

another non-mission agency, e.g., between the Environmental Protection Agency and the Department of Commerce, between the Agriculture Department's National Finance Center and the Department of Justice or between the Office of Personnel Management and the Department of Housing and Urban Development for the provision of background investigation services. It would not apply to services provided within the reimbursable service providers host agency or any such agreement within the Department of Defense.

OMB also recognizes that the proposed requirement to conduct competitions on a level playing field and on the basis of the full cost of performance to the taxpayer poses other budgetary challenges. The President's FY 2002 Budget includes a proposal to integrate performance and budget data. Three major changes are presently envisioned. They include: (1) identifying high quality outcome measures, accurately monitoring the performance of programs, and integrating this presentation with associated cost, (2) changes to create a market based government, of which this initiative is a part, to open the government's activities to more competition, and to require agencies to budget for costs in a way that will simplify cost comparison for A-76 competition, and (3) full integration of financial (finance, budget, and cost), program, and oversight information, and processes. The government's chief financial officers have endorsed as a long-term goal that program and financial officers work in partnership, to achieve the full integration of financial (finance, budget, and cost), program, and oversight information and processes. The Administration will soon transmit legislative proposals to support changes in the way costs are charged in the budget to permit the consideration of full budget costs in a cost comparison. However, in the interim, while competitions and the decisions to award shall be based upon comparisons conducted in accordance with the A-76 Revised Supplemental Handbook, the reimbursable costs charged to a customer agency, if a public reimbursable service provider wins such a competition, will rely on budget based reimbursable rates, prepared under current law.

OMB requests comment on the proposed revisions.

**Sean O'Keefe,**  
*Deputy Director.*

#### **Executive Office of the President**

##### *Office of Management and Budget*

[Circular No. A-76 (Revised) Proposed Transmittal Memorandum No. 24]

June 26, 2001.

To the Heads of Executive Departments and Agencies

From: Sean O'Keefe, Deputy Director  
Subject: Performance of Commercial Activities

This Transmittal Memorandum implements changes to the OMB Circular A-76 Revised Supplemental Handbook in furtherance of the President's FY 2002 Budget Blueprint commitment to expand the level of competition for the acquisition of commercial support work required by the Federal Government and to establish a competitive baseline in preparation for the integration of other budgeting, performance and accountability initiatives. The March 1996 Revised Supplemental Handbook was issued through Transmittal Memorandum No. 15 (61 FR 14338). The March 1996 Revised Supplemental Handbook was further revised to implement the requirements of the Federal Activities Inventory Reform Act through Transmittal Memorandum No. 20 (64 FR 33927) and Transmittal Memorandum No. 22 (65 FR 54568). Transmittal Memorandum No. 23 (66 FR 14943) provided updated labor and non-labor related escalation factors for use in A-76 cost comparisons.

OMB is making two changes to the A-76 Revised Supplemental Handbook. First, Part 1, Chapter 2, paragraph 5 and paragraph 5.a. are deleted. Paragraph 5 has permitted agencies to consolidate administrative, logistical and other commercial support activities through the transfer of work to Inter-Service Support Agreements (ISSAs), within and between agencies, without cost comparison if the consolidation was accomplished prior to October 1, 1997, and if the consolidation did not involve the conversion of work to or from in-house or contract performance. Paragraph 5.a., has exempted existing reimbursable support work and the renewal of related ISSAs from the cost comparison requirements of the Circular. However, paragraph 5.a. also established a government-wide requirement that all new and expanded ISSAs shall be justified on the basis of a cost comparison, conducted in accordance with the requirements of the

Circular and Supplemental Handbook, unless as otherwise provided by the Supplemental Handbook or by law.

In order to emphasize the need to expand the level of competition required and to establish a consistent baseline for the acquisition of commercial support, OMB is revising Part 1, Chapter 2, paragraph 5, to read as follows:

"5. Reimbursable support service providers within the Federal Government are providing a large and an increasing amount of commercial work to Federal program activities (customers) under reimbursable service agreements and without the benefits of recurring competitions. These ISSAs are not competing with the private sector or with other public offerors who might be able to provide higher levels of service at less cost. Therefore, not later than October 1, 2001, each customer agency shall establish a recurring schedule for all work performed for it on a reimbursable basis by another agency for competition. ISSAs shall be recompeted every 3-5 years or as otherwise permitted by related procurement regulations for comparable types of commercial work (see Competition-in-Contracting Act (CICA) and the Federal Acquisition Regulations). These competitions shall permit offers from the private sector, the current reimbursable service provider and other public offerors, as appropriate. In addition, all new or expanded work required by a customer agency shall be submitted to competition, as provided in this Chapter."

A conforming change is also hereby made to Part 1, Chapter 2, paragraph B.1, as follows: "1. The prospective providing agency will furnish the requesting agency a firm price or reimbursable rate for the existing, new or expanded workload \* \* \*."

This change is effective immediately. Current A-76 and FAIR Act implementation guidance can be accessed at OMB's home page at:  
<http://www.whitehouse.gov/OMB/procurement/fair-index.html>.

[FR Doc. 01-16480 Filed 6-29-01; 8:45 am]

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## **OFFICE OF MANAGEMENT AND BUDGET**

### **Draft Report to Congress on the Costs and Benefits of Federal Regulations**

**AGENCY:** Office of Management and Budget, Executive Office of the President.

**ACTION:** Notice of extension of public comment period.

**SUMMARY:** On May 2, 2001, OMB published a notice and request for comments for its Draft Report to Congress on the Costs and Benefits of Federal Regulations. The comment period was scheduled to end on July 2, 2001. This notice extends the public

comment period on the draft report to August 15, 2001.

**DATES:** *Comment Due Date:* August 15, 2001.

**ADDRESSES:** Comments on this draft report should be addressed to John Morrall, Office of Information and Regulatory Affairs, Office of Management and Budget, NEOB, Room 10235, 725 17th Street, NW., Washington, DC 20503.

You may submit comments by regular mail, by facsimile to (202) 395-6974, or by electronic mail to [jmorrall@omb.eop.gov](mailto:jmorrall@omb.eop.gov).

**FOR FURTHER INFORMATION CONTACT:** You can review the Report on the Internet at: [http://www.whitehouse.gov/omb/fedreg/cb\\_report\\_notice.pdf](http://www.whitehouse.gov/omb/fedreg/cb_report_notice.pdf).

You may also request a copy from John Morrall, Office of Information and Regulatory Affairs, Office of Management and Budget, NEOB, Room 10235, 725 17th Street, NW., Washington, DC 20503. Telephone: (202) 395-7316. E-mail: [jmorrall@omb.eop.gov](mailto:jmorrall@omb.eop.gov).

**SUPPLEMENTARY INFORMATION:** On May 2, 2001, OMB published in the **Federal Register** (66 FR 22041) a notice and request for comment for its Draft Report to Congress on the Costs and Benefits of Federal regulations. The comment period on the draft report was scheduled to end July 2, 2001. Members of the public and Congress have asked for additional time to allow the public a better opportunity to participate in the comment process. Accordingly, OMB has decided to extend the public comment period on the draft report to August 15, 2001.

**Donald R. Arbuckle,**

*Deputy Administrator, Office of Information and Regulatory Affairs.*

[FR Doc. 01-16690 Filed 6-29-01; 1:02 pm]

**BILLING CODE 3110-01-P**

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**OFFICE OF PERSONNEL  
MANAGEMENT**

**Excepted Service**

**AGENCY:** Office of Personnel Management.

**ACTION:** Notice.

**SUMMARY:** This gives notice of positions placed or revoked under Schedule C in the excepted service, as required by Civil Service Rule VI, Exceptions from the Competitive Service.

**FOR FURTHER INFORMATION CONTACT:** Pam Shivery, Director, Washington Service Center, Employment Service (202) 606-1015.

**SUPPLEMENTARY INFORMATION:** The Office of Personnel Management published its last monthly notice updating appointing authorities established under the Excepted Service provisions of 5 CFR part 213 on April 11, 2001, (66 FR 18824). Individual authorities established under Schedule C during March, April and May 2001, appear in the listing below. There were no Schedule C approvals for February 2001. Future notices will be published on the fourth Tuesday of each month, or as soon as possible thereafter. A consolidated listing of all authorities as of June 30 will also be published.

**Schedule C**

The following Schedule C authorities were established during March, April and May 2001:

*Department of Agriculture*

Special Assistant to the Under Secretary for Farm and Foreign Agricultural Service. Effective May 22, 2001.

Special Assistant to the Under Secretary for Natural Resources and Environment. Effective May 22, 2001.

Confidential Assistant to the Under Secretary for Food, Nutrition and Consumer Services. Effective May 30, 2001.

Confidential Assistant to the Assistant Secretary for Congressional Relations. Effective May 30, 2001.

Confidential Assistant to the Under Secretary for Research, Education and Economics. Effective May 30, 2001.

*Commission on Civil Rights*

Special Assistant to the Commissioner. Effective March 31, 2001.

*Department of Commerce*

Legislative Specialist for National Oceanic and Atmospheric Administration and Environment to the Assistant Secretary for Legislative and Intergovernmental Affairs. Effective April 30, 2001.

Intergovernmental Affairs Specialist to the Deputy Assistant Secretary for Intergovernmental Affairs. Effective May 2, 2001.

Legislative Specialist for Technology and Telecommunications to the Assistant Secretary for Legislative and Intergovernmental Affairs. Effective May 2, 2001.

Director, Office of External Affairs to the Secretary of Commerce. Effective May 2, 2001.

Press Secretary to the Director of Public Affairs. Effective May 3, 2001.

Special Assistant to the Assistant Secretary of Commerce, Director

General of the U.S. and Foreign Commercial Service. Effective May 8, 2001.

Special Assistant to the Director, Office of White House Liaison. Effective May 9, 2001.

Deputy Director to the Director, Office of Public Affairs. Effective May 9, 2001.

*Department of Education*

Confidential Assistant to the Chief of Staff. Effective May 21, 2001.

Special Assistant to the Assistant Secretary for Intergovernmental and Interagency Affairs. Effective May 21, 2001.

Confidential Assistant to the Chief of Staff. Effective May 21, 2001.

Confidential Assistant to the Chief of Staff. Effective May 22, 2001.

Confidential Assistant to the Director, Office of Public Affairs. Effective May 24, 2001.

Confidential Assistant to the Director, Scheduling and Briefing Staff. Effective May 24, 2001.

Steward to the Chief of Staff. Effective May 24, 2001.

Special Assistant (White House Liaison) to the Chief of Staff. Effective May 24, 2001.

*Department of Energy*

Special Assistant to the Secretary of Energy. Effective May 8, 2001.

Staff Assistant to the Director, Office of Scheduling and Advance. Effective May 8, 2001.

Special Assistant to the Assistant Secretary for Congressional and Intergovernmental Affairs. Effective May 8, 2001.

Special Assistant to the Director, Civilian Radioactive Waste Management. Effective May 8, 2001.

Special Assistant to the Director, Office of Public Affairs. Effective May 8, 2001.

Special Assistant to the Director, Office of Scheduling and Advance. Effective May 8, 2001.

Special Assistant to the General Counsel. Effective May 8, 2001.

Special Assistant to the Deputy Assistant Secretary for Intergovernmental and External Affairs. Effective May 8, 2001.

Special Assistant to the Director, Office of Public Affairs. Effective May 8, 2001.

Special Assistant to the Assistant Secretary, Office of Congressional and Intergovernmental Affairs. Effective May 9, 2001.

Special Assistant to the Assistant Secretary for Congressional and Intergovernmental Affairs. Effective May 9, 2001.

Special Advisor to the Chief of Staff. Effective May 29, 2001. Special