June 9, 2006

The Honorable John F. Kerry
Ranking Member
Committee on Small Business and Entrepreneurship
United States Senate
Washington, DC 20510-6350

Dear Senator Kerry:

The purpose of this letter is to update you on the oversight of the new Federal Procurement Data System (FPDS) and to respond to your concerns regarding its implementation. We understand the need for quality federal procurement data and are working to achieve this by dedicating full-time staff from Office of Federal Procurement Policy (OFPP), the Department of Defense, and the General Services Administration (GSA) to making FPDS fully operational.

FPDS offers the acquisition community, the public and other stakeholders unparalleled access to contract award data and transparency. The new FPDS already offers improved functionality compared to the previous system. For example:

- data submission is real-time;
- data is validated and made available within twenty-four hours after input;
- new business rules require that complete contract history is available for all contracts, including indefinite-delivery/indefinite-quantity contracts (IDIQ);
- queries on current and older contracts are improved; and
- all reports are available free of charge to the public.

FPDS is an essential tool for ensuring that federal tax dollars are spent wisely, and accuracy and completeness of the data are critical to this process. However, some agencies have experienced challenges in fully implementing the system to take advantage of all that FPDS can offer. The Office of Management and Budget (OMB) and GSA are working with these agencies to achieve the intended outcome of having complete and accurate government-wide procurement data.

I would like to address your specific concerns regarding the inclusion of IDIQ contract data, the use of unique DUNs numbers, and the use of the Program Instrument Identification Numbers (PIIDs). First, some types of IDIQ contracts were not required to be entered into the previous version of FPDS. However, the new system has an expanded

database of IDIQ award data, which allows users to associate basic contracts and delivery orders. Second, regarding your concern that DUNs numbers are not unique, each company location has only one primary and unique DUNs number, which allows us to identify a company by location. Finally, the new FPDS has an improved search capability that obviates the need to use the PIID, which was a lengthy and complex identifier. The new functionality allows users to enter minimal contract identification data to find associated contract actions, thus improving the utility of the system.

Additionally, we are implementing changes to the system that will improve the reporting functionality to capture better information regarding government-wide acquisition contracts and multiple award contracts. In February 2006, my office issued a data call to agency Chief Acquisition Officers to provide information on their interagency contracts, such as the number they are managing, the products and services offered, fees charged, and other relevant information. Once our review of this information is completed, we will understand better the level of detail and the type of information that should be collected in FPDS to ensure that these contracts are adequately monitored.

If members of your staff would like to receive more information on the improved capabilities of FPDS, please contact Lois Battersby at GSA on 703-872-8543. Also, please feel free to contact me or Julie Basile of my staff on (202) 395-4821, if you have additional concerns or questions.

Sincerely,

Robert A. Burton
Associate Administrator