

June 30, 2004

Mr. David Childs  
Office of Management and Budget  
17th Street and Pennsylvania Avenue NW.  
Washington, D.C. 20503

Dear Mr. Childs:

Enclosed is the Office of Inspector General's (OIG) 2004 inventory of inherently governmental and commercial functions as required by the guidelines of the Office of Management and Budget's (OMB) Circular A-76 and the Federal Activities Inventory Reform (FAIR) Act of 1998.

As we have noted in previous submissions, the Inspector General Act (section 6(a)) specifically provides OIG authority to hire and/or contract as necessary to carry out its responsibilities under the Act. It is OIG's position that this statutory IG independence takes precedence over OMB Circular A-76 and the requirements of the FAIR Act.

However, in support of the intent of the FAIR Act and related regulations, we have attempted to identify functions that could have the potential for contracting out at the discretion of the Inspector General (IG). The discretion of the IG to use commercial services in lieu of in-house sources would be based solely upon the premise that there will be no compromise in the exercise of judgment and discretion or the integrity and independence inherent in the IG Act in fulfilling the agency's statutory mission.

If you have any questions or need additional information, please contact me on (202) 720-6979 or Del Thornsby, Deputy Assistant Inspector General for Policy Development and Resources Management, on (202) 720-4474.

Sincerely,

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SUZANNE MURRIN  
Assistant Inspector General  
for Policy Development and Resources Management

Enclosure

**Office of Inspector General  
2004 FAIR Act Inventory Report**

<u>Org Unit</u>			<u>City</u>						<u>Status</u>		
<u>Seq No.</u>	<u>Agy_Bur</u>	<u>Abbreviation</u>	<u>State</u>	<u>City</u>	<u>Country</u>	<u>Total FTEs</u>	<u>Activity Fct Code</u>	<u>Description</u>	<u>Status</u>	<u>Reason</u>	<u>First Year on Inventory</u>
1	005-08	08	DC	Washington	US	2.00	B000	Personnel Administrative Support	C	A	1999
2	005-08	08	DC	Washington	US	1.00	B301	Processing	C	A	1999
3	005-08	08	DC	Washington	US	1.00	B401	Benefits Reviews and Analysis	C	A	2004
4	005-08	08	DC	Washington	US	1.00	B700	Personnel Management Specialist	C	A	1999
5	005-08	08	DC	Washington	US	1.00	B702	Personnel IT Support	C	A	2004
6	005-08	08	DC	Washington	US	1.00	B710	Management HQ--Civilian Personnel	C	A	2004
7	005-08	08	DC	Washington	US	2.00	C401	Financial Analysis	C	A	2004
8	005-08	08	DC	Washington	US	2.00	F320	Contract Administration & Ops	C	A	1999
9	005-08	08	DC	Washington	US	2.00	F399	Other Procurement & Contracting	C	A	1999
10	005-08	08	MO	Kansas City	US	36.00	I420	Financial Audits	C	A	2004
11	005-08	08	DC	Washington	US	1.00	W000	Administrative Support	C	A	2002
12	005-08	08	DC	Washington	US	1.00	W410	Information Ops & Info Assurance	C	A	2002
13	005-08	08	DC	Washington	US	2.00	W500	Data Maintenance	C	A	2004
14	005-08	08	DC	Washington	US	2.00	W826	Systems Design, Dev. & Prog Servs	C	A	1999
15	005-08	08	DC	Washington	US	2.00	W829	Client Services	C	A	2000
16	005-08	08	DC	Washington	US	1.00	Y000	Administrative Support	C	A	2004
17	005-08	08	DC	Washington	US	3.00	Y511	Budget Execution Support Services	C	A	1999
18	005-08	08	DC	Washington	US	2.00	Y820	Admin. Mgt. & Correspondence Serv	C	A	2004
19	005-08	08	DC	Washington	US	1.00	Y840	Directives & Records Mgt. Services	C	A	2004
<b>Total:</b>						<b>08</b>					
<b>Report</b>											
<b>Total FTE:</b>						<b>64.00</b>					