

# O C P O

Office of the Chief Procurement Officer

FISCAL YEAR 2017



## MESSAGE FROM THE CHIEF PROCUREMENT OFFICER

FIRST AND FOREMOST, I WANT TO SAY THANK YOU TO OUR WORKFORCE. I AM PROUD OF OUR FISCAL YEAR (FY) 2017 ACCOMPLISHMENTS AND THEY ARE A DIRECT RESULT OF ALL OF YOUR HARD WORK AND EFFORT THROUGHOUT THE YEAR.



“ Our focus in the Office of the Chief Procurement Officer has been on four priorities that support our mission:

- 1 INSPIRE AND MOTIVATE PEOPLE
- 2 DELIVER EXCEPTIONAL RESULTS
- 3 ENHANCE MISSION CAPABILITIES
- 4 PROMOTE MEANINGFUL COMMUNICATIONS

This report highlights our accomplishments within each priority. I continue to believe that these are the right priorities for us to work toward as an organization and how we provide value to the Department of Homeland Security.

I encourage you to take a few moments to read through this annual report to see all of the incredible endeavors and outcomes to which you and your colleagues contributed. ”

SORAYA CORREA  
DHS Chief Procurement Officer



## 1 INSPIRE & MOTIVATE PEOPLE

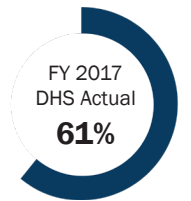
CONTINUALLY FOSTER AN ENVIRONMENT WHERE A TALENTED, RESILIENT, AND DIVERSE WORKFORCE COLLABORATES WITH CUSTOMERS AND INDUSTRY TO DELIVER INNOVATIVE SOLUTIONS.

### EMPLOYEE SATISFACTION

One of our key metrics in this priority is employee satisfaction. In FY 2017, we addressed some of the FY 2016 employee perceptions regarding personal empowerment and performance recognition through:

- Monthly chat-n-chews with the CPO
- Quarterly supervisor engagement roundtables for the CPO and OCPO supervisors to discuss branch and division level employee engagement activities
- New CPO awards program
- New mentoring program

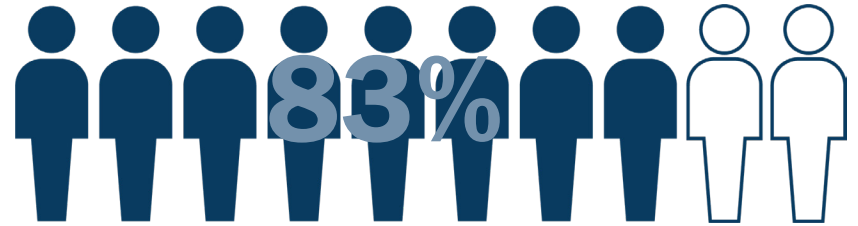
### METRICS





### HIRING AND STAFFING

In FY 2017, on average, **445** out of **536** positions were filled.



### DHS-WIDE INCLUSION

Heads of Contracting Activity are invited to participate in the OCPO hosted job fairs





EDUCATION AND DEVELOPMENT

Our acquisition workforce consists of **13,000** people across the United States



APCP

During FY 2017, OCPO graduated twenty-nine individuals from the Acquisition Professional Career Program (APCP) and placed them within DHS Components.

Since the program's inception in 2008, 253 participants have graduated and have been placed in acquisition positions within the DHS.

“ [The APCP is] a great program that gives extensive training and experience to the profession that we are in. ”

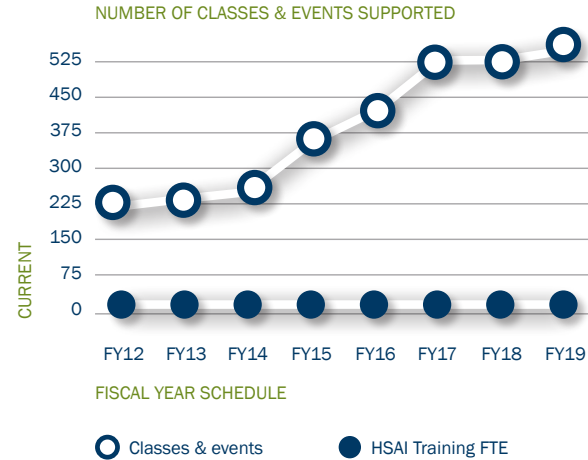
– APCP participant





EDUCATION

Homeland Security Acquisition Institute



HSAI is lowering its cost/ hour of training through the use of more cost-effective course delivery methodologies such as webinars. In FY 2017, the cost per hour for webinars was only \$2.53.

The HSAI South East (SE) satellite training campus located at FLETC-Glynco, GA expands HSAI’s capability to deliver classroom training to DHS acquisition workforce members. Three HSAI courses have been successfully delivered at the HSAI-SE campus.

CLPs Conferred	FY14	FY15	FY16	FY17
All Learning Cafés	200	4,532	8,205	17,046
Only PIL Learning Cafés	-	305	1,385	2,627

While the Procurement Innovation Lab (PIL) helps to inspire and motivate people, it also enhances mission capabilities by putting the innovations into practice and delivering significant results.

EDGE MENTORING PROGRAM

Education, Development, Growth, and Excellence (EDGE) mentoring program is the first mentoring program for DHS contracting professionals

- Launched second cohort
- Currently, 29 mentor-protégé pairings located throughout the United States.



“ My mentor’s ambition, drive and willingness to take on new opportunities is motivating—it really opened my eyes to the possibilities within this career field. ”

– EDGE participant

EXECUTIVE SPONSORSHIP OF INNOVATION

DHS recognizes that innovation emanates as much from failure as it does from success, and will build on the lessons learned as we move forward rather than compromise a procurement.

“ [Soraya Correa’s] “I own it” declaration lights a path out of the culture of fear. May she have many acolytes among government managers. ”

– Steve Kelman, Federal Computing Weekly, June 28, 2017

“ [M]y goal was to inspire people to take chances to make the procurement process faster, more efficient, and more effective – to help people execute on mission. I invited people to bring creative ideas, and then I said to everyone, ‘If you succeed, you own success, we will spread your success so other people can use it. But I own failure. ”

– Soraya Correa, DHS Chief Procurement Officer





## 2 DELIVER EXCEPTIONAL RESULTS

HARNESS OUR COLLECTIVE EXPERTISE TO DELIVER THE RIGHT SOLUTIONS AT THE RIGHT TIME.

### TOTAL OBLIGATIONS & ACTIONS

In FY 2017, our contracting workforce of 1,241 employees purchased over \$20 billion in mission critical products and services via 161,000 procurement transactions.

FY 2017  
**\$20B**

FY 2016

**\$18B**

FY 2015

**\$16B**

### SMALL BUSINESS ACHIEVEMENTS

DHS continues to be a leader in providing opportunities to small businesses. We have received a grade of “A” or “A+” eight years in a row for meeting the goals assigned by the Small Business Association. We anticipate another “A” for FY 2017, even with the emergency contracting necessary to respond to Hurricanes Harvey and Maria.

FY 2009

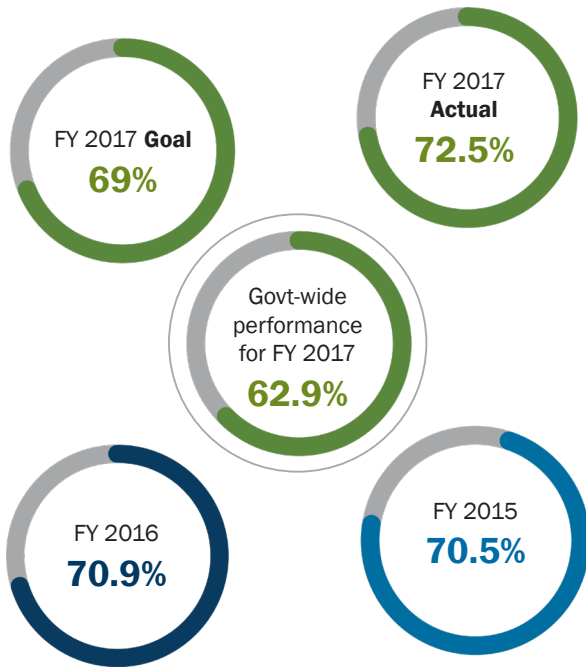
FY 2017

**A/A+**



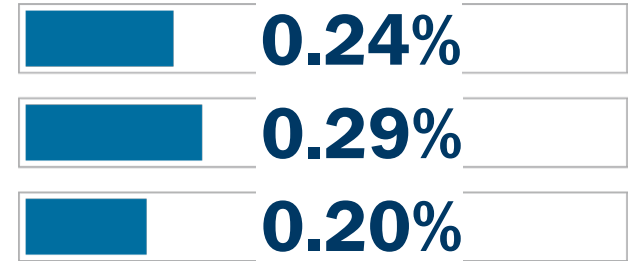
DHS COMPETITION RATE

In FY 2017 we continued our trend of exceeding our competition rate goal. Competition typically provides better pricing and allows the government to select the best value for its needs by comparing cost and performance between offers.



PROTESTS

Contrary to the common belief that every contract action will be protested, in FY 2017, only 0.24 percent of the DHS awards were protested to GAO or COFC



INNOVATION

The culture of DHS is changing to embrace innovation. In FY 2015, 74 percent of the DHS acquisition workforce expressed fear and cultural resistance to innovation, but in FY 2017, 53 percent reported that support for innovation was improving

“ The entire process of streamlining the evaluation - particularly forgoing the individual evaluation and going right into consensus meetings - was tremendously valuable to me personally as a CO because it gave me insight into how to accomplish this streamlining in the future. ”

- OPO Contracting Officer

“ This was the most consistent and efficient and properly managed acquisition I’ve been a part of in the recent past. One day for Q&A and finished it early! Did not waste our time, met every commitment that they made, and whenever we had questions...[was] very responsive. ”

- Quote from offeror on the Service Management Tool procurement

“ Kudos for spearheading this, don’t give up. We all benefitted a lot by participating in a process like FLASH. A lot of Federal agencies are following DHS’ lead - and we all know more about how it works because of DHS’ leadership on this front. ”

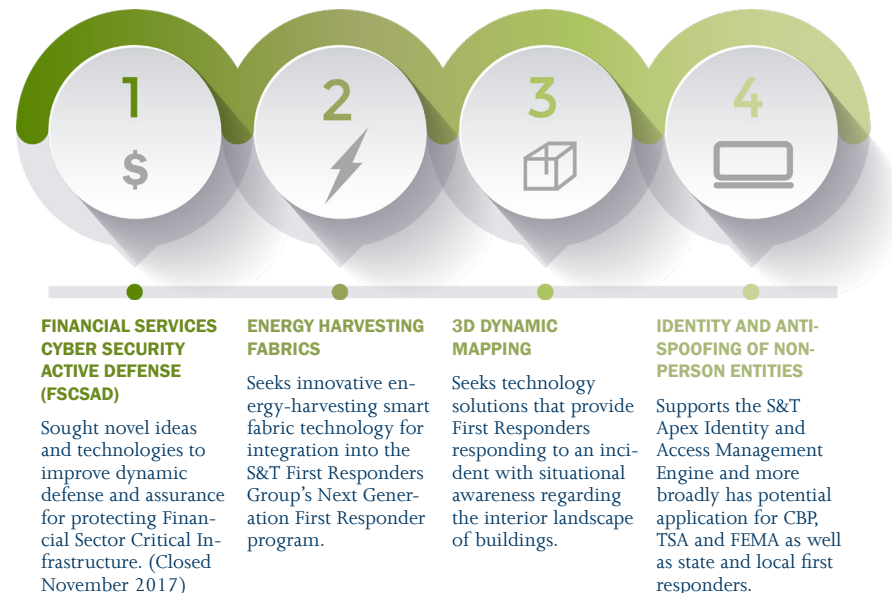
- FLASH vendor

**DATA ACT**

DHS was one of only a few agencies to receive the Department of Treasury’s Secretary’s Certification of Appreciation for outstanding achievements in Data Act reporting.

**SILICON VALLEY INNOVATION PROGRAM**

Topics Released in FY17: 4



**FY17**

Applications Received  
(across 8 topic areas)

**151**

Pitches Held

**35**

New Portfolio Companies Awarded\*

**19**

\* (Awards were made to companies from around the country including California, Florida, Georgia, Massachusetts, Ohio, Pennsylvania, Texas, and Washington.)



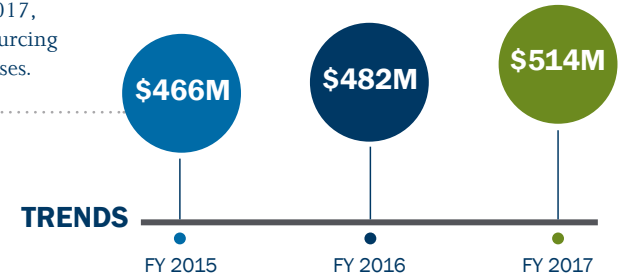
### 3 ENHANCE MISSION CAPABILITY


AS TRUSTED COLLEAGUES, WE WILL USE THE TOOLS AND RESOURCES AT OUR DISPOSAL TO ENABLE PROGRAMS TO MEET DHS'S STRATEGIC AND OPERATIONAL OBJECTIVES.

#### STRATEGIC SOURCING AND CATEGORY MANAGEMENT

DHS is a leader in these efforts in strategic sourcing and category management through nearly 80 strategic sourcing vehicles, eight of those are adopted government-wide Best-in-Class vehicles. In FY 2017, 63 percent of strategic sourcing vendors are small businesses.

IN FY 2017





We saved \$514 million in tax payer dollars on strategically sourced initiatives, that's over 12 percent of every dollar allocated for strategic sourcing vehicles that can be reallocated to serve the mission.

DHS obligated 47 percent of strategic sourcing spend on small businesses, which was nearly \$1.75 billion.

We awarded 63 percent of DHS strategic sourcing awards and delivery orders to small businesses.

- Within those numbers, 36 percent of our strategic sourcing vehicles were either partial or full set-asides.

**COST AND PRICING SUPPORT**

Provided support on pricing, claims and terminations, resulting in a savings of \$100M in FY 2017

**EXAMPLES**

- OCPO Cost/Price Analyst Jordan Parkes found that a security guard contractor overstated a request for equitable adjustment by \$561,000 in start-up costs and an apparent overstatement in sick leave in the Service Contract Act portion of the price adjustment.
- OCPO Cost/Price Analyst Mark Hudak identified \$10 million in unallowable costs related to bond repayments and discovered non-compliance issues with the cost allocation schedule in a detention center proposal.

**FIRST TIME SMALL BUSINESSES**

In FY 2017, DHS awarded a total of 21,250 contracts. Small businesses received 8,500 of those contracts (that is 40 percent of all contracts). Within the small business contracts, 1,700 small businesses received their first contract with DHS.

**INTEGRATION**

OCPO partners with internal and external organizations to enhance mission capabilities

- Components
- DHS CXOs
- Chief Acquisition Officer Council
- Interagency Advisory Committee for Data Act
- Shared Services Governance Board
- Office of Federal Procurement Policy
- Office of Management and Budget

**LOW RISK CONTRACT CLOSEOUTS**

Transformed the culture by collaborating across organizations to apply risk-based management principles in closing over-age contracts

**RESULTS**

- Closed 129,000, or 36.7 percent of the total expired contracts
- Reduced financial audit issues
- Reduced burden on acquisition and financial systems
- Eliminated manual process for low-risk contracts

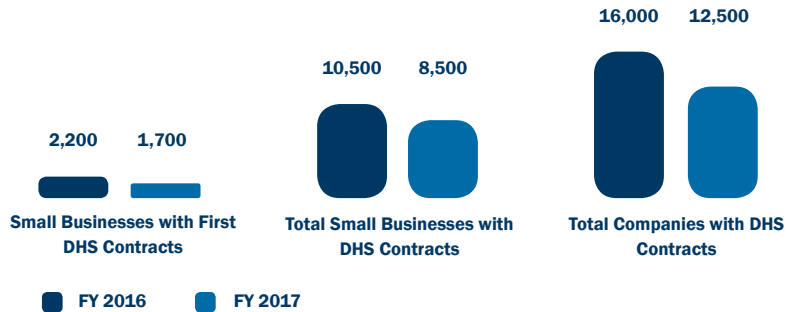
**OCPO OVERSIGHT**

Developed a more collaborative approach

Focuses on understanding the root cause of issues and the possibility and probability of solutions

Delivers faster results through automated reports

FY 2016-17 DHS SMALL BUSINESS CONTRACT AWARDS



Other agencies are considering adopting our process for their closeout backlogs.



4

**PROMOTE MEANINGFUL COMMUNICATIONS**

PROMOTE THE FLOW OF INFORMATION AND IDEAS ACROSS THE FEDERAL PROCUREMENT AND ACQUISITION ECOSYSTEMS IN SUPPORT OF DHS MISSION AND BUSINESS PRIORITIES.

COMMUNICATIONS

EVENTS

Meaningful messaging – In FY 2017, the Chief Procurement Officer began posting blogs to communicate to the workforce. Twelve issued in FY 2017, on topics ranging from hiring events and how OCPO supported the surge capacity force during the DHS hurricane response effort.

“The interaction between government and industry appealed to me the most. Having Contracting Officers, program officials, and industry all come to the table and having a dialogue is crucial to changing the landscape of industry communication.”

– Attendee



NUMBER OF PROCUREMENT-RELATED INDUSTRY DAYS/PRE-PROPOSAL CONFERENCES/ OUTREACH EVENTS

Through these, we are getting in front of industry, giving them information about procurements, and learning about their questions/concerns. The early communication helps us issue procurements that not only meet DHS’s needs, but are in line with industry practices.



