career development.

The OIG draft report offers an inaccurate perspective relating to staffing levels for certain expertise. For example, the FAA is operating well within the range of engineering staff needed to support acquisition programs. When FAA published the 2010 plan (June 2010) FAA's staffing level for engineers was 90% of the FY 2010 demand projection for engineers. At the close of FY 2010, FAA's actual-on-board count was at 93% of its projected staffing requirement for engineers. As a result, the OIG's assertion that FAA has hired less than 40 percent of the engineering expertise needed to support its acquisition programs is misleading.

FAA now has measures in place to collect, analyze, and report accurate data on its acquisition workforce. Since the 2009 plan, FAA has developed and implemented new data collection and validation protocols. Definition of the core acquisition workforce and professions/disciplines have been refined, staff coordinate monthly with a steady cadre of points-of-contact in the Lines of Business/Service Units to collect gains and loss data, data is recorded and maintained in a database that has been refined since the 2009 plan, monthly data reports are provided to the Acquisition Workforce Council, and annual validation and demand projection updates are vetted up to the representative Council executive.

FAA also has certification programs in place that meet or exceed Executive Branch "Federal Acquisition Certifications" (FAC) – FAC-Contracting, FAC-COTR, and FAC-P/PM. Additionally, FAA provides training, graduate level certificate programs, and offers industry certification opportunities for myriad other acquisition disciplines and is actively enhancing the competency models and designing additional certification programs as appropriate.

Responses to Recommendations:

Appendix. Agency Comments

OIG Recommendation 1: Develop a standard definition of “acquisition workforce” and clarify which employees are included in each acquisition discipline. Communicate this definition to all staff involved in identifying the acquisition workforce.

FAA Response: Concur. FAA has developed a standard definition of the acquisition workforce and has communicated it to all staff involved in identifying the acquisition workforce. FAA’s Acquisition Workforce Council reviewed and refined the definition of the acquisition workforce and the profession/discipline descriptions in December 2010 and the Acquisition Career Management (ACM) group worked closely with staff in each service unit/line of business to apply the definitions during a validation of the onboard acquisition workforce in March 2011. Employee listings were then generated by organization, and provided to the Acquisition Workforce Council for review. The reports included the profession/discipline identified for each employee. The ACM group collects gains, losses, and movement data monthly from the service unit/line of business staff and provides a detailed report to the Council each month, which includes name, organization, profession, and program assignment. Through this process, we enter employees into the acquisition workforce database upon entry. Based upon the actions described above, we consider final action complete on this recommendation as of March 2011.

OIG Recommendation 2: Identify the entire acquisition workforce, including contracted and Federal employees for all lines of business. Develop and implement tools and internal controls to ensure that FAA accurately identifies its acquisition workforce.

FAA Response: Partially Concur. Every line of business that has core acquisition employees is included in the plan. FAA’s core acquisition workforce consists of Federal employees in those lines of business/service units that are primary providers of acquisition services on FAA’s Capital Investment Plan (CIP) programs, therefore not every line of business is included. The staff managing large support services contracts identified in FAA’s CIP, such as SE 2020, are now being tracked as part of the acquisition workforce and will be included in the 2011 plan update. Additionally, contracting officers and specialists who award and administer the full array of service contracts have always been included in the plans.

FAA has been working to stabilize its processes, tools, and internal controls for identifying, tracking, validating and reporting its acquisition workforce. Through these stabilization efforts, FAA has developed a process for identifying Federal acquisition workforce membership changes from its lines of business/service units on a monthly basis. Acquisition workforce data are maintained in database tools to support tracking and reporting.

The purpose and focus of the Acquisition Workforce Plan is to ensure FAA has a stable cadre of Federal employees to provide consistent, long-term staffing and maintain core in-house capabilities necessary to be successful managing FAA’s major systems acquisitions. FAA uses Capital Investment Plan programs as the basis for workload projections, and projects staffing requirements based on program workload. In this constrained budget environment, FAA does not have the resources to do the level of analysis required to include contractor FTEs in the workforce plan, and FAA is not aware of any other agency including contractor FTEs in their acquisition workforce plans. While FAA does not have plans to formally count contractor FTEs in the workforce plan,

Appendix. Agency Comments

during the annual process of validating current staffing and projecting future staffing requirements, program officials are expected to consider the balance of Federal employees and contractor FTEs required for the acquisition workload. FAA is also complying with OMB “multi-sector workforce analysis” requirements related to Service Contracts Inventory, in which we assess service contracts to determine how contracted services are being used and if contractors are being used in an appropriate manner (e.g., not performing inherently governmental work). FAA has fulfilled the intent of this recommendation with regard to its Federal acquisition workforce, and based on the information provided above, the agency considers final action complete on the recommendation.

OIG Recommendation 3: Determine the best mix of labor resources by identifying the proper roles of both contractors and Federal employees, along with the skill sets and expertise needed for each group.

FAA Response: Concur. As explained in the response to recommendation 2, this is being done through the workforce planning process, as well as through the Service Contracts Inventory reviews and reports to OMB (FY 2011 review completed June 2011). Competency models are being used to identify the skill sets and expertise needed. Additionally, FAA’s has instituted a Support Contract Review Board (SCRB) that reviews all support contracts of \$10 million or more, prior to CFO approval. Items reviewed include designation and training of COTRs; program office’s assessment that it has sufficient resources to adequately monitor the contractor’s performance; and labor category information. FAA’s competency models for the acquisition disciplines will be provided to the SCRB to help inform their reviews. While FAA will continue to update these processes, based on the information provided, it considers action complete on this recommendation.

OIG Recommendation 4: Assess the function and role of TORs and CORs. Determine the need to include TORs and CORs as part of FAA’s acquisition workforce.

FAA Response: Concur. Effective in the FAA’s Acquisition Management System (AMS) April 2011 Quarterly Update, the terms “Task Order Representative” and “Contracting Officer’s Representative” were eliminated. All persons appointed by the Contracting Officer to support contract administration are now designated Contracting Officer Technical Representatives (COTR). In order to be appointed as a COTR, each individual must receive a training certification from the Contracting/COTR Career Programs Team, Acquisition Career Management Group. Training requirements are established in AMS Policy Chapter 5. COTRs are part of FAA’s acquisition workforce. We consider action on this recommendation to be complete as of April 2011.

OIG Recommendation 5: Complete competency models for all disciplines.

FAA Response: Concur. FAA has reviewed the acquisition disciplines, identified any additional areas that would benefit from competency models, and developed such models for these remaining areas. Notably, FAA completed the Test & Evaluation competency model in December 2010. FAA also completed an update to the System Engineering competency model in May 2011. At this time, FAA has no specific plans to develop a competency model for Acquisition Attorneys. A benchmarking study FAA conducted in 2010 did not find any organization using a formal competency model for the Acquisition

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Attorney role. The only other role identified by the FAA for which a competency model does not exist is “Specialized Support,” which is not a candidate for a competency model due to the varied nature of the work performed by individuals in this category.

The competency models will continue to be reviewed and updated/refined on an ongoing basis to ensure they stay relevant. To stay abreast of government and industry competency model work, FAA participates on cross-agency Functional Advisory Boards chaired by OMB/FAI and engages with industry certification associations (for example, Project Management Institute, International Council of System Engineering, International Test & Evaluation Association, National Contract Management Association). Based on the actions described above, FAA considers action complete on this recommendation.

OIG Recommendation 6: Determine the need for certification programs for each acquisition discipline.

FAA Response: Concur. Certification policy has already been established for Program/Project Managers, Contracting Officers/Specialists, COTRs, and logistics specialists. For Cost Estimators, Test & Evaluation Specialists, and Systems Engineers, detailed competency models and dictionaries, tailored to FAA and with tiered-proficiency expectations, have been developed and workgroups are mapping training/development recommendations to the competencies and developing proposals for certification programs. Needs for other acquisition-related certification programs will be assessed before the end of FY 2012.

OIG Recommendation 7: Document reasons for when FAA cannot meet its hiring goals, both overall hiring goals and specific hiring targets, for FAA lines of business and acquisition disciplines.

FAA Response: Concur. FAA will begin documenting reasons when it does not meet its annual acquisition workforce staffing projections. The workforce demand projections in the Acquisition Workforce Plan are for planning purposes, to guide regular and recurring assessment of staffing levels and balance and make appropriate decisions regarding how to shift work or resources to best meet priorities. For the acquisition workforce, projecting staffing requirements is not a precise science due to the nature of the work. As stated in a May 2000 report by the National Academy of Public Administration, entitled *Guide to Workforce Planning*, “Workforce Planning does not require absolute accuracy in forecasting; being approximately right is sufficient. Moreover, plans should be updated annually, providing an opportunity to keep refining forecasts of future needs and challenges.” FAA will document reasons when it does not meet its annual staffing projections following the close of each fiscal year, by November 15, 2011 for FY 2011.

OIG Recommendation 8: Establish processes for tracking workforce hiring, training, and certification. Validate hiring data by requiring that service units identify discipline fields for newly hired acquisition employees.

FAA Response: Concur. FAA is now tracking gains and losses to the acquisition workforce on a monthly basis. Gains and losses data collected are by service unit/line of business and includes corresponding individual employee data including acquisition profession/discipline, program assignment(s) by Capital Investment Plan designator, and whether employee is a reassignment into/out of the acquisition workforce from within the

service unit/LOB, a new hire to FAA and the acquisition workforce or loss to the FAA (e.g., to another agency, industry, retirement), or a transfer from or to another service unit/LOB (and which other service unit/LOB). Reports are provided to the Acquisition Workforce Council monthly.

Training is tracked through FAA's electronic Learning Management System (eLMS) and workforce certifications are tracked through a certification database maintained by the FAA Acquisition Career Management (ACM) group. The database facilitates data collection, accuracy, and reporting. Additionally, the ACM group is piloting a new automated certification application and approval process. Certification status reports for Contracting Officers/ Specialists and Program/Project Managers are updated and reported to the Acquisition Workforce Council monthly. The ACM group also manages and tracks other certifications. The ACM group is currently populating a database that provides a certification and warrant record for each member of the acquisition workforce. Because of an ever-changing workforce, this must be a continuous process as described above. FAA requests that the OIG close this recommendation.

OIG Recommendation 9: Enforce employee development policies to ensure that all acquisition workforce employees complete required training. In particular, ensure that contracting officers meet minimum certification requirements for their warrant authority.

FAA Response: Concur. As stated in the response to Recommendation 8, the ACM group is tracking and reporting monthly certification status for employees who have certification requirements. Additionally, there are two FAA FY 2011 business plan targets specific to certification: (1) 95 percent of Acquisition Category (ACAT) 1 and 2 programs are managed by a level 3 certified program manager; and (2) 80 percent of entry-level contracting specialists achieve level 1 certification within 15 months of hire. This is an ongoing process, and FAA requests the OIG close this recommendation.

OIG Recommendation 10: Include details on the resources, specific steps, timelines, milestones, and deliverables needed to implement future updates to the Acquisition Workforce Plan.

FAA Response: Concur. Additional detail regarding milestones and deliverables will be included in future updates to the Acquisition Workforce Plan, starting with the next update expected to be completed on September 30, 2011. More specific project plans/steps will be maintained internally by the ACM group and Acquisition Workforce Council.

OIG Recommendation 11: Notify all acquisition employees of their acquisition roles and duties and ensure they are aware of applicable certification requirements.

FAA Response: Concur. Additional outreach will be conducted this fiscal year to ensure each acquisition employee is notified, specifically, that they are included as part of the Acquisition Workforce and are aware of the Acquisition Workforce Plan and applicable certification requirements. Additionally, the 2011 update to the plan will include a "Profile" section for each acquisition profession (as was done in the 2010 plan).