

# CHAPTER 7

## Report on Federal Procurement Data

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# I. Background: Government Efforts to Track Contract Spending

## A. Introduction

The Panel's decision to develop findings and recommendations related to the government's procurement data was the result of its efforts to obtain such data in support of the various working groups of the Panel. The Federal Procurement Data System – Next Generation ("FPDS-NG") is the only government-wide system that tracks federal procurement spending. The system does not track any other kind of federal expenditures such as grants or loans. The Panel's results with obtaining usable data were mixed. Based on these experiences, we believed we might be able to identify some opportunities to improve the reliability and transparency of data on procurement spending. While the Panel has attempted to address the accuracy of data in general and the transparency of it in particular, this chapter is not a full scale review of FPDS-NG, but rather the result of the Panel's targeted requests for data.

Additionally, despite some frustration, the Panel recognizes that the FPDS-NG system was newly implemented in 2004, achieving a remarkable migration of 10 million transactions from the legacy system,<sup>1</sup> and, as such, should not be subject to blanket criticism. The Panel has, after all, obtained important insights through this data, bringing to light the prescience of Congress in directing this Panel to review interagency contracts and supporting inclusion of these contracts on the Government Accountability Office ("GAO") 2005 High Risk series. However, the Panel did meet with some significant frustrations that it has attempted to address.

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<sup>1</sup> Test. of Teresa Sorrenti, Integrated Acquisition Environment, Federal Procurement Data System – Next Generation, AAP Pub. Meeting (Feb. 23, 2006) Tr. at 248.

## Chapter 7 – Federal Procurement Data Findings and Recommendations

Findings	Recommendations
<p><b>Finding 1:</b> Competition data on orders under Interagency Contracts is unreliable.</p> <p><b>Finding 2:</b> Current value and estimated value of orders under Interagency Contracts is not available from migrated data.</p>	<p><b>Recommendation 1:</b> OFPP shall ensure that FPDS-NG corrects the reporting rules for competition immediately.</p> <p><b>Recommendation 2:</b> OFPP shall ensure validations apply equally to all agencies, unless there is a statutory reason to differ.</p> <p><b>Recommendation 3:</b> An independent verification and validation (IV&amp;V) should be undertaken to ensure all other validation rules are working properly in FPDS-NG.</p>
<p><b>Finding 3:</b> Current value and estimated value of orders under Interagency Contracts is not entered correctly by Agencies.</p> <p><b>Finding 4:</b> Inaccurate user data entry compromises the usefulness of data.</p> <p><b>Finding 5:</b> The OFPP Act does not currently assign responsibility for accurate and timely data reporting within the agency except for a general description of the files to be maintained by “Executive Agencies” and transmitted to FPDS</p>	<p><b>Recommendation 4:</b> Congress should revise the OFPP Act to assign responsibility for timely and accurate data reporting to FPDS-NG or successor system to the head of the executive agency.</p> <p><b>Recommendation 5:</b> Agencies shall ensure their workforce is trained to accurately report required contract data. The training should address the purpose and objectives of data reporting to include:</p> <ul style="list-style-type: none"> <li>a. Improving the public trust through increased transparency.</li> <li>b. Providing a tool for sound policy-making and strategic acquisition decisions.</li> </ul>
<p><b>Finding 1:</b> Competition data on orders under Interagency Contracts is unreliable.</p>	<p><b>Recommendation 6:</b> OMB should establish, within 90 days of this Report, a standard operating procedure that ensures sufficient and appropriate department and agency personnel are made available for testing changes in FPDS-NG and participating on the Change Control Board.</p>
<p><b>Finding 4:</b> Inaccurate user data entry compromises the usefulness of data.</p>	<p><b>Recommendation 7:</b> Agency internal reviews (e.g., Procurement Management Reviews, IG audits) should include sampling files to compare FPDS-NG data to the official contract/order file.</p>

Findings	Recommendations
<p><b>Finding 1:</b> Competition data on orders under Interagency Contracts is unreliable.</p>	<p><b>Recommendation 8:</b> The OFPP Interagency Contracting Working Group should address data entry responsibility as part of the creation and continuation process for interagency and enterprise-wide contracts.</p>
<p><b>Finding 4:</b> Inaccurate user data entry compromises the usefulness of data.</p>	<p><b>Recommendation 9:</b> GAO should perform an audit that covers not only the quality of FPDS-NG data, but also agency compliance in providing accurate and timely data.</p>
<p><b>Finding 1:</b> Competition data on orders under Interagency Contracts is unreliable.</p> <p><b>Finding 6:</b> Data on Interagency Contract ordering trends is not readily available for analysis.</p>	<p><b>Recommendation 10:</b> OFPP should ensure that FPDS-NG reports data on orders under interagency and enterprise-wide contracts, making this data publicly available (<i>i.e.</i>, standard report(s)). The OFPP Interagency Contracting Working group shall provide the specific guidelines consistent with the reports requested by the Panel to include competition information at the order level sufficient to answer, at a minimum: Who is buying how much of what using what type of indefinite delivery vehicle and if not buying it competitively, what exception to fair opportunity applies? Other considerations, such as pricing arrangements, socio-economic status, number of offers received, fee information, and PBA should be considered when designing the report.</p>
<p><b>Finding 6:</b> Data on Interagency Contract ordering trends is not readily available for analysis.</p>	<p><b>Recommendation 11:</b> The FPDS-NG report provided to the Panel that shows the dollar transactions by agency and by type of interagency vehicle (<i>e.g.</i>, FSS, GWAC, BPA, BOA, other IDCs) and product or service code should be made available to the public in the short term.</p>
<p><b>Finding 7:</b> FPDS was not designed to provide sufficient granularity for spend analysis and strategic decisions.</p>	<p><b>Recommendation 12:</b> OFPP should devise a method and study the cost-benefit of implementing additional data reporting requirements sufficient to perform strategic sourcing and market research within and across agencies.</p>
	<p><b>Recommendation 13:</b> OFPP should seek agency and industry perspective to determine if the UNSPSC classification or some other classification system is feasible as a new data element if the scope of data collection is expanded.</p>

Findings	Recommendations
<p><b>Finding 8:</b> FPDS relies on voluntary contributions from Agencies for operational and enhancement funding.</p>	<p><b>Recommendation 14:</b> OMB shall ensure that agencies provide sufficient funds to ensure these systems are financed as a shared service based on levels agreed to by the CAO Council and OFPP, sufficient to support the objectives of the systems.</p>
<p><b>Finding 9(a):</b> FPDS data only pertains to use of taxpayer funds in acquisition of products and services. A substantial amount of taxpayer funds are provided by federal agencies to entities for products and services through grants, cooperative agreements, Other Transactions and inter-agency service support agreements (“ISSAs”).</p> <p><b>Finding 9(b):</b> Taxpayers should be provided the maximum level of transparency on the use of their tax dollars through contracts, grants, cooperative agreements, other transactions and inter-agency service support agreements (“ISSAs”). Transparency can be greatly enhanced by providing a single, integrated, web-accessible database for search by the public on the use of grants, contracts, cooperative agreements, Other Transactions and ISSAs. Such a data system should, at the least, allow the public to search for net awards of taxpayer funds to specific companies, organizations, or governmental entities.</p>	<p><b>Recommendation 15:</b> Within one year, OMB shall conduct a feasibility and funding study of integrating data on awards of contracts, grants, cooperative agreements, ISSAs, and “other transactions” through a single, integrated, and web-accessible database, searchable by the public. *</p>

\* This recommendation has been overtaken by events. In August 2006, the Congressional Budget Office (CBO) released an estimate of \$15 million for implementing S. 2590, the Federal Funding and Accountability Transparency Act of 2006. The President signed the bill into law on September 26, 2006 and OMB is currently working towards implementation.

## B. History of the Federal Procurement Data System

In 1972, the Commission on Government Procurement reported that no single government organization was responsible for collecting and reporting on what executive agencies were buying or the total value of those purchases.<sup>2</sup> The Commission found that

- The Congress needs this basic information to make informed decisions on matters of broad public policy relating to procurement programs.
- The executive branch needs this information to determine the policy necessary for managing the procurement process.
- Interagency support activities need this information to develop and improve the services offered.

<sup>2</sup> Comm’n on Gov’t Procurement Report, Pt D, *Acquisition of Commercial Products*, Ch. 2 at 5 (1972).

- Suppliers need this information to develop programs to service the federal market. Full information creates a more competitive marketplace and provides a better opportunity for individual suppliers to compete.

To meet these needs, the Commission recommended establishing a system for collecting and disseminating procurement statistics. Congress passed the Office of Federal Procurement Policy Act (Public Law 93-400) in August 1974, which, in part, required the Administrator of the Office of Federal Procurement Policy (“OFPP”) to establish such a system.

A committee, representing twelve agencies, studied the existing procurement management systems of the Department of Defense (“DoD”), National Aeronautics and Space Administration (“NASA”), and the Department of Health, Education and Welfare. The committee’s July 1975 report stated that the new system should be designated as the Federal Procurement Data System (“FPDS”) and reports issued by the system should answer the following questions:

- Who are the agencies doing the procuring?
- What products or services are procured?
- What contractor is providing the products or services?
- When were the procurements awarded?
- Where is the place of performance?
- How was the product or service procured (e.g., negotiation authority, pricing provisions, extent of competition, and set-asides)?

In February 1978, the Administrator of OFPP issued a memorandum that established the system and advised the Departments and agencies that DoD would act as executive agent for OFPP and manage both the system and the Federal Procurement Data Center (“FPDC”). The memorandum also established a Policy Advisory Board chaired by OFPP and issued a manual on reporting procedures. The first data was to be reported to FPDC in February 1979 beginning with data collected for the first quarter of fiscal year 1979. In 1982, executive agent responsibility was transferred to the General Services Administration (“GSA”), where it remains today.

The initial reporting requirements covered 27 data elements reported on each individual procurement (or modification) in excess of \$10,000. These reports were to be uniform, showing the same 27 data elements for each procurement then forwarded to the FPDC responsible for consolidating the information for each agency and reporting to Congress, the Executive branch and industry. The Federal Procurement Report has been published every year since.

## C. Technology

The original FPDS was maintained on an IBM mainframe computer. The system used numerous COBOL programs and stored the data on magnetic tape. Processing the data required more than one hundred steps. Maintaining COBOL programming and still residing on a mainframe computer, the second generation was released in 1987. The third generation saw the system move in-house and was based on an Oracle relational database management system. It allowed for online data entry and provided hourly batch processing. But it relied on agency feeder systems that were responsible for some variances

between the actual agency award data and FPDS data. These systems also had hidden costs, often requiring contractor support for each change to the data collection system. The time and resources involved with modifying these feeder systems meant that changes to the data collection requirements could only be made once a year. And the system also did not permit user retrieval of data. Requests for data that fell outside the information in the yearly Federal Procurement Report had to be specially processed by FPDC staff.

In 2000, leadership from OFPP, DoD, and GSA decided to employ the ongoing initiatives of the Change Management Center (“CMC”) under the leadership of the Deputy Under Secretary of Defense (Acquisition Reform) to innovate the FPDS. The CMC used a “Rapid Improvement Methodology” that brought together stakeholders to identify and implement process improvement. A Rapid Implementation Team (“RIT”) was tasked to develop a business case and outcomes for a reengineered FPDS. This RIT conducted meetings in the summer of 2000 and included participation from OFPP as well as

- Secretary of Defense
- Military Services
- Veterans Affairs
- GSA (including the FPDC)
- Department of Education
- Department of Transportation
- Environmental Protection Agency
- Small Business Administration
- Internal Revenue Service
- Department of Commerce
- Department of Treasury
- Small Agency Council

The efforts of this team eventually resulted in a solicitation to acquire a new government-wide electronic data collection and management information system, to be known as the FPDS-NG. The overall goal of the acquisition was to

...reduce the overall cost of data collection and to provide timely and accurate management information by implementing a system that interoperates with agency electronic procurement systems that report data into the Government’s central database and other electronic commerce systems.<sup>3</sup>

The contract was competed and awarded to Global Computer Enterprises, Inc. in April 2003. The system became operational in October 2003, entering into a transition period lasting two years, during which time the contractor was to work with federal agencies to ensure data transfer and integrate contract writing systems with the new FPDS-NG.<sup>4</sup>

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<sup>3</sup> FPDS-NG solicitation, GS00M02PDR0008, C-4 (Oct. 29, 2002) (on file with OFPP).

<sup>4</sup> U.S. GAO, *Improvements Needed to the Federal Procurement Data System – Next Generation*, GAO-05-960R, 1 (Sept. 27, 2005)



## D. A History of Criticism—Accuracy of Agency Reporting Questioned

From its inception, the FPDS has been plagued with claims that the data itself is inaccurate. These claims have often been misinterpreted as a *system* failure when, in fact, the GAO has been abundantly clear that the failure is largely one of inaccurate or untimely data input by the agencies responsible for reporting. The GAO performed its first review of the system in 1980, the first year a report was issued on government-wide data from the system. At that time, only 27 data elements were required on each procurement action in excess of \$10,000. The GAO found that it was "...unlikely that accurate and complete Government-wide data for fiscal year 1979 will be available in the near future."<sup>5</sup> The GAO cited the number of agencies late in reporting their data to the FPDC and with respect to accuracy said:

Furthermore, we noted that, once fully operational and debugged, the system will still have limitations. For example, the system relies on the integrity of many individuals to prepare the individual Contract Action Reports and to prepare them correctly. If for some reason a report is not prepared, the data on the contract award will not enter the system. The Center has no means of knowing whether data is reported for all contracts.

The Center has developed a comprehensive edit program to enhance the accuracy of the data received. This edit program will detect inconsistencies and omission, such as identifying failure to complete or fill in any of the items shown on the reporting form. Nevertheless, errors can go undetected in certain instances. For example, if the wrong dollar amount or type of contract is reported, the Center would have no way of discovering the errors.<sup>6</sup>

Section 10 of the OFPP Act Amendments of 1988 (P.L. 100-679) required OFPP, in consultation with the Comptroller General, to conduct a study and report to Congress on the extent to which the data collected by the FPDS was adequate for the management, oversight, and evaluation of federal procurement. The study was based on public comment, interviews with stakeholders, and responses to questionnaires from agencies, industry, and congressional staffs. For instance, the House Information Systems Office told OFPP that they believed that greater attention was needed to improve accuracy and timeliness of the existing data rather than expansion of the number and types of data elements collected.<sup>7</sup> Industry also expressed concerns. The Professional Services Council was critical of the system design, the classification system for professional and technical services, and accuracy in general stating that its informal review:

... revealed errors in a number of the data fields, most obviously in the dollar obligations for contract activities. [The Council] strongly urges the application of professional quality-control standards to all aspects of FPDS

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<sup>5</sup> Comptroller General's Report To The Chairman, Subcommittee on Human Resources, Comm. on Post Office & Civil Serv., House of Representatives, PSAD-80-33, *The Federal Procurement Data System-Making It Work Better*, ii (Apr. 18, 1980).

<sup>6</sup> *Id.* at 9.

<sup>7</sup> OFPP Report to the Congress, *Study of the Federal Procurement Data System (FPDS)*, App. 4 at 39 (June 1989).

data collection, coding, editing, and processing. No user of the FPDS is served well by erroneous data.<sup>8</sup>

In a 1994 GAO letter to the Administrator of OFPP, GAO stated

... the Center does not have standards detailing the appropriate levels of accuracy and completeness of FPDS data. We also found that some users perceive that FPDS data could be more accurate and complete. These users have identified instances where contractor names and dollar amounts were erroneous. We believe developing standards for FPDS data accuracy and completeness, then initiating a process to ensure that these standards are met, would improve data accuracy and completeness.<sup>9</sup>

In an October 2001 review of the Historically Underutilized Business Zone (HUBZone) program, GAO found that

Reported HUBZone program achievements for fiscal year 2000 were significantly inaccurate. We found that the value of contracts awarded to HUBZone firms could be hundreds of millions of dollars different than the reported achievements. . . . The inaccuracies resulted from data entry errors and insufficient guidance on how to report agency data. FPDC includes the inaccurate data in its annual report on federal procurement activities. As a result of data problems, the Congress and federal agencies cannot use this data to gauge the program's success or to ensure that the program is working as intended.<sup>10</sup>

The GAO August 2003 review of task and delivery orders resulted in yet more criticism, identifying errors and noting:

... we identified numerous other FPDS data errors during the course of our review. We, therefore, limited our use of FPDS data to identifying general multiple-award contract trends . . . and to selecting our sample. We will be providing additional information on FPDS errors in a separate letter.<sup>11</sup>

And more of the same followed in September 2003, with a GAO review of yet another program:

Because the [FPDS] contains unreliable data about the simplified acquisition test program, GAO was unable to determine the extent to which federal executive agencies—including DoD—have used the test program and have realized any benefits. Specifically, the database indicated that the Departments of Treasury, Defense, and Justice were the three largest dollar-value users of the test program in fiscal year 2001 (the latest year with

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<sup>8</sup> *Id.* at 35.

<sup>9</sup> GAO Letter, AIMD-94-178R, OMB and GSA: FPDS Improvements.

<sup>10</sup> U.S. GAO, *Small Business: HUBZone Program Suffers from Reporting and Implementation Difficulties*, GAO-02-57, 1 (Oct. 2001).

<sup>11</sup> U.S. GAO, *Contract Management: Civilian Agency Compliance with Revised Task and Deliver Order Regulations*, GAO-03-983, 20 (Aug. 2003).

complete data available). But GAO found that FPDS either overstated or understated use of the test program by millions of dollars.<sup>12</sup>

But significantly, GAO found these problems were perpetuated in FPDS through inaccurate agency reporting to agency unique databases that fed FPDS. For instance, after reviewing its own internal database used to feed information to FPDS, two DoD buying agencies that reported a combined \$146 million in test program transactions, said that *none* of the reviewed actions, a large dollar sampling of all actions reported, were done under the test program despite being reported that way in DoD's database.<sup>13</sup>

In a December 2003 letter to OMB, GAO related these long-standing concerns stating that their letter "... conveys our serious and continuing concerns with the reliability of the data contained in FPDS. ..." <sup>14</sup> The letter goes on to express GAO's optimism about the new FPDS-NG system but cautioned:

Information in FPDS-NG can only be as reliable as the information agencies enter through their own systems. In the long term, data reliability should improve as agencies fund and implement electronic contract writing systems.<sup>15</sup>

The following summer, OMB issued a letter to agencies and the President's Management Council addressing these GAO concerns and laying out a series of steps for agencies to take to prepare for effective interface with the new FPDS-NG. These steps included a documented quality assurance program and assigning the resources and funds to ensure that major buying activities had contract writing systems capable of transferring data to the new system.

GAO again sent a letter to OMB in September of 2005 addressing its concerns that the largest contracting agency, DoD, representing 60 percent of the contracting actions, had yet to accomplish a machine-to-machine interface with FPDS-NG and had twice delayed its plans to do so. The delay, said GAO, would impact the ability of FPDS-NG to report accurate and timely data. This letter also raised questions about the system's ability to capture information on interagency contracting transactions stating that their attempts to obtain such data had been unsuccessful. While recognizing that full implementation had not been accomplished, GAO provided some recommendations for improvement including working with DoD and other agencies to ensure full electronic interface, easing the use of the Standard and Ad-Hoc reporting tools added to the system, and, finally, to assess whether FPDS-NG was the appropriate tool to collect interagency contracting data.<sup>16</sup> In response to GAO's letter, OMB and GSA officials concurred with the recommendations and said it was a top priority to ensure DoD connected its contract writing system to FPDS-NG. OMB advised that FPDS-NG had a limited role in reporting on interagency contracting and GSA

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<sup>12</sup> U.S. GAO, *Contract Management: No Reliable Data to Measure Benefits of the Simplified Acquisition Test Program*, GAO-03-1068, 5 (Sept. 2003).

<sup>13</sup> *Id.* at 6.

<sup>14</sup> U.S. GAO, *Reliability of Federal Procurement Data*, GAO-04-295R, 1 (Dec. 2003).

<sup>15</sup> *Id.* at 3.

<sup>16</sup> GAO-05-960R at 5.

cautioned that FPDS-NG was never intended to collect and report information regarding financial transactions between government agencies.

Since the time of this letter, OFPP and GSA have worked closely with DoD and a fully operational interface is expected by early 2007. The Panel notes that, unlike GAO, the Panel staff did not have difficulty accessing and obtaining data from the Standard Reports template. However, much like GAO, Panel staff was not prepared to effectively use the Ad-Hoc reporting function of FPDS-NG even after training. This may well have been because the Panel's data requests have been quite complex. GSA has since upgraded that tool to provide a more user-friendly experience. And while the Findings section of this chapter will address the problems encountered in obtaining certain interagency contract information, the Panel was able to obtain basic, high-level information about interagency contracting from FPDS-NG.

On September 26, 2006, nearly a month after the Panel's last public meeting, the President signed the Federal Funding Accountability and Transparency Act of 2006, a bipartisan sponsored Senate bill that would require OMB to oversee the development and maintenance of a single online and easily searchable web site, free to the public, that would provide disclosure of information related to the entities and organizations that received federal funds. Clearly, while this is out of the scope of FPDS-NG, it would seem that the nearly 25 years of findings on the inaccuracy of data have taken their toll. In the Senate Committee Report, a discussion of the systems available to provide part of the data, states:

*"There are a number of weaknesses with FPDS that make it ineffective for providing timely, accurate information on procurement actions: first, not every agency is required to report to FPDS, meaning that the only way to gain an accurate count of procurement spending is to ask each agency individually. Second, the database is undependable, often providing data that is unusable or unreliable."<sup>17</sup>*

## II. Findings

### A. What the Panel Learned from FPDS-NG

FPDS has collected a significant amount of data over the years. The Federal Procurement Reports, which have been published each year for a quarter of a century provide tremendous insight into the changing nature of federal procurement. And the government and public thirst for more data has resulted in an increase from collecting information on 27 data elements for each award in excess of \$10,000 in 1979 to collecting information on 150 data elements for each award over \$3,000 today.

Given the Panel's charter, its attention was quickly drawn to the newly available information on interagency contracts, data recently added to the collection requirements. But because there were many ongoing orders and contracts, it is not possible at this time to conduct trend analysis. This is an inherent problem when adding new reporting

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<sup>17</sup> S. Homeland Security and Governmental Affairs, Comm., Federal Funding and Accountability Transparency Act of 2006, S. Comm. Print, 109-329 (2006)

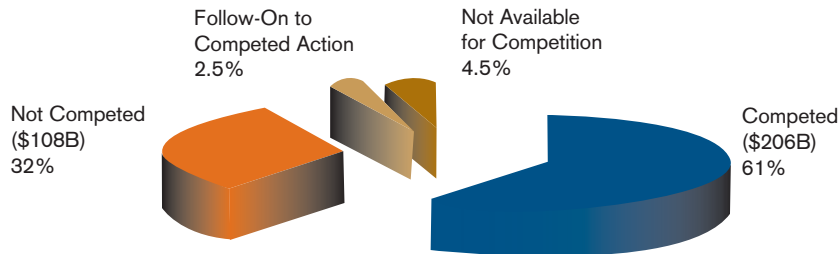
requirements to procurements that have already been reported using old requirements. But what the Panel learned was quite astonishing. In fiscal year 2004, the government spent 40 percent of its procurement dollars under interagency contracts.

In general, it seems that FPDS-NG data at the highest level provides significant insight. However, the reliability of that data, especially on these new reporting elements, begins to degrade at the more granular level due to data specificity on elements for which those reporting may have less familiarity and training.

The following charts provide high-level data based on the standard report currently available at <https://www.fpds.gov>.<sup>18</sup> Standard reports allow the public to obtain data on certain elements of federal procurement spending based on time periods defined by the user. The following information was based on the standard Competition Report for fiscal years 2004 and 2005. The total obligations for these standard reports are calculated on a base that is different from total obligations reflected elsewhere in the Panel’s Report.

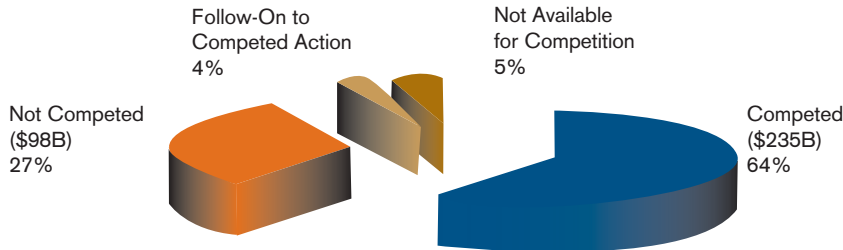
### FPDS-NG FY 2004 Competition Report–Supplies and Services

(Total Obligations in competition base=\$338B)



### FPDS-NG FY 2005 Competition Report–Supplies and Services

(Total Obligations in competition base=\$365B)

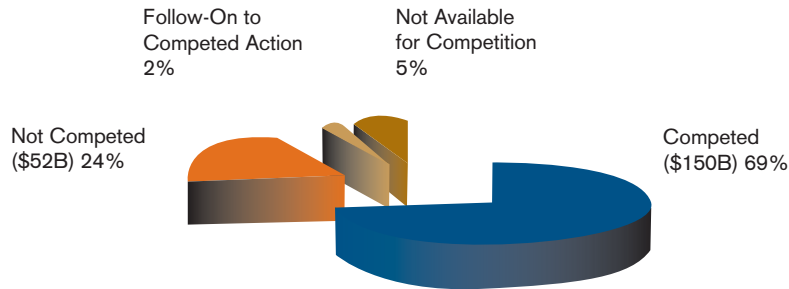


<sup>18</sup> Users must register and log on to access FPDS-NG standard reports. Anyone may register at <https://www.fpds.gov>.

The following charts are based on data that is not available through a standard report and provided by FPDC in response to a Panel request:

### FPDS-NG FY 2004 Total Services by Extent Completed

(Total Services Obligations=\$216B)

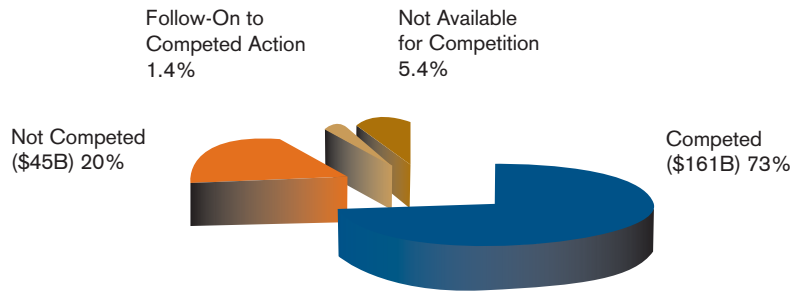


Based on comparison with the *competition base* in the FPDS-NG Standard Report, "Competition Report" for FY 2004 on previous page.

Services were 64% of total obligations for FY 2004

### FPDS-NG FY 2005 Total Services by Extent Completed

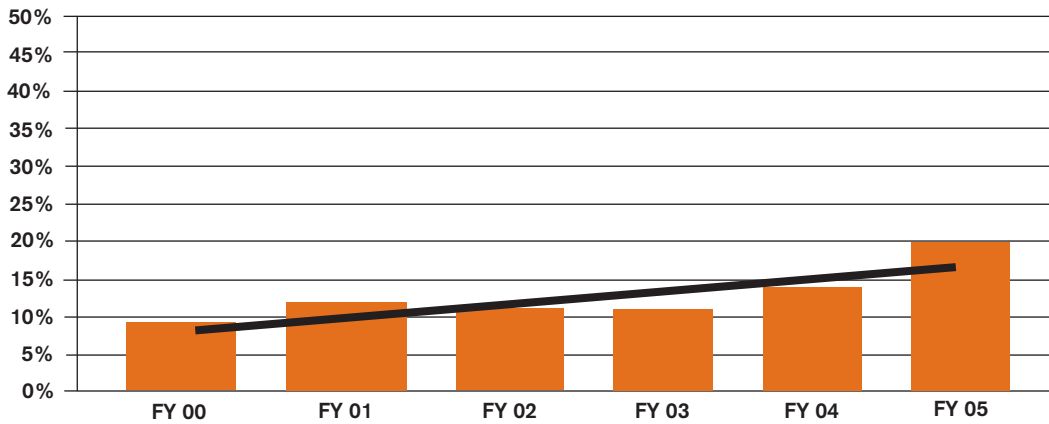
(Total Services Obligations=\$220B)



Based on comparison with the *competition base* in the FPDS-NG Standard Report, "Competition Report" for FY 2005 on previous page.

Services were 60% of total obligations for FY 2005

## Percent of Competitive Awards by Dollars where Only One Offer is Received



Many other requests for data were provided by the FPDC and reported elsewhere in this Report, including the amount of procurement dollars spent in fiscal year 2004 under interagency contracts (40 percent or \$142 billion) and the breakout of that spend between services (62 percent) and products (38 percent). This information was very helpful to the Panel. However, below this level of specificity, the Panel faced a frustrating reality.

## B. Findings

### Finding 1:

#### Competition data on orders under Interagency Contracts is unreliable

Initial reports provided to the Panel indicated that orders under these interagency contracts were achieving high levels of competition. But closer inspection revealed a troubling fact. The “extent competed” element for the overwhelming majority of orders was reported as “Full and Open Competition.” This terminology should not apply at the order level where fair opportunity is the yardstick of competition. A review of the data system and the user’s manual indicated that the appropriate distinctions were being made during the collection of the data, namely, the selection of either competitive or noncompetitive delivery order and, if the latter, the system was designed to force the selection of a fair opportunity exception. So why were the reports showing less than 1 percent of awarded value as competitive or noncompetitive orders with the majority of orders being reported as “Full and Open Competition”? FPDC staff began to investigate and discovered a few underlying causes.

First, validation rules for competition changed in the new FPDS-NG and again in the second year of the system. Civilian agencies developed data conversion rules in this transition. Prior to December 2004, the legacy FPDS User Manual instructed agencies to use the same “extent competed” options as were available on definitive contracts (*e.g.*, full and open competition). In December 2004 this was changed to allow for a clear choice at the order level, competitive or noncompetitive delivery order, with an accompanying validation rule that would require the selection of an exception to fair opportunity for noncompetitive delivery orders. But it appears that actual implementation continued to allow for the definitive contract choices as well as the new competitive/noncompetitive choices. In addition, the validation rules are not functioning as intended. Second, all DoD Federal

Supply Schedule orders are automatically coded by DoD as “full and open competition,” regardless of whether the orders are awarded by DoD competitively or not. Finally, most of the other orders derived their extent competed from the master contract as well.

### **Finding 2:**

#### **Current value and estimated value of orders under Interagency Contracts is not available from migrated data**

The legacy FPDS system collected a single “Dollars Obligated” field. Although the benefit of the estimated, current and ultimate value was identified, at the time of migration, existing legacy systems did not capture or collect this data as part of the business process. As with all the additional elements, they were only collected on new transactions.

### **Finding 3:**

#### **Current value and estimated value of orders under Interagency Contracts is not entered correctly by agencies**

The instructions for reporting were unclear until the posting of a new user’s manual with guidance and specific examples. The system is designed to do the math. Agency personnel were supposed to enter only the value of a modification, such as an option. The system would then add that value to any previously entered value to arrive at the value-to-date. But agency personnel were inputting the cumulative value with the modification. The system would then add that to the previous value to arrive at a highly overstated current value. It was this problem that forced the Panel to use only transactional dollar values.

### **Finding 4:**

#### **Inaccurate user data entry compromises the usefulness of data**

Finding 3 above illustrates this point. Without the current and projected value of orders, the dollars associated with these contracts cannot be understood. But this was certainly not the only example of inaccurate user data. DoD confirmed that they were surprised the Department had spent \$185 million in soybean farming between fiscal years 2000 and 2005. Department officials thought a more likely explanation could be found in looking at the lengthy North American Industrial Classification System (“NAICS”) code list. The NAICS code for soybean farming is listed first, suggesting that it is simply selected to avoid going through the entire list. This impacts the government’s understanding of its spending behavior while preventing contractors from using the system for market research. DoD’s automatic coding of GSA Federal Supply Schedule orders obfuscates the actual competitive nature of potentially billions of dollars in public expenditure. Impossible pairings of Supply and NAICS codes were uncovered, billions of dollars of GSA Federal Supply Schedule orders were identified as noncommercial, another \$10 billion was either not reported by agencies or mischaracterized as something other than a GSA schedule order. Frequently, agencies failed to accurately identify the type of interagency contract their order fell under with schedule orders identified as GWACs or other multiple award contracts.

When the Panel attempted to identify the amount of commercial vs. noncommercial spending, it found that billions of dollars in GSA Federal Supply Schedule orders had been, curiously enough, coded as noncommercial, despite the fact that all schedule offerings are, by definition, commercial. And finally, the Panel’s own survey of PBA contracts and orders



revealed that of the randomly selected files, a full 42 percent were clearly not PBA. Several agencies admitted to mistakes or erroneous coding of the transaction in FPDS-NG.

### **Finding 5:**

**The OFPP Act does not currently assign responsibility for accurate and timely data reporting within the agency except for a general description of the files to be maintained by “Executive Agencies” and transmitted to FPDS.**

### **Finding 6:**

**Data on interagency contract ordering trends is not readily available for analysis**

FPDS-NG has dozens of standard reports and an ad-hoc query capability but the data needed for this type of interagency contract analysis had to be specially created. The data element is new and there was little familiarity with it initially. Previously the interagency contracts were not entered into the FPDS legacy system because that system only tracked dollars obligated, so now the base contract data for orders reported in FPDS-NG are not available for older contracts and must be derived from orders. Logic for new transactions and reports was not focused on this data.

### **Finding 7:**

**FPDS was not designed to provide sufficient granularity for spend analysis and strategic decisions**

Product and Service Codes and NAICS codes are generally too broad for this type of analysis in support of strategic decisions. And while there is a “Description of Requirement” element, it is a free form text field, which doesn’t lend itself to the analysis of large amounts of data nor is it a mandatory field. There are additional classifications used in two online ordering systems (GSA Advantage! and the DoD Email) but these are not passed on to agency contracting or finance systems. Both these online systems use the UN Standard Product Service Codes (“UNSPSC”).

### **Finding 8:**

**FPDS-NG relies on voluntary contributions from the Agencies for operational and enhancement funding**

FPDS-NG is part of the Integrated Acquisition Environment (“IAE”) funded by agencies. IAE is part of the E-Gov initiatives aimed at integrating and leveraging the investments in automation across agencies and move toward a shared services environment. All cross-agency common systems such as FedBizOpps, Central Contractor Registration and FPDS-NG are funded and governed by agencies to ensure buy-in and consistency.

### **Finding 9(a):**

**FPDS data only pertains to use of taxpayer funds in acquisition of products and services. A substantial amount of taxpayer funds are provided by federal agencies to entities for products and services through grants, cooperative agreements, Other Transactions and inter-agency service support agreements (“ISSAs”).**

### **Finding 9(b):**

Taxpayers should be provided the maximum level of transparency on the use of their tax dollars through contracts, grants, cooperative agreements, other transactions and inter-agency service support agreements (“ISSAs”). Transparency can be greatly enhanced by providing a single, integrated, web-accessible database for search by the public on the use of grants, contracts, cooperative agreements, Other Transactions and ISSAs. Such a data system should, at the least, allow the public to search for net awards of taxpayer funds to specific companies, organizations, or governmental entities.

## **III. Recommendations**

### **A. Recommendations**

#### **Recommendation 1:**

**OFPP shall ensure that FPDS-NG corrects the reporting rules for competition at the order level immediately**

The unavailability of competition data at the order level combined with the current status of interagency contracts on the GAO High Risk series, erodes the public trust in a critical acquisition tool for streamlining. Therefore, it is imperative the data reflect the actual level of competition on the order, not on the master contract level. With 40 percent of procurement dollars awarded under these orders, ensuring taxpayer reap the benefits of competition should be a high priority.

#### **Recommendation 2:**

**OFPP shall ensure validations apply equally to all agencies unless there is a statutory reason to differ**

During the Panel’s review of the reports on competition of orders under interagency contracts, the Panel was perplexed as to why there were so many differences in the way civilian and DoD agencies capture this information. While the rules are the same, for instance, on the use of fair opportunity, the structure of the collection of this information differs for civilian and DoD agencies, with DoD maintaining separate reporting instructions and requiring separate maintenance and then harmonization of the data for government-wide reporting purposes. This is inefficient given that the data itself is the same for both DoD and the civilian agencies. Both methods are acceptable for determining the level of competition at the order level and either would work for both DoD and the civilian agencies. The Panel recommends that for efficiency, a single uniform approach should be employed unless there is a statutory reason to differ.

#### **Recommendation 3:**

**An Independent Verification and Validation (“IV&V”) should be undertaken to ensure all other validation rules are working properly in FPDS-NG**

The Panel recognizes there is a cost associated with IV&V that was not anticipated in the fiscal year 2007 budget. This may mean already scheduled priorities might be delayed.

However, ensuring that the system is functioning as intended is essential given the volume of transactions entered into the system in a single year.

#### **Recommendation 4:**

**Congress should revise the OFPP Act to assign responsibility for timely and accurate data reporting to FPDS-NG or successor system to the Head of Executive Agency**

The Panel recognizes the value offered by increasing integration between the various agency contract writing systems and FPDS-NG. But given the Panel's findings and the depressingly long history of criticism launched by the GAO regarding agency data accuracy, the Panel believes accountability must be instituted at all levels of the organizational structure. This is an ingredient in ensuring accuracy and timeliness is elevated through the mechanism of leadership to the field. Only assigning specific accountability at a leadership level will encourage the elevation of accuracy to those entering data. The Panel provides specific amendatory language at Appendix A.

#### **Recommendation 5:**

**Agencies shall ensure their workforce is trained to accurately report required contract data. The training should address the purpose and objectives of data reporting to include:**

- (a) Improving the public trust through increased transparency
- (b) Providing a tool for sound policy-making and strategic acquisition decisions

While system validation rules, addressed in Recommendation 3, are an efficient means of ensuring accuracy, these rules can only identify omissions and eliminate internal reporting contradictions. The GAO's first review of FPDS accurately identified the limits of such system rules, noting that the system relies on the integrity of many individuals for correct reporting.<sup>19</sup> We note that the current FPDS-NG User's Manual is nearly 100 pages covering approximately 150 data elements. The Panel's recommendation on training includes an emphasis on the purpose and objectives of data reporting. Reinforcing these may help to ensure that those who enter data understand the value of what they are doing.

#### **Recommendation 6:**

**OMB should establish, within 90 days of this Report, a standard operating procedure that ensures sufficient and appropriate Department and Agency personnel are made available for testing changes in FPDS-NG and participating on the Change Control Board**

The Panel believes it is essential for the continued maintenance of the system that the Departments and Agencies provide both operational and policy expertise as warranted. Full testing suffers if agencies are not sufficiently bound to participate. The problem identified with the validation rule might have been caught earlier if there were more robust testing. The Panel heard from one FPDC staff member that there are times when only one individual is available to test large numbers of changes.

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<sup>19</sup> PSAD-80-33 at 9.

### **Recommendation 7:**

**Agency internal reviews (e.g., Procurement Management Reviews, Inspector General audits) should include sampling files to compare FPDS-NG data to the official contract/order file**

To reinforce the need for greater accuracy, the Panel recommends that internal agency Procurement Management Reviews (“PMRs”) and Inspector General (“IG”) audits include a comparison of FPDS-NG data to the official contract/order file. This should not be a standalone audit of the accuracy of this data, but rather a standard element considered, on an on-going basis, during any review the agency undertakes to provide consistent oversight in this area.

### **Recommendation 8:**

**The OFPP Interagency Contracting Working Group should address data entry responsibility as part of the creation and continuation process for inter-agency and enterprise-wide contracts**

This recommendation addresses the concerns expressed by the GAO when reviewing interagency contracts and determining that there is not always a clear delineation of the roles and responsibilities between ordering agencies, contract holders, and the user.

### **Recommendation 9:**

**The GAO should perform an audit that covers not only the quality of FPDS-NG data but agency compliance in providing accurate and timely data**

During its review of data concerns, the Panel spoke with GAO officials who told us that they intended to perform another audit of FPDS-NG. The Panel recommends that this audit cover agency compliance in providing accurate and timely data as an integral element to assessing the quality of FPDS-NG data.

### **Recommendation 10:**

**OFPP should ensure that FPDS-NG reports data on orders under interagency and enterprise-wide contracts, making this data publicly available (i.e., standard report(s))**

The OFPP Interagency Contracting Working group shall provide the specific guidelines consistent with the reports requested by the Panel to include competition information at the order level sufficient to answer, at a minimum: Who is buying how much of what using what type of indefinite delivery vehicle and if not buying it competitively, what exception to fair opportunity applies? Other considerations, such as pricing arrangements, socio-economic status, number of offers received, fee information, and PBA should be considered when designing the report.

### **Recommendation 11:**

**The FPDS-NG report provided to the Panel that shows the dollar transactions by agency and by type of interagency vehicle (e.g., FSS, GWAC, BPA, BOA, other IDCs) and Product or Service Code should be made available to the public in the short term**

While the information contained in these reports does not provide the level of insight the Panel eventually seeks and recommends under recommendation 10 above, these reports do provide some transparency and they should be made available to the public. The Panel believes that transparency imparts positive pressure that may elevate the need to improve and expand the data to meet the standard of transparency warranted by the \$142 billion spent on these contracts. The FPDC is working to post these reports now. They will be available at their website at <https://www.fpds.gov>.

### **Recommendation 12:**

**OFPP should devise a method and study the cost-benefit of implementing additional data reporting requirements sufficient to perform strategic sourcing and market research within and across agencies**

### **Recommendation 13:**

**OFPP should seek agency and industry perspective to determine if the UNSPSC classification or some other classification system is feasible as a new data element if the scope of data collection is expanded**

During its public deliberations, there was significant debate on the recommendation regarding granularity. One point of view was that the Panel's recommendation must direct OFPP to develop requirements that would result in the government being able to determine exactly what goods and services it buys. This perspective notes that without this direction, the government will continue to collect data but it will not be sufficient to leverage the government's buying power to make strategic sourcing decisions. Others were concerned with the volume of work this would create for buying organizations to identify and report this level of specificity and their concerns with how this could be accomplished especially with regard to services. While all agreed that the current system was not intended nor designed to provide the level of granularity necessary for spend analysis and strategic sourcing, the Panel could not agree to direct this level of granularity. Instead, it recommends two interim steps, beginning with a cost-benefit analysis and including industry input on the feasibility of identifying such data if the scope of data collection were expanded to collect it.

### **Recommendation 14:**

**OMB shall ensure agencies provide sufficient funds to ensure that these systems are financed as a shared service based on levels agreed to by the CAO Council and OFPP sufficient to support the objectives of the systems**

Again, there was significant debate regarding the funding of FPDS-NG. Some members were concerned that there should be a sustained source of funding through an appropriation arguing that there is a cost to doing business and if collecting and reporting on what the government buys is of value, then the government should recognize this and fund it.

This point of view held that collecting the money from agencies via a “pass the hat” process put FPDS-NG in an unstable funding position with too many other competing interests at the agency level. But those favoring the “pass the hat” method said it is currently working to support the needs of the IAE, including FPDS-NG. However they recommended that those agencies that budget for the IAE need to also ensure they actually provide those funds when the time comes. Therefore, the Panel generally settled on a recommendation that would have OMB ensure the funds agencies provide are sufficient to ensure that the systems are financed as a shared service and sufficient to meet the objectives of the system.

### **Recommendation 15:**

**Within one year, OMB shall conduct a feasibility and funding study of integrating data on awards of contracts, grants, cooperative agreements, inter-agency service support agreements (“ISSAs”) and Other Transactions through a single, integrated and web-accessible database searchable by the public**

Acknowledging that FPDS-NG is only intended to provide data on expenditures through contracts, the Panel recognized the ongoing discussion in Congress of a bipartisan sponsored bill that would provide visibility into the volume of monies expended through grants, cooperative agreements, ISSAs and Other Transactions as well as contracts. The Panel recommended a feasibility and funding study as an interim step.<sup>20</sup>

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<sup>20</sup> This recommendation has been overtaken by events. In August 2006, the Congressional Budget Office (“CBO”) released an estimate of \$15 million for implementing S. 2590, the Federal Funding and Accountability Transparency Act of 2006. The President signed the bill into law on September 26, 2006 and OMB is currently working towards implementation.

# CHAPTER 7–APPENDIX

## Appendix A

### Draft Statutory Revision for Recommendation #4:

41 U.S.C. § 417

United States Code Annotated Currentness

Title 41. Public Contracts

**Chapter 7.** Office of Federal Procurement Policy (Refs & Annos)

**§ 417. Record requirements**

(a) Establishment and maintenance of computer file by executive agency; time period coverage

Each executive agency shall establish and maintain for a period of five years a computer file, by fiscal year, containing unclassified records of all procurements greater than the simplified acquisition threshold in such fiscal year.

(b) Contents

The record established under subsection (a) of this section shall include--

(1) with respect to each procurement carried out using competitive procedures--

(A) the date of contract award;

(B) information identifying the source to whom the contract was awarded;

(C) the property or services obtained by the Government under the procurement; and

(D) the total cost of the procurement;

(2) with respect to each procurement carried out using procedures other than competitive procedures--

(A) the information described in clauses (1)(A), (1)(B), (1)(C), and (1)(D);

(B) the reason under section 253(c) of this title or section 2304(c) of Title 10, as the case may be, for the use of such procedures; and

(C) the identity of the organization or activity which conducted the procurement.

(c) Record categories

The information that is included in such record pursuant to subsection (b)(1) of this section and relates to procurements resulting in the submission of a bid or proposal by only one responsible source shall be separately categorized from the information relating to other procurements included in such record. The record of such information shall be designated "noncompetitive procurements using competitive procedures".

(d) Transmission and data system entry of information

**Heads of Executive Agencies shall ensure the timely and accurate transmission of the information included in the record established and maintained under subsection (a) of this section shall be transmitted to the General Services Administration for entry and shall be entered into the Federal Procurement Data System or successor system referred to in section 405(d)(4) of this title.**





# FINAL REPORT–APPENDICES

## Appendix 1–Working Groups

The members of the Panel were divided into six working groups as follows:

<b>Working Group</b>	<b>Members</b>
Commercial Practices	David A. Drabkin (Co-Chair) James A. “Ty” Hughes (Co-Chair) Marshall J. Doke, Jr Roger D. Waldron
Performance-Based Acquisition	Dr. Allan V. Burman (Co-Chair) Carl DeMaio (Co-Chair) Louis M. Addeo Joshua I. Schwartz
Interagency Contracting	Frank J. Anderson (Co-Chair) Jonathan L. Etherton (Co-Chair) David Javdan Deidre A. Lee Thomas Luedtke
Small Business (cross cutting)	David Javdan (Chair) Louis M. Addeo Deidre A. Lee Roger D. Waldron
Acquisition Workforce (cross cutting)	David A. Drabkin (Co-Chair) Joshua I. Schwartz (Co-Chair) Frank J. Anderson Dr. Allan V. Burman Carl DeMaio
Appropriate Role of Contractors Supporting the Government	Thomas Luedtke (Chair) Louis M. Addeo

\* Panel Chair participated in all working groups



## Appendix 2–Administrative Matters

### Public Meetings

#### The Panel held the following 31 public meetings (no closed meetings were held):

February 9, 2005–Washington, DC	February 23, 2006–Washington, DC
February 28, 2005–Washington, DC	March 17, 2006–Washington, DC
March 30, 2005–Washington, DC	March 29, 2006–Washington, DC
April 19, 2005–Washington, DC	April 21, 2006–Washington, DC
May 17, 2005–Washington, DC	May 18, 2006–Washington, DC
May 23, 2005–Ft. Worth, TX	June 14, 2006–Washington, DC
June 14, 2005–Washington, DC	June 29, 2006–Washington, DC
July 12, 2005–Washington, DC	July 7, 2006–Arlington, VA
July 27, 2005–Long Beach, CA	July 12, 2006–Arlington, VA
August 18, 2005–Washington, DC	July 14, 2006–Washington, DC
September 27, 2005–Washington, DC	July 21, 2006–Washington, DC
October 27, 2005–Washington, DC	July 24, 2006–Arlington, VA
November 18, 2005–Washington, DC	July 25, 2006–Arlington, VA
November 29, 2005–Washington, DC	August 10, 2006–Arlington, VA
December 16, 2005–Washington, DC	August 29, 2006–Arlington, VA
January 31, 2006–Washington, DC	

#### Witnesses appearing before the Panel during the public meetings:

Robert Miller, General Counsel, The Procter & Gamble Company  
Todd Furniss, Chief Operating Officer, Everest Group, Inc.  
Robert Zahler, Pillsbury Winthrop Shaw Pittman  
Neil Hasset, United Technologies Corp.  
Peter Allen, Technology Partners International  
David Sides, Basell USA, Inc.  
Sam Slovak, Basell USA, Inc.  
William T. Woods, Director, Acquisition and Sourcing Management Team, Government Accountability Office  
Jan Menker on behalf of the Contract Services Association  
Glenn Baer on behalf of the Contract Services Association  
Marilyn Glynn, Office of Government Ethics  
Richard Jolliffe, Office of Inspector General, Department of Defense  
Terry McKinney, Office of Inspector General, Department of Defense  
Henry Kleinknecht, Office of Inspector General, Department of Defense  
Eugene Waszily, Office of Inspector General, General Services Administration  
Kathleen Tighe, Office of Inspector General, General Services Administration  
Beth Daley, Project on Government Oversight  
Scott Amey, Project on Government Oversight  
Richard Bednar, Defense Industry Initiative  
Patricia Ellis, Defense Industry Initiative

Vickie Wessel, Spirit Electronics  
William Correa, Paragon Project Resources  
Richard Eugene Bloomfield, CECO Industrial Sales  
Col. Athena Jones, AAFES  
Julienne Moore, Contract Consultants, Inc.  
Della Williams, Williams-Pyro  
Paul P. Stone, Small Business Administration  
Lois Melbourne, Aquire  
Sarah Corley, Ft. Hood Contracting Command  
Tim Tweed, Ft. Hood Contracting Command  
Lisa Akers, General Services Administration, FEDSIM  
Floyd Groce, United States Navy  
Rex Bolton, Department of Defense  
Ashley Lewis, Department of Homeland Security  
David Sutfin, Department of Interior, GovWorks  
Joe Johnson, Defense Acquisition University  
Michael Mutek, Raytheon Intelligence and Information Systems  
Paul Lovelady, Raytheon Intelligence and Information Systems  
Barbara Osborn, Raytheon Intelligence and Information Systems  
Joe Diaz, Miratek Corporation  
Neal Couture, National Contract Management Association  
Ellen Polen, United States Navy, SPAWAR  
Michael Clancy, Oracle Corporation  
Matt T. Verhulst, General Services Administration  
Robert S. "Steve" Ayers, SAIC  
John Young, Northrop Grumman Corporation  
Blaine Manson, United States Navy, Naval Air Warfare Center, Weapons Division  
Ronne Rogin speaking in her personal capacity as an expert on Performance-Based Acquisition (PBA)  
Barbara Kinosky, Centre Consulting and Centre Law Group  
Brian Jones, U. S. Coast Guard  
Linda Dearing, U. S. Coast Guard  
Timothy P. Malishenko, The Boeing Company  
Martin Davis, Treasury Department Franchise Fund  
Karen Blum, FedSource Acquisition Center, Treasury Department Franchise Fund  
Michael L. Cundiff, Division of Procurement, Treasury Department Franchise Fund  
Geraldine Watson, General Services Administration  
Dave Ricci, Defense Contract Management Agency  
Michael J. Bridges, General Motors  
Michael Del-Colle on behalf of the Coalition for Government Procurement  
Bhavneet Bajaj, Technology Partners International  
Bruce Leinster, Information Technology Association of America (and on behalf of the Multi-Association Group\*)  
Larry Trowel, General Electric Transportation (and on behalf of the Multi-Association Group\*)

Ronald D. Casbon, Bayer Corporate Business Services  
Jerome Punderson, NAVSEA, Seaport-E  
Claire Grady, NAVSEA, Seaport-E  
Thomas E. Reynolds, government contracting officer, speaking in his personal capacity  
Mark Stelzner, EquaTerra Public Sector  
W. Frederick Thompson, The Council for Excellence in Government  
Daniel A. Masur, speaking in his personal capacity, a Partner specializing in IT and  
outsourcing practices with Mayer, Brown, Rowe & Maw  
Ronald Poussard, United States Air Force  
Robert C. Marshall, Pennsylvania State University  
Timothy A. Beyland, United States Air Force  
William E. Kovacic, George Washington University Law School  
Stan Z. Soloway, Professional Services Council  
Daniel Gordon, Government Accountability Office  
Dorothy "Dore" Fessler, Veterans Affairs National Acquisition Center  
Hannah Sistare, National Academy of Public Administration  
Kathryn Klaus, EDS (on behalf of the Multi-Association Group\*)  
Alan Chvotkin, Professional Services Council (on behalf of the Multi-Association Group\*)  
Domenico C. Cipicchio, Defense Procurement and Acquisition Policy  
Patricia V. Hoover, Department of Treasury/Internal Revenue Service  
Naomi Marechal, Department of Treasury/Internal Revenue Service  
Glenn Perry, Department of Education  
Teresa Sorrenti, General Services Administration (Integrated Acquisition Environment)  
Greg Rothwell, formerly of the Department of Homeland Security  
Barney Klehman, Missile Defense Agency  
Terry Rainey, CACI  
Brad Orton, CACI  
David Capitano, Defense Procurement and Acquisition Policy  
David M. Walker, Comptroller General of the United States  
Frank Camm, Rand Corporation  
Tony Scott, Walt Disney Company  
Stephen Epstein, Department of Defense  
John P. MacMonagle, General Electric Company  
The Honorable Stephen D. Potts, Ethics Resource Center  
Shay Assad, Defense Procurement and Acquisition Policy  
Katherine Morse, Beacon Associates  
Robert L. Schaefer, Section of Public Contract Law, American Bar Association  
John S. Pachter, Section of Public Contract Law, American Bar Association  
Ruth C. Burg, Section of Public Contract Law, American Bar Association  
Stuart Nibley, Section of Public Contract Law, American Bar Association

\* Several witnesses before the Panel affiliated with individual associations formed a Multi-Association Working Group comprised of Aerospace Industries Association, Contract Services Association, Government Electronics & Information Technology Association, Information Technology Association of America, and the Professional Services Council.

**Oral public comments were provided to the Panel by the following individuals during the public meetings:**

Robert Cooper, speaking in his personal capacity  
Clifton E. Miller, Cemetrics  
Willie Heath, General Services Administration  
Richard Hollis, Hollis-Eden  
Thomas D. Patrick  
Alan V. Washburn  
Alan E. Peterson  
John Palatiello, COFPAES  
Mark Toteff, Traverse Bay Manufacturing  
William P. Quigley, Gulf Coast Commission on Reconstruction Equity  
Bunnatine Greenhouse, Gulf Coast Commission on Reconstruction Equity

**Percentage of public meetings attended by Panel Members:**

Louis M. Addeo: 59%  
Frank J. Anderson: 57%  
Dr. Allan V. Burman: 87%  
Carl DeMaio: 77%  
Marshall J. Doke, Jr.: 89%  
David A. Drabkin: 66%  
Jonathan L. Etherton: 89%  
James A. "Ty" Hughes: 87%  
Deidre A. Lee: 76%  
Tom Luedtke: 77%  
Marcia G. Madsen: 97%  
Joshua I. Schwartz: 85%  
Roger D. Waldron: 84%

\*Voting records are available from the Panel

## Appendix 3–Acronym List

AAP:	Acquisition Advisory Panel
ACE:	Acquisition Center for Excellence
ADA:	Antideficiency Act
ADCOP:	Acquisition and Distribution of Commercial Products
AIMS:	Advertising and Integrated Marketing Schedule
ANPRM:	Advance Notice of Proposed Rulemaking
ANSWER:	Applications 'N Support for Widely Diverse End-User Requirements
A-PART:	Acquisition Performance Assessment Rating Tool
ASPR:	Armed Services Procurement Regulations
AT&L/ATL:	Acquisition, Technology and Logistics
BD:	business development
BOA:	Basic Ordering Agreement
BPA:	Blanket Purchase Agreement
CAO:	Chief Acquisition Officer
CAOC:	Chief Acquisition Officers Council
CAS:	Cost Accounting Standards
CBO:	Congressional Budget Office
CCR:	Central Contractor Registration
CEO:	Chief Executive Officer
CFO:	Chief Financial Officer
CFOC:	Chief Financial Officers Council
CICA:	Competition in Contracting Act
CMC:	Change Management Center
CO:	contracting officer
COC:	Certificate of Competency
COI:	conflict of interest
COPR:	Contracting Officer Performance Representative
COTR:	Contracting Officer Technical Representative
COTS:	commercial off-the-shelf
CPAF:	cost plus award fee
CPFF:	cost plus fixed fee
CPIF:	cost plus incentive fee
CSA:	Contract Services Association of America
CSC:	Civil Service Commission
CTA:	contractor team arrangements
D&F:	determination and finding
DAU:	Defense Acquisition University
DAWIA:	Defense Acquisition Workforce Improvement Act
DCAA:	Defense Contract Audit Agency
DFARS:	Defense Federal Acquisition Regulation Supplement
DHS:	Department of Homeland Security
DII:	Defense Industry Initiative
DISA:	Defense Information Systems Agency

DLA: Defense Logistics Agency  
 DOC: Department of Commerce  
 DoD / DOD: Department of Defense  
 DOD IG: Department of Defense Inspector General  
 DoEd: Department of Education  
 DOE: Department of Energy  
 DOI: Department of Interior  
 DOT: Department of Transportation  
 DPAP: Defense Procurement and Acquisition Policy  
 eSRS: electronic Subcontracting Reporting System  
 FABS: Financial and Business Solutions  
 FAC: Federal Acquisition Circular  
 FAI: Federal Acquisition Institute  
 FAIR Act: Federal Activities Inventory Reform Act of 1998  
 FAPIS: Federal Acquisition Personnel Information System  
 FAR: Federal Acquisition Regulation  
 FARA: Federal Acquisition Reform Act  
 FAS: Federal Acquisition Service  
 FASA: Federal Acquisition Streamlining Act of 1994  
 FEDSIM: Federal Systems Integration and Management Center  
 FEMA: Federal Emergency Management Agency  
 FPDC: Federal Procurement Data Center  
 FPDS: Federal Procurement Data System  
 FPDS-NG: Federal Procurement Data System – Next Generation  
 FSS: Federal Supply Schedule  
 FTE: Full Time Equivalent  
 FTS: Federal Technology Service  
 FY: fiscal year  
 GAO: Government Accountability Office (formerly the General Accounting Office)  
 GMRA: Government Management Reform Act  
 GPE: governmentwide point of entry  
 GPRA: Government Performance and Results Act  
 GSA: General Services Administration  
 GSAM: General Services Administration Acquisition Manual  
 GSAR: General Services Administration Acquisition Regulation  
 GWAC: governmentwide acquisition contract  
 GWOT: Global War on Terrorism  
 HHS: Department of Health and Human Services  
 HUB: historically underutilized business  
 HUD: Department of Housing and Urban Development  
 IAE: Integrated Acquisition Environment  
 ICD: Interagency Contract Directory  
 IDC: indefinite delivery contract  
 IDIQ: Indefinite-Delivery, Indefinite-Quantity  
 IFB: invitation for bids



IFF:	Industrial Funding Fee
IG:	Inspector General
IGF:	inherently governmental function
IP:	intellectual property
IQC:	Indefinite Quantity Contract
IR fund:	intragovernmental revolving fund
ISO:	International Organization for Standardization
ISSA:	interagency service support agreement
IT:	information technology
ITOP:	information technology omnibus procurement
IV&V:	independent verification and validation
J&A:	justification and approval
JWOD:	Javits-Wagner-O'Day [Act]
LLM:	Master of Laws [degree]
LSI:	lead system integrator
M&O:	management and operations
MAC:	multi-agency contract
MAS:	Multiple Award Schedule
MFC:	most favored customer
MOBIS:	Mission Oriented Business Integrated Services
NAICS:	North American Industry Classification System
NAPA:	National Academy of Public Administrators
NASA:	National Aeronautics and Space Administration
NAVAIR:	Naval Air Systems Command
NAVFAC:	Naval Facilities Engineering Command
NAVSEA:	Naval Sea Systems Command
NAVSUP:	Naval Supply Systems Command
NCMA:	National Contract Management Association
NDAA:	National Defense Authorization Act
NIH:	National Institutes of Health
NPR:	National Performance Review
NSIAD:	National Security and International Affairs Division
OCI:	organizational conflict of interest
OFPP:	Office of Federal Procurement Policy
OGE:	Office of Government Ethics
OHA:	Office of Hearings and Appeals
OMB:	Office of Management and Budget
OPM:	Office of Personnel Management
OSDBU:	Office of Small and Disadvantaged Business Utilization
OTSB:	other than small business
PART:	Program Assessment Rating Tool
PBA:	performance-based acquisition
PBC:	performance-based contracting
PBSA:	performance-based service acquisition
PCI:	personal conflict of interest

PCR:	Procurement Center Representative
PES:	Professional Engineering Services
PGI:	Procedures, Guidance and Information
PMR:	procurement management review
PRT:	Procurement Round Table
PSC:	personal services contract
PWS:	Performance Work Statement
QAP:	quality assurance plan
QASP:	Quality Assurance Surveillance Plan
QCP:	quality control plan
RFI:	request for information
RFP:	request for proposal
RFQ:	request for quote
RIT:	Rapid Implementation Team
RSA:	Randolph-Sheppard Act
SARA:	Services Acquisition Reform Act of 2003
SBA:	Small Business Administration
SBC:	small business concern
SDB:	small disadvantaged business
SDVO:	service-disabled veteran-owned
SDVOSB:	service-disabled veteran-owned small business
SES:	Senior Executive Service
SIN:	special item number
SLA:	service level agreement
SOO:	Statement of Objectives
SOW:	Statement of Work
SOX:	Sarbanes-Oxley Act of 2002
SPAWAR:	Space & Naval Warfare Systems Command
SYSCOM:	Systems Command
T&M:	time-and-materials
TINA:	Truth in Negotiations Act
UNSPSC:	Universal Standard Products and Services Classification
VA:	Veterans Administration
VOSB:	veteran-owned small business
WOSB:	woman-owned small business
WTO:	World Trade Organization



