



February 3, 1999

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TO: BOARD OF DIRECTORS

FROM: MICHAEL O'CONNOR *MO*
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SUBJECT: CONTRACTING OFFICER'S TECHNICAL
REPRESENTATIVE INITIATIVE

ISSUE

In a November board report entitled "Ratification of Previously Expended and Incurred Amounts for Elevator and Vanpool Services Rendered," the report stated that the COTR Program will be the subject of a January 1999 Board Report. This report is submitted pursuant to that request.

REPORT

After attending several exit conferences where internal weakness in the organization were highlighted by the Office of Inspector General and Management Audit Services, the Executive Officers of Procurement and Administration explored ways to improve internal controls of contracting activity. A review was conducted of the practices of other transit properties and the federal government for additional structures that could be utilized to enhance MTA's contract management process. It was decided to implement the Contracting Officer's Technical Representative (COTR) Program. This program is currently in use by several federal agencies to improve their effectiveness in managing contractors and to formalize internal control mechanisms.

A draft COTR guideline was developed by the Office of Procurement in November 1998. On November 12, 1998, the Chief Executive Officer signed a memorandum outlining the duties and responsibilities of COTR's. This memorandum established the framework for the guidelines and MTA's COTR reporting structure.

On December 15, 1998, a pilot workshop was held to review the draft manual; to refine the proposed training, and to obtain feedback on the COTR process from the various MTA project management groups. These comments were collected by

the Human Resources and Procurement organizations for incorporation into the draft COTR lesson plan and draft COTR manual.

The feedback from this pilot workshop indicated the need existed to enhance several skill sets and for the development of additional tools to facilitate more rational business decisions and enhance administrative accountability of the contract/project management process.

The manual and training are expected to be formalized in the 3rd Quarter of FY 1999. All major project and program managers are expected to attend along with Procurement staff.

The Office of Procurement has assigned the responsibility for implementation of the COTR program to the Director of Compliance and Business Planning. As with future training efforts, there will be assessments and follow-up to determine the effectiveness of this training on the overall performance of MTA staff.

I will continue to advise the Board on the progress of this endeavor.