



**FEDERAL ACTIVITIES INVENTORY REFORM (FAIR) ACT:  
REPORT OF THE  
U.S. OFFICE OF SPECIAL COUNSEL  
FOR FISCAL YEAR 2003**

**Background**

The Office of Special Counsel (OSC) is a small, independent law enforcement agency within the Executive Branch. OSC currently has 114 employees – 111 full-time employees (of which four are temporary employees), and three part-time employees (of which one is a temporary employee). The majority of OSC employees are assigned to the agency's program operating units. A small core staff of employees, other federal agencies (through cross-servicing agreements), and private vendors (by contract) provide such management and program support services, including functions classified as commercial activities, as may be needed by OSC. The agency does not provide administrative or commercial services.

**Summary**

The following is a summary of the aggregate data contained in OSC's fiscal year (FY) 2003 inventory of commercial and inherently governmental activities:

<b>FY 2003 ANNUAL INVENTORY SUMMARY</b>									
	<b>Commercial Activity Inventory</b>					<b>Inherently Governmental Inventory</b>			
	FAIR Act	Uniformed Services	Foreign Nationals	Other	<u>TOTAL</u>	Inherently Governmental*	Uniformed Services	Foreign Nationals	<u>TOTAL</u>
<b>OSC</b>	15	0	0	0	15	98	0	0	98

\*Minus uniformed services personnel and foreign nationals

The 15 functional allocations identified as commercial activities represent 13% of OSC's total of 113 positions.<sup>1</sup> All commercial FTEs have been designated as exempt from competition (reason code A) by OSC's competitive sourcing official, William Reukauf, Acting Special Counsel.

Certain function codes assigned to commercial activities on OSC's inventory for FY 2003 have changed since last year's inventory. This is due to the use of updated OMB codes since last year's report.

<sup>1</sup> The 113 positions shown in OSC's FY 2003 inventory do not reflect actual position activity percentage usage by the agency on an annual basis. The Bureau of Public Debt, which processes OSC's financial and accounting transactions, projected actual position activity usage through the end of FY 2003 at 105.78, with a surplus of .22 FTE, as of May 31, 2003. This coincides with the 106 position activity allocation shown on OMB's 2003 spreadsheet for OSC.

### **FY 2002 Inventory**

OSC received no administrative challenges to its 2002 inventory of commercial and inherently governmental activities after OMB's notice of its availability in the *Federal Register*, and the posting of the inventory on OSC's web site. Therefore, no changes were made to the 2002 inventory after OMB's approval.

### **Point of Contact**

For further information about OSC's FY 2003 inventory, please contact:

Sharyn Danch  
Legal Counsel and Policy Division  
Office of Special Counsel  
1730 M Street, N.W. (Suite 201)  
Washington, DC 20036-4505  
Tel: (202) 653-8971

### **Web Site Address**

Following OMB's approval, OSC will make its FY 2003 inventory available to the public on the agency web site, at [www.osc.gov](http://www.osc.gov) (under "E-Library").

### **Inventory Challenge Process**

OSC has implemented the inventory challenge process required by OMB Circular A-76 as follows:

1. Submission of Inventory Challenge. After publication of OMB's *Federal Register* notice that OSC's FY 2003 inventory is available, an interested party may challenge the inventory. The challenge must be submitted to OSC in writing within 30 working days. The inventory challenge must be limited to: (a) the reclassification of an activity as inherently governmental or commercial, or (b) the application of reason codes. *Function codes are not subject to the inventory challenge process*. An inventory challenge must specify the OSC location(s) and function(s) of the activity or activities being challenged, and must be addressed to the following agency inventory challenge official:

Erin M. McDonnell

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Associate Special Counsel for Legal Counsel and Policy  
Office of Special Counsel  
1730 M Street, N.W. (Suite 201)  
Washington, DC 20036-4505

2. Inventory Challenge Decision. Within 28 working days of receiving an appropriate inventory challenge (defined in the previous paragraph), the inventory challenge official will: (a) validate the commercial or inherently governmental categorization or reason code designation of the challenged activity in a written decision letter, and (b) send the letter, including the reason(s) for the decision, to the interested party who submitted the challenge. The decision letter will include an explanation of the party's right to file an appeal of any adverse decision on the challenge. If the official determines that a challenge is not appropriate under the OSC process, the person who submitted the challenge will be informed in writing of the reason(s) for that determination.

3. Submission of an Appeal of an Inventory Challenge Decision. Upon receipt of an adverse decision on an inventory challenge, the recipient may appeal it. An appeal must be submitted to OSC in writing within 10 working days to the following OSC inventory appeal official:

William E. Reukauf  
Acting Special Counsel  
U.S. Office of Special Counsel  
1730 M Street, N.W. (Suite 201)  
Washington, DC 20036-4505

4. Inventory Appeal Decision. Within 10 working days of receipt of an appeal, the inventory appeal official will issue and send a written decision letter on the appeal to the person who submitted it. The letter will include the reason(s) for the decision.

If the inventory challenge process results in a change to OSC's inventory, OSC will send a copy of the change to OMB and Congress, make the change available to the public, and publish a notice of public availability in the *Federal Register*.