

# Integrated Acquisition Environment IAE Quarterly

# February 2007

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## **WELCOME**

Welcome to the February 2007 Integrated Acquisition Environment (IAE) newsletter, "IAE Quarterly," your source for information about the IAE E-Gov initiative. We hope you will enjoy our new electronic format! We think this format better represents the streamlined, ever changing environment that is IAE. Be sure to let us know what you think of the new format or how we can revise it to better meet your needs. We hope this issue is interesting reading and will update everyone on the events and achievements of IAE. One exciting report is that IAE has been selected as one of the finalists for the annual Industry Advisory Council Excellence.Gov awards program. The top 5 winners will be announced at an awards ceremony February 20. Also EPLS continues to get enhancements and new functionality as does FBO. There are several personnel changes and we hope you will have the opportunity to work with the new Project Managers. We invite e-mails, comments, suggestions and articles for the newsletter. Please contact us at integrated.acquisition@gsa.gov.

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## IAE is One of 20 Excellence.Gov Award Finalists for 2007

On January 8, the Industry Advisory Council (IAC) announced that IAE has been selected out of 115 entries as one of the "Top 20" candidates for the seventh annual Excellence.Gov awards program. Ms. Emily Murphy, GSA Chief Acquisition Officer, expressed her support and pride in the IAE program noting that this was the only GSA managed program in the "Top 20."

The finalists were selected by a panel of 23 judges, representing both government and industry, for demonstrating excellence in this year's theme of Leveraging Technology to Enhance Collaboration. This award is presented by the IAC as part of their mission to foster improved communication and understanding between government and industry. This year's theme was "Leveraging Technology to Enhance Collaboration." Five winners will be selected from the 20 finalists and recognized for their achievements at an awards ceremony to be held February 20. There will also be a panel March 20 where the winners will share their accomplishments and lessons learned. Congratulations to all of you who made IAE a success!

In September 2006, the Federal Acquisition Institute (FAI) was invited by the IAE Program Management Office (PMO) to join a working group to improve Federal Procurement Data Systems-Next Generation (FPDS-NG) data quality. The purpose of these meetings was to determine if FPDS-NG data quality and accuracy could be improved by including more information on FPDS-NG in the Defense Acquisition University (DAU) curriculum.

End users needed to better understand how this data is used and the importance of accurate data entry. One conclusion of these meetings was that FAI and the IAE PMO needed to review the existing DAU courses (specifically CON 100, CON 110, CON 111, and CON 112) where FPDS-NG and the other IAE systems were referred to and make sure the material was accurate and up-to-date. Use of most of these systems is mandated by the Federal Acquisition Regulation. Providing updated information on these required systems will allow the acquisition workforce to do their jobs better and more efficiently and enable agencies to better accomplish mission goals. Additionally, this working collaboration between DAU/FAI and IAE will strengthen the ability of DAU/FAI to provide updated coursework for the up-and-coming generation of acquisition professionals. Other actions to specifically target FPDS-NG data are in the works to include special sessions at both GSA Expo and the Federal Acquisition Conference and Expo (FACE).

## **FBO Adds New Search Feature**

The IAE Program Office and the FedBizOpps (FBO) support team are proud to announce the addition of a new search feature to FBO which will allow users to find information quicker by performing a "Quick Search" directly from the homepage. This is the first major change to FBO in three years. This robust, state-of-the-art search feature allows users to search over 3 terabytes of information.

The development of the new search feature is part of the ongoing effort to make FBO, a foundation system of IAE, up-to-date and easier to use.

The quick search feature is located near the top left hand corner of the homepage. This allows you to make keyword searches for words or phrases that relate to your business. Please use double quotation marks to enclose phrases and solicitation numbers. Click the [go] button to produce a listing of all the documents that match the keyword(s) you entered. Click the Advanced Search [go] button to utilize a variety of other search options. These fields include searching by procurement classification codes, NAICS codes, solicitation number, specified date ranges, place of performance, set-aside codes, and agencies. We recommend you only use a few of the search options; do not use all of them or you will narrow the search too far. Click "Start Search" and your results will be displayed.

We hope you find the "Quick Search" feature helpful. Comments received on the search feature to date have been overwhelmingly positive. Upcoming plans for FBO include the merging of FedTeDS into FBO, inclusion of a bid module, and inclusion of small purchases so acquisitions of all dollar amounts are advertised. Check out the new search feature at <a href="www.fbo.gov">www.fedbizopps.gov</a>. If you need any assistance our support team is on hand and ready to help.

# **IAE Announces New Project Managers**

The New Year is ushering in new roles and new faces to the IAE Project Management team. Stan Dubowski has taken a new opportunity at DOD's Business Transformation Agency (BTA) so Thuy Lindsey has taken over the role of Project Manager (PM) for CCR and FedReg. Kyle Bond of BTA will continue in the role of Deputy PM. Thuy was the PM for ORCA since 2004 and currently works for BTA.

She has a Bachelor of Science in Computer Science, Mathematics and Statistics and an MS in Operations Research. She has extensive experience as a computer scientist, project leader, and program manager. Thuy will also serve as acting Federal Program PM for DOD, serving in the role Linda Adams filled prior to her retirement, as the liaison between DOD and the IAE PMO, until that job is filled. Her deputy will be Major Donald Jean. Thuy will be busy, but with a third degree black belt in Taekwondo, she's clearly tough enough to run all these programs!

With Thuy picking up the responsibilities of CCR and the Federal Program PM, Mark Gaillard of BTA will step up to take on the duties of ORCA PM. Mark has a degree in Business (Marketing) and a Master's in Business Administration. After serving in the Army he joined private industry as an information systems manager, then in 2003 became the Contracting Officer for the Business Management Modernization Program at the Defense Finance and Accounting Service. He currently serves as the Deputy for BTA Contracting Operations. Join us in welcoming Mark Gaillard to the IAE team.

# **Spotlight on Reverse Auctions**

The concept of a "reverse auction" has been around for some time. However, until the Federal Acquisition Regulation (FAR) was changed in 1997 to allow their use and web-based software applications were developed to facilitate their utility, reverse auctions were unavailable to the federal buyer.

Within the framework of federal procurement a reverse auction is a pricing tool, the main goal of which is to drive purchase prices downward. It's the type of auction in which the role of the buyer and seller are reversed. In a traditional auction, such as those conducted on eBay, buyers compete for the right to obtain a good. In a federal reverse auction, contractors compete for award of a contract. Today, reverse auctions offer the ability to conduct real-time price competitions within hours. The process allows the government to reveal to each offeror the prices offered by all other offerors (anonymously). Offerors then have the chance to continually revise their prices as each revision is revealed to all of the offerors. The process is repeated until all offerors stop "bidding" or until the auction closes. For more information on reverse auctions, see Wikipedia®.

Notwithstanding the availability of the reverse auction pricing technique, its use within the federal sector is hardly widespread. The reasons for this are not well documented and may range from a lack of clear regulatory guidance to perceptions that the reverse auction process is too complex or onerous for contractors and the federal buyer.

In order to develop a clearer picture of the benefits and challenges associated with reverse auctions, OFPP has chartered an inter-agency work group to review the regulations, policies, and business considerations related to their use. Although the work group's charter covers all types of commercially available online procurement services, their focus initially is on reverse auction applications. This was prompted chiefly by a mandate to OMB in the Conference Report for the National Defense Authorization Act for FY 2006 requiring such an analysis.

It is OMB's position that reverse auctions offer potential savings to the taxpayer by increasing both government efficiencies and broader supplier participation. Other benefits related to spend analysis, a critical aspect to successful strategic sourcing, may also exist.

OFPP is eager to study the advantages and disadvantages of these services with the intent of developing helpful guidance as needed. The work group will, at a minimum:

- § consider lessons learned to date;
- § issue an OFPP Best Practices guide;
- § map the procurement process when using reverse auctions;
- § draft any FAR changes that may be needed to establish a positive role for reverse auctions;

- solution obtain information and assess the private sector in their use of reverse auctions; and
- § establish expectations on the overall utility of using reverse auctions.

In order to accomplish these goals the work group will be soliciting input from a broad array of federal acquisition professionals and from the private sector. We encourage the readers of this newsletter, if contacted by the work group, to provide a thorough response reflecting your honest opinions concerning reverse auctions – both positive and negative.

# **Intragovernmental Business Rules**

On November 16, 2006 Mary Sally Matiella, Assistant Chief Financial Officer for Accounting, Department of Housing and Urban Development, reported that the Intragovernmental Business Rules that the Intragovernmental Subcommittee had been working on were published. TMS Bulletin No. 2007-03 revises requirements for resolving disputes involving program offices, accounting offices, contracting officers, and agency Chief financial Officers. Registration in FedReg for Federal Buyers and Sellers is still required. View the full memo.

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# More Updates for EPLS

The Excluded Parties List System (EPLS) is the governmentwide system of records that identifies parties who have been excluded from participating in federal procurement and non-procurement (financial or non-financial assistance and benefits) programs throughout the federal government. Contracting officers are required to check EPLS (www.epls.gov) after receipt of bids and proposals, and before making contract awards.

To better serve the user community, the EPLS version released January 9, 2007 included the following modifications and updates:

- MyEPLS enhancements
  - o Allows the user to redefine the front page to their specific use by selecting or deselecting categories and options currently available on the EPLS.
- Action status changes
  - o To reflect the record's EPLS create date instead of listing the record as "New."
- Multiple name search
  - o Added back to EPLS as requested by EPLS beta testers and the user community.

# **IAE SYSTEM UPDATES**

## ACQUISITION REQUIREMENTS TEAM

• Team resolving agency comments

## **CCR AND FEDREG**

- Thuy Lindsey named as new Project Manager
- 429,263 active vendors
- Recompete in process

## **EPLS**

- SORN (System of Records Notice) approved 1/07
- Over 6 million hits in November
- MyEPLS enhanced (see article)
- Multiple name search returns

# **ESRS**

- Continuing to offer government training
- Building real-time interface with FPDS-NG
- 15,386 vendor reports filed

#### **FBO**

- Awaiting protest resolution
- Added Quick Search feature (see article)
- Completed security re-certification and re-accreditation
- 702,005 vendors registered to receive e-mail notifications on procurement opportunities that match their profiles
- 27,265 registered buyers
- 52,764 active opportunities (synopses, solicitations and combined synopses)
- Replaced firewall & load balancing resources

## FedTeDS

- Kick-off meeting of combined FedTeDS and FBO users group
- Now over 4,100 Government Users and over 37,000 Vendor Users

#### FPDS-NG

- FY2006 -7,769,756 actions reported after DOD migration was completed
- The Federal Procurement Report for FY2005 was posted 1/07
- Over 100,000 registered users as of 1/07

#### **ORCA**

- Mark Gaillard named as new Project Manager
- 55,508 registered users

#### PERFORMANCE DATA

- Public comment period ended for Draft Guide for "Contractor Performance in the Acquisition Process" on 1/16/07
- FAR case in process

## WDOL

• 1,666,357 hits in December 06

## 2006 Marks Completion of Major Milestones for FPDS-NG

It has been a landmark year for the Federal Procurement Data System-Next Generation (FPDS-NG). The Department of Defense (DOD) is now integrated in real-time with FPDS-NG, ensuring that both the public and private sectors have visibility into federal spending.

While the public has immediate free access to FPDS-NG data, there is a 90-day hold on DOD records for security reasons. As of January FY 06, DOD data is publicly available. DOD is the largest provider of data in the system, has over 35,000 users, and is the most visible in terms of statutory achievements. Bringing visibility to this spending has been a key goal of FPDS-NG and this completes the migration of the majority of agencies to FPDS-NG. This was the result of tireless effort by many people, and countless hours of hard work. Congratulations to all involved.

# **Super-charged FPDS-NG**

Recently, FPDS-NG went through a complete technology re-fresh. From extensive hardware and software upgrades through migration to a 10 GB network, the most powerful network now available, FPDS-NG can be sure to deliver reliable and timely service to the extensive government and public user community.

## **Enhanced Reporting Tool**

Over the course of 2006, FPDS-NG integrated the new Informatica reports tool into the system. A reports group, comprised of representatives from across the federal government, was created to adapt the reports

from the older software to the newer Informatica software. This group did not simply transfer the old requirements into the new software; they spent a lot of time considering the value of each report – if it was still needed, if it could be improved, and who was the audience.

The Informatica tool itself provides some impressive upgrades. Every report begins at the federal level, the result of many requests from users, with break downs to each department and agency. Every report also contains a drill down feature, allowing the user to get information down to the contract number. Reports can be exported into four different formats, including Microsoft Excel – and all reports can be e-mailed in any format to interested users. The new Ad Hoc feature enables users to easily customize and save their own reports.

FPDS-NG was created with four principles in mind:

- providing greater transparency and visibility into government contracting
- providing a powerful business decision-making tool for the contracting community
- creating a foundation for standardizing contracting processes
- enabling a self-service web accessible reporting tool.

The enhanced reporting capability provides another major tool to realize this vision.

# **Data Timeliness and Accuracy**

With increased public awareness and scrutiny of procurement data, FPDS-NG is providing methods to ensure public confidence. Contracting officers are better able to see all of their data, and thus update it as needed. System Administrators have access to a suite of reports to analyze their department's data. Senior managers can also assess performance on statutory programs.

Upcoming work for FPDS-NG includes incorporating the Small Business Administration's new recertification rules, supporting the Federal Financial Accountability and Transparency Act, and evaluating a potential role in strategic sourcing. 2007 promises to be even busier than 2006.

# IAE's Strategic Partnership with Grants.gov

One of the promises of the E-Gov initiatives was to eliminate duplicative data processing. The IAE strategic partnership with the federal grants community is making good on that promise. A federal grant is an award of financial assistance from a federal agency to a recipient to carry out a public purpose of support or stimulation authorized by a law of the United States. All federal agencies are required to post competitive grant opportunities at Grants.gov, which was developed as part of the E-Grants Initiative (a part of the President's 2002 Management Agenda to improve government services to the public).

Through this common website, agencies allow applicants for federal grants to find, apply for, and manage grant funds online, simplifying grant management and eliminating redundancies. The U.S. Department of Health and Human Services is the managing partner for the Grants.gov initiative, which allows organizations to electronically "Find and Apply" for more than \$400 billion in federal grants.

The Federal Financial Assistance Management Improvement Act of 1999 mandated that the grants program improve the effectiveness and performance of federal financial assistance programs and simplify the application and reporting requirements. The grants community does this by interagency workgroups, and by developing common data elements, electronic processes, and uniform administrative rules across agencies. The strategic partnership with IAE allows the grant community to use IAE services such as the Central Contractor Registration (CCR) to avoid creating duplicate and repetitive data processing. The grants community uses CCR to collect information on its grant applicants; currently interested grants community registrants make up 14-20% of the total active registrants in CCR. This number is expected to grow, potentially outpacing vendor community registrants. CCR provides these grant registrants the trusted data needed by the federal government to "Find and Apply" on Grants.gov.

The March release of Grants.gov will be utilizing even more information from CCR. By using CCR, the grants community does not have to create separate redundant systems or require redundant record-keeping, thus reducing the grantee and vendor registrant's administrative costs. This strategic partnership means the

next generation of the grants community will use CCR more and more, further reinforcing simplification, improving the grants process, and reducing overall cost. To continue to "grow the partnership" with IAE, grants policy groups need to work closer with the registration community to refine what it means to be a grantee and take a more proactive role in transforming the business model.