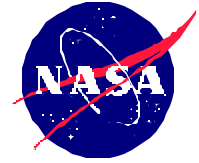


National Aeronautics and
Space Administration

Headquarters
Washington, D.C. 20546-0001



Reply to Attn of: W

February 3, 2003

TO: H/Assistant Administrator for Procurement

FROM: W/Assistant Inspector General for Inspections and Assessments

SUBJECT: Review of NASA's Procurement Management System On-line Query Tool,
G-02-006

EXECUTIVE SUMMARY

The NASA Office of Inspector General (OIG) has completed an assessment of NASA's Procurement Management System (NPMS) On-line Query Tool. We conducted this activity to determine whether this automated system collects and disseminates information effectively. This activity is important to ensure that information in the NPMS is timely and consistently reliable. Users of this system identified several deficiencies in the database information that need to be improved. Users rely on the data in the system for timely, consistent, and reliable information about NASA procurements.

Our assessment determined that data being reported to the public is incomplete, inaccurate, or confusing to the user. We also determined that the Agency needs to develop a new procurement reporting system. The Agency also needs to change the title of the on-line query system to reflect the fact that the procurement portion of the Financial and Contractual Status system no longer exists.

BACKGROUND

NASA Centers maintain multiple systems for collecting NASA procurement data.¹ Extracts of this data are submitted to Headquarters and loaded into the NPMS. Key information about NASA procurements is loaded from NPMS to an on-line query tool, which is available to the public on the Internet and is part of the NASA Acquisition Information System (NAIS).

¹ The term "procurement" refers to all types of procurements (e.g., contracts, purchase orders, grants, cooperative agreements, Space Act Agreements, and interagency agreements) in excess of \$25,000 for which statistics are tracked by the Agency.

Financial and Contractual Status (FACS) is the acronym used to identify the on-line query tool; however, this name is a vestige of an old system that is no longer used.

NASA's FACS System used to have two distinct data sets — procurement data and financial data. Because most of the Agency's funds are obligated through procurements, these areas are strongly interrelated. The procurement portion of FACS was discontinued as a result of Year 2000 (Y2K) problems and has since been replaced by the NPMS. However, the Agency has not changed the title of the on-line query system to reflect the fact that the procurement portion of FACS no longer exists (see Section III, below for additional discussion of this issue.) The OIG has modified the title of this report to more correctly describe the system under review. The new title, as noted above, is "Review of NASA's Procurement Management System On-Line Query Tool."²

The Headquarters Office of Procurement administers the NPMS On-line Query Tool. The Office of the Chief Financial Officer maintains FACS/Financial (FACS (F)), which is still used. The Core Financial Module of the NASA Integrated Financial Management (IFM) Program is scheduled to replace FACS (F) beginning in fall 2002 and should be completed in fall 2003. Rollout of the Procurement Module of IFM Program, which is expected to replace the elements of NPMS as well as some or all of the Centers' procurement data systems, is currently scheduled to begin in spring 2004 and is expected to be complete by the end of calendar year 2005.³

Over the past 20 years, many separate systems were developed and tied into the procurement data system, making the overall system interdependent and complex (See Appendix A). The core system for statistical information related to NASA contracts is the Acquisition Management System (AMS). All 10 NASA Centers maintain a separate, stand-alone module of the AMS. Several NASA Centers also maintain other on-line databases that partially replicate the information contained in the AMS.

The AMS data from each Center is downloaded into the NPMS on a monthly basis. The same is done for obligation⁴ data that NPMS imports from the FACS (F), which is substituted for Center AMS obligation data. Another conversion of a limited number of NPMS and FACS (F) data is performed by Headquarters before it is submitted to the Federal Procurement Data System (FPDS)⁵ for use by the public, NASA personnel, congressional staff, contractors, small businesses and other Government entities.

² The original title of this report was "Review of NASA's Financial and Contractual Status/Procurement On-line Query System."

³ NASA IFM Program Master Schedule, Status Date of June 21, 2002.

⁴ "Obligations" are defined in the on-line query system as the amount of money that the Government has made available for payment to a contractor, since award through the time period requested, to a specific contract for subsequent costing/payment for supplies or services accepted by the Government.

⁵ The FPDS is the central repository of statistical information on Federal contracting. The system contains detailed information on contract actions over \$25,000 and summary data on procurements of less than \$25,000. The Executive departments and agencies award over \$200 billion annually for goods and services. The system can identify who bought what, from whom, for how much, when and where.

NASA submits NPMS data to the FPDS to report the Agency's expenditure of procurement dollars. The FPDS was created in response to Public Law 98-100, which requires all Government agencies to collect, evaluate, and disseminate information regarding Federal procurements. The Federal Procurement Data Center (FPDC), a branch of the General Services Administration (GSA), manages the FPDS on behalf of the Office of Federal Procurement Policy (OFPP). The data contained in the FPDS is relied upon for measuring the performance of agencies in many areas required by the law.

I. REVIEW OF HEADQUARTERS NPMS ON-LINE QUERY TOOL

Each time a contract is initially entered into the AMS, as many as 90 data fields are required for tracking purposes. Sixty-nine of these data fields are downloaded into the NPMS for Agency-wide reporting purposes; the remaining data fields are Center-unique items. The NAIS on-line query tool reports 13 key data fields for each of the procurements in the database.⁶ We reviewed 308 randomly selected records contained in the NAIS on-line query system for Fiscal Year (FY) 2001.⁷ Our findings indicate that some of the thirteen data fields being reported to the public through the system are incomplete, inaccurate and/or confusing to the user. These data fields are Total Obligations, Total Award Value, Award Type, and Completion Date. We also determined that the addition of a Point of Contact field would be useful to users of the system.

A. Total Obligations and Total Award Values Do Not Reconcile

Both the Office of Procurement (procurement) and the Office of the Chief Financial Officer (accounting) separately track each contract's obligation and value amounts. This is done to ensure that obligations do not exceed the award value of a contract.⁸ NASA considers accounting's obligation numbers to be the official record for the Agency expenditures.⁹

⁶ The 13 data fields contained in the on-line query system are: Contractor Name, Contract Number, NASA Center, Place of Performance, Award Date, Completion Date, Contractor Type, Award Type, Current FY Obligations, Total Obligations, Total Award Value, NAICS Code, and Description of Work (see Appendix B for example).

⁷ As of September 30, 2001, there were 21,753 active acquisition records in the database. With the assistance of the Defense Contract Audit Agency's statistical program, EZQuant, we determined that a sample size of at least 308 records would be necessary to provide a 95 percent confidence level that the records being reviewed were reflective of the population as a whole. EZQuant randomly identified the 308 records included in our sample.

⁸ The procurement on-line query tool defines "Total Award Value" as the total contractual amount that the business or grantee and the Government have agreed upon including all deliverables and exercised options.

⁹ The GAO issued a letter on April 10, 2002, *NASA: Compliance with Cost Limits Cannot Be Verified*. In this letter, GAO reported that NASA's accounting systems were incapable of providing the detail necessary for GAO to perform an independent review of NASA's obligations associated with space station development and shuttle launches related to space station assembly. FACS (F) is fed by the same detailed obligations supporting data that NASA was unable to produce for GAO review.

Because the on-line query tool reflects obligations maintained by accounting and contract values maintained by procurement, there are some cases where the contract's reported obligations are in excess of the contract's value. This is due to the fact that no reconciliation is done at NASA Centers to ensure that the obligation amounts contained in these separate systems agree. As a result, there can be discrepancies between the data sets maintained by the procurement and accounting organizations that are not reconciled until the end of the contract.

Our review shows that in 5 percent of the 308 records sampled, obligations are being reflected in excess of Total Award Value – a circumstance that is not permitted on government contracts. The discrepancies we identified occurred because the data fields originate from two different sources. About half of the records that reflected obligations in excess of award value were immaterial and were due to interest paid for late vouchers or for additional shipping costs. Based on discussions with the cognizant contracts personnel, the larger discrepancies were caused by untimely data entry or confusion over which Center was responsible for entering data for a contract that was administered by more than one Center. The Agency does not have a procedure for clarifying whether procurement or accounting is responsible for reconciling discrepancies related to obligations and total value amounts.

The Procurement on-line query system should provide reliable data. The fact that total obligations are shown to be in excess of total award value raises doubts about the data's reliability. Implementation of the IFM Program Core Financial Module should correct this problem. However, in order to avoid carrying this problem forward into the new system, the Agency needs to reconcile the two sets of values prior to final roll out of this module.

Recommendation 1: The Assistant Administrator for Procurement should ensure that each Center conducts a one-time reconciliation of the obligation and award values for each of the procurements reported in FACS (F) and AMS prior to full roll out of the Core Financial Module of IFM.

B. Award Type Data Field is Incomplete

The Award Type data field in the system was blank for all grants and cooperative agreements we reviewed. In addition, many purchase orders and delivery orders tracked by the system also lacked this information. This field only captures data related to contracts and small purchases. This field actually identifies the contract type (e.g., fixed price, cost plus award fee, cost plus incentive fee, etc.), not the Award Type. Grants and cooperative agreements are not identified in this manner, so the on-line query system does not currently provide an identifier for these types of awards. As a result, a user attempting to determine whether a particular procurement was a contract, grant, cooperative agreement or purchase order would need to understand NASA's identification scheme for its different procurements.¹⁰

¹⁰ NASA contracts begin with the letters NAS, grants begin with NAG, cooperative agreements begin with NCC, Space Act Agreements begin with NAC, and purchase orders begin one of the following letters, A, C, CC, E, H, L, S, T, W.

Recommendation 2: The Assistant Administrator for Procurement should modify the on-line query system to include the Instrument Type (e.g., purchase order, grant, etc.) in the Award Type field when that field would otherwise be blank. When the award type is a contract, the type of contract detail (e.g., fixed price, cost plus award fee, cost plus incentive fee, etc.), should continue to be reflected.

C. Efficiency Through Additional Data Fields

1. Point of Contact

The data provided by the Procurement On-Line Query Tool is useful for the purpose of answering basic questions about NASA procurements. However, users often need more detailed information. Users of the system do not necessarily have the organizational insight or expertise to quickly obtain additional information related to their initial query. Even people familiar with the Agency's organization and points of contact must often make several phone calls before reaching the person most knowledgeable about the procurement.¹¹

Recommendation 3: The Assistant Administrator for Procurement should modify the on-line query tool to include a central point of contact from each Center's procurement office to answer questions and provide additional information not found in the data base.

2. Completion Date

The period of performance for any procurement is vital information that should be provided by the on-line query tool. However, the data field entitled Completion Date can be confusing. Completion Date is defined as "the end date of the contract period of performance when all the work on the contract and all modifications thereto are scheduled for completion." This definition is unclear because it does not indicate whether unexercised option periods exist for the procurement. The system should clearly define whether unexercised options are contained within the Completion Date field.

Differentiating between the "Current Contract Value" and the "Total Contract Value Including Options" would also be a useful way to gauge contract completeness without developing new statistical information for the system. AMS Form 507 data element #65 contains this information.

Recommendation 4: The Assistant Administrator for Procurement should modify the Procurement On-Line Query Tool to clearly define the term "Completion Date" in terms of whether it includes unexercised options or not. Further, the Procurement On-Line Query Tool should be modified to add a new data field reflecting the "Total Contract Value Including Options."

¹¹ Internal and external users of the system indicated that information of this type would be useful to expedite contact with the appropriate individuals at NASA Centers. Two other on-line resources, which track similar data to that found in the on-line query system, the Goddard Active Contract Register and the Headquarters Consolidated Contract Initiative (CCI) databases, contain point of contact information.

II. A NEW SYSTEM IS NEEDED

AMS is more than 20 years old. Each NASA Center maintains its own separate database for this system. Every month, most of the data elements the Centers enter into the AMS are downloaded into the NPMS at Headquarters. Several Centers have developed additional systems using the AMS data in combination with enhanced system tools to provide management reporting capabilities unavailable through AMS. All of these systems require funding to develop and maintain.

Although most users have learned to work with the system's limitations, the AMS is widely recognized as not being user friendly. The system has poor edit checks. Users may input incorrect data without the system indicating a problem until the entire record has been entered. The AMS is also incapable of saving data entered temporarily. For example, an entire record (as many as 90 data fields) can be lost if the person entering the data is unable to complete the entry in one entry session. Additional system limitations are experienced at Headquarters. The system administrator must review, edit, and convert the data received from each Center system into the NPMS in order to have it loaded into the on-line query system.

As previously indicated, many separate systems collect statistical procurement data throughout the Agency (see Appendix A). The current interdependencies (as illustrated on page A-1 and discussed on pages A-2 and A-3) are quite complicated for a system that tracks statistical data. These interdependencies will not be significantly reduced as a result of implementing the Core Financial Module of IFM Program (see page A-4). However, as illustrated on page A-5, data interdependencies will be reduced when both the Core Financial Module of IFM Program and a replacement system to AMS are implemented.

The NASA Office of Procurement has been searching for more efficient, user-friendly systems to replace the AMS and to eliminate some of the processes currently used to update the NPMS, the NAIS and the FPDS. The new system would be centralized at Headquarters, thereby eliminating the need for Centers to maintain their own separate systems. A new system would also eliminate the need for Center-unique systems that are currently used to provide management reporting capabilities not available through the AMS. Such capabilities should be part of any replacement system and are in line with the Administrator's push to consolidate and standardize NASA's systems.

Over the last year, the Office of Procurement has been attempting to identify the total costs of maintaining and developing the AMS, the NAIS and the Center-based adjunct systems related to data collection. To date, the information provided to Headquarters has been incomplete.¹² The Office of Procurement estimates that it costs approximately \$375,000 per year to

¹² Only three Centers, Goddard Space Flight Center (Goddard), Kennedy Space Center (Kennedy), and Stennis Space Center (Stennis) have provided rough estimates of these costs.

maintain and update the AMS, the NPMS, the FPDS and the FACS/P.¹³ In addition, each Center expends resources to manage the data associated with the AMS, the NPMS, the FPDS and the FACS/P. Based on the limited data available at this time, we estimate total Center-related costs to be at least \$200,000.¹⁴ It is important to note that these are rough estimates, but they support the position that replacing the current procurement data collection system as soon as possible would likely save money.

The Office of Procurement intends for the IFM Procurement Module to replace AMS and other systems. However, it now appears that there is a great deal of development that will be required to create the Procurement Module to meet NASA's requirements. The Office of Procurement is considering systems currently in existence or under development that could offer a better solution for replacing AMS, instead of waiting for these capabilities to be developed as part of the IFM Procurement Module. The most promising alternative to AMS may be a government-wide system that is being developed as a replacement to GSA's FPDS system. This new system is being dubbed FPDS-NG (Next Generation).¹⁵ If the proposed system can be made flexible enough to meet the needs of all agencies, it could obviate the need for a separate NASA procurement data system. NASA procurement personnel are participating in the development of this system.

Recommendation 5: The Assistant Administrator for Procurement should continue to be involved in the development of the FPDS-NG system and participate in the development of a procurement reporting system with the IFM contractor in order to ensure that the Agency is positioned to go in the direction offering the best solution in the shortest timeframe possible.

III. RENAMING THE PROCUREMENT ON-LINE QUERY SYSTEM WOULD REDUCE CONFUSION

Confusion has resulted from the decision not to change the name of the NPMS on-line query tool. We found that Agency personnel often confuse the financial and procurement FACS systems. Despite their different functions, both systems use the same obligations data and

¹³NASA spends \$225,000 under a Headquarters contract for information technology support and \$175,000 under a contract at the Marshall Space Flight Center. These numbers do not reflect the cost of civil servants responsible for managing the tasks under these contracts or for civil servants who manage and develop reports from NPMS at Headquarters.

¹⁴ Using the limited data available, we have developed a rough estimate of the costs for each Center based on the costs provided by the three Centers who submitted data (see footnote 12). We assumed that similarly sized Centers incur roughly the same costs for managing AMS data. We used Goddard's information to estimate costs for Johnson Space Center. We applied Kennedy's estimate to Ames Research Center, Langley Research Center and Glenn Research Center. We applied the Stennis estimate to Dryden Flight Research Center and to the NASA Management Office at the Jet Propulsion Laboratory. Costs for Marshall and Headquarters are included separately above.

¹⁵ FPDS-NG is expected to lower the government-wide cost of operations, be more responsive to the needs of its customers, and implement technology that enables data collection directly from agency electronic commerce systems.

both systems are similarly named.¹⁶ Some of this confusion will disappear when FACS (F) is replaced with the Core Financial Module. However, continued use of the term “FACS,” to describe the NAIS on-line query system is not the best way to refer to this useful on-line tool, particularly after the link to FACS (F) is gone. Additionally, new users, unaware of the genesis of the system’s name, might not recognize the system’s purpose given its current title.

Recommendation 6: The Assistant Administrator for Procurement should rename the FACS On-Line Query System to better describe the system and its purpose.

SUMMARY AND EVALUATION OF NASA MANAGEMENT RESPONSE

The Office of Procurement concurred with the six recommendations and has taken or plans appropriate corrective actions. We consider the six recommendations resolved pending verification of corrective actions. Appendix C contains management’s complete response.

CONCLUSION

Procurement information presented by the Agency in the on-line query system can be improved. The recommendations made in this report will improve the procurement data currently provided by the on-line query system.

[original signed by]

David M. Cushing

5 Enclosures:

Appendix A: NASA-wide Procurement System Interdependencies

Appendix B: Sample On-line Query Reports

Appendix C: NASA Management Response

Appendix D: Report Distribution

NASA Office of Inspector General Reader Survey

¹⁶ When the OIG announced this inspection, we encountered many questions by Agency personnel who thought we were reviewing FACS (F). Most people were not familiar with the existence of the procurement portion of the system.

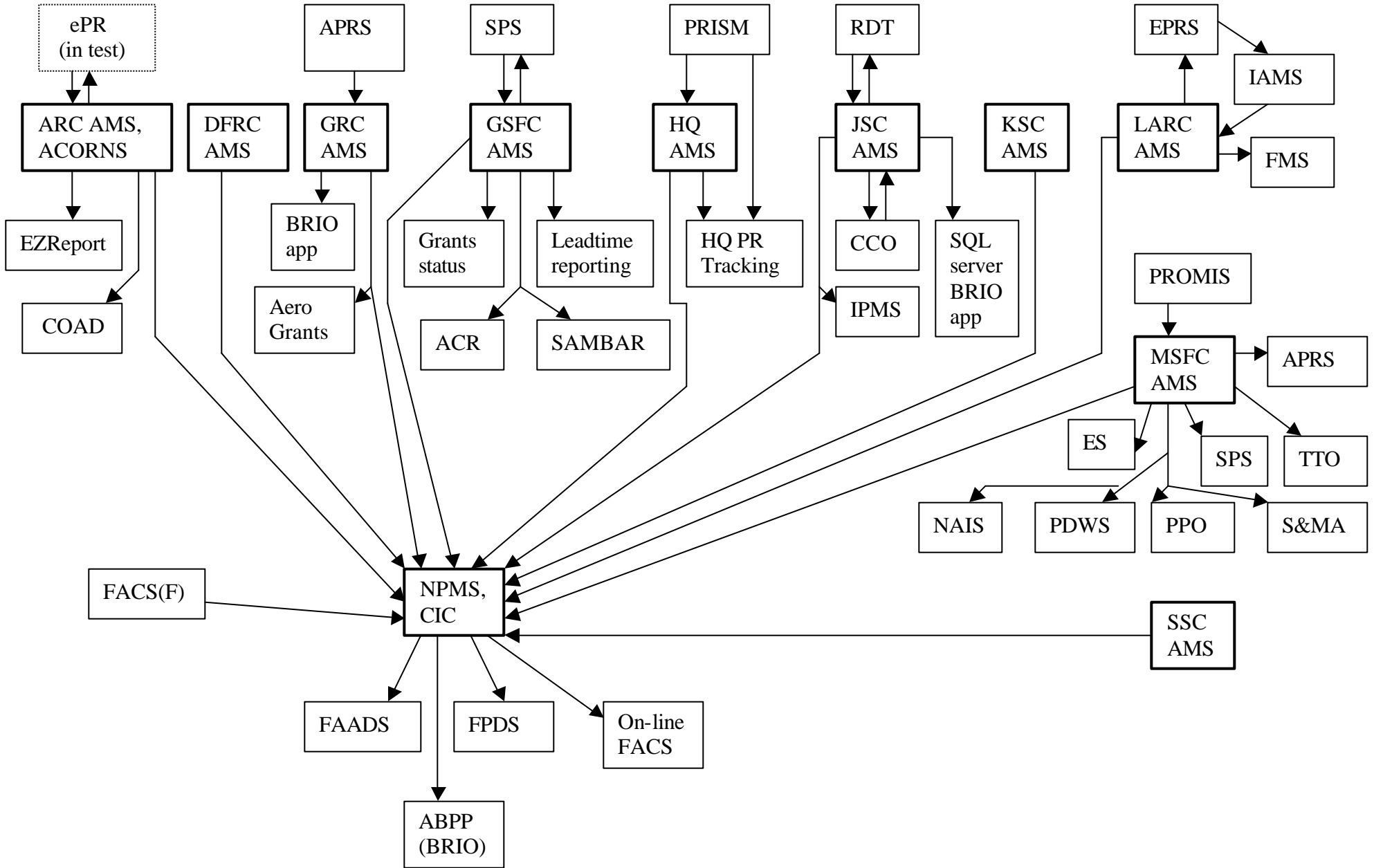
MAJOR CONTRIBUTORS TO THIS REPORT

Donna Blanding, Contract Specialist/Participant, NASA Professional Development Program
Diane Frazier, Procurement Analyst (Team Lead)

Appendix A

NASA-wide Procurement System Interdependencies

AMS Interdependencies (12/3/01)



AMS Interdependencies (12/3/01)

ARC

- 1) EZREPORT: Data query (warehouse) system in ADABASE Supernatural to provide Center personnel with queries for AMS data;
- 2) ACORNS: "mini-application" added to AMS Center Unique Section to generate option & "recompete" notices to buyers and also to trigger NF1680 reports;
- 3) HQ REPORTS: CMSR/Leadtimes, Monthly UCA, and periodic *Unliquidated Obligation reports are generated from AMS for HQ submission and/or use.
- 4) Contract Administration: Various Reports are used in AMS for tracking of contract administration workload, *closeouts, goal achievements, property tracking, etc.
- 5) COAD/finance: *ARC finance system utilizes buyer tables from AMS.
- 6) ePR: Separate Electronic Purchase Request system which had links to AMS designed and partially tested, but linkages are NOT in production and for which no ETA is planned.

*These may also include (programmed/report) linkages to our finance (COAD) system.

GRC

We import data from GRC's Automated Purchase Request System (APRS) and from GRC's COBOL financial system (soon to be IFM SAP). We extract extensive data from AMS to Sybase, nightly, for authorized Center Brio users and for a PowerBuilder Grants system (Aero Grants). We also export monthly to a FACS data set forwarded to Hq and Zeke creates at least one data set nightly for FTP to Logistics and Technical Information Division's server.

However, since AMS is such a widely used system, any number of authorized Natural and TSO libraries or PCs operated by GRC individuals could contain mini-systems written by them. These could query data automatically or on-demand from AMS via Natural, JCL or Brio - or even directly from the Sybase tables.

GSFC

Small Purchases System (SPS)

Small and Minority Business Activity Reporting (SAMBAR)

Active Contracts Register (ACR)

Contract Leadtime Information System (tracks contractual status and provides procurement lead-time reports and tracks procurement milestones.)

Grants PR Status Web Page (provides PR and award information to the Grants community)

HQ (GSFC)

Purchase Request Information System (PRISM)

HQ PR Tracking (Daily PRISM/AMS download, which contains open actions; Web page containing PR status)

JSC

RDT - Reports distribution system/interdependant on AMS; Reporting of Contractual Data

At JSC we have a mainframe system extension that ties into AMS for tracking our Undefined Contract Actions. This is the CCO system. It extracts basic contract information from AMS and adds individual milestone data for our tracking purposes. We download all AMS data, tables

AMS Interdependencies (12/3/01)

and CCO data to a SQL server for Brio reporting purposes, and to create reports which are automatically loaded to a web server. We don't have a name for this system other than just calling it the Procurement SQL server. It was the prototype for PDWS.

IPMS - download of AMS data to a network server/PDWS format; Contractual Data

LARC

1) EPRS (Electronic PR System) data sent back to EPRS from AMS after award.

2) IAMS (Integrated Acquisition Management System) pulls data from EPRS, feeds into AMS so PR data doesn't have to be re-keyed. Would have to be totally reprogrammed.

3) 4D buyer system - used by simplified acquisition for purchase orders. Data pulled from IAMS. Since IAMS has to be changed, this system will be impacted also.

4) FMS system that feeds FACS pulls PPC data from AMS

5) CFO office (budget and finance) runs integrated queries which pull data from both our system and theirs many of their queries will be impacted

6) Personnel outside of procurement have access to AMS will have to be retrained for new system (IG, CFO office, Technology Commercialization Program Office, logistics, security, fabrication)

One of our primary concerns is our ability to integrate financial and procurement data on single queries. Currently, our financial and procurement systems reside on the same platform (ADABAS/Natural), so we can pull from both systems within a single query.

MSFC

Procurement Management Information System (PROMIS)

Acquisition Management System (AMS) - MSFC Unique

NASA Acquisition Internet System (NAIS)

Procurement Data Warehouse System (PDWS)

APRS

SPS

ES

TTO – Technology Transfer Office

PPO – Payload Project Office

S&MA

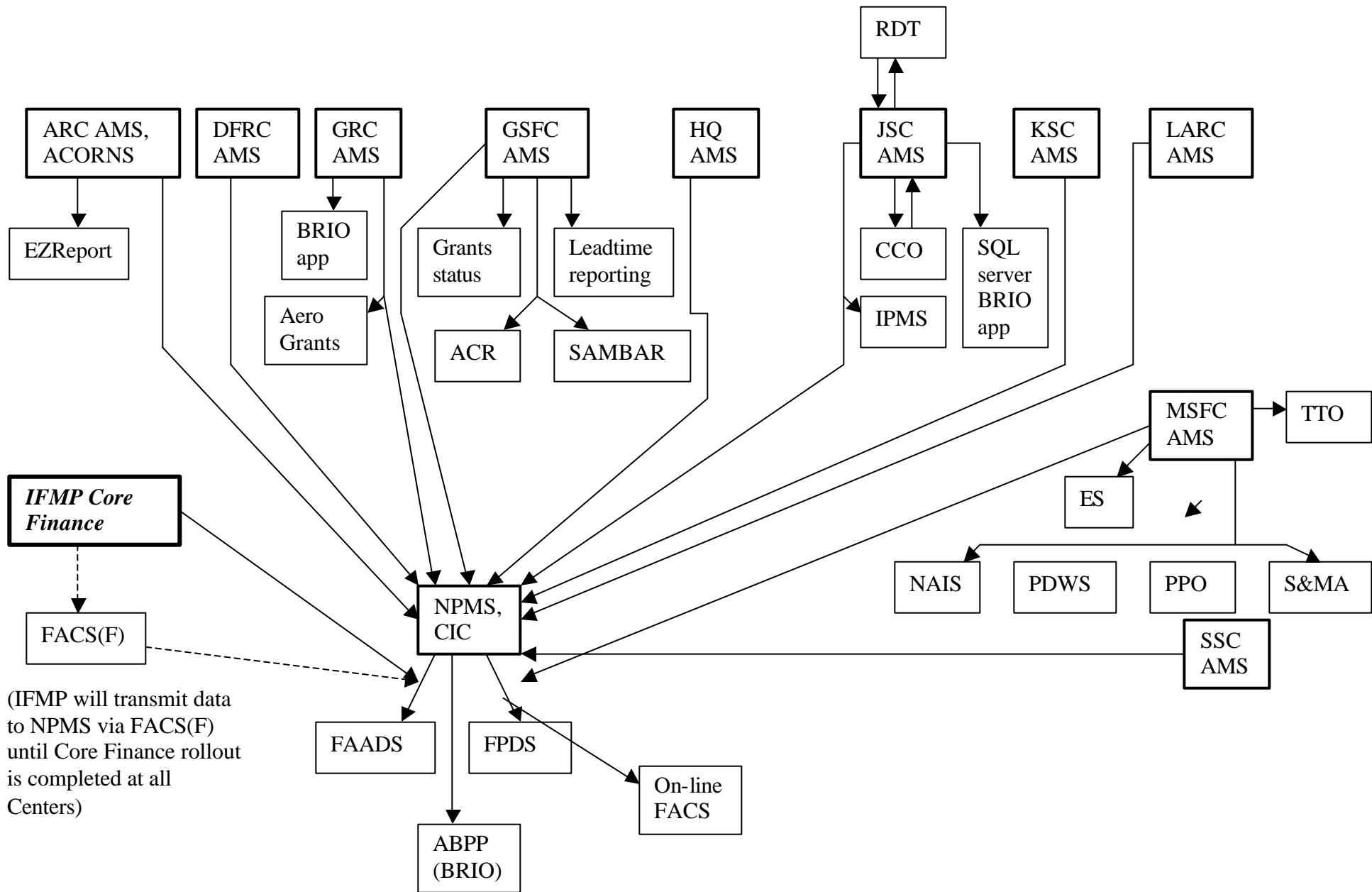
HQ

NPMS – NASA Procurement Mgmt System (includes CIC – Contractor Identification Code). FAADS –Federal Assistance Awards Data System.

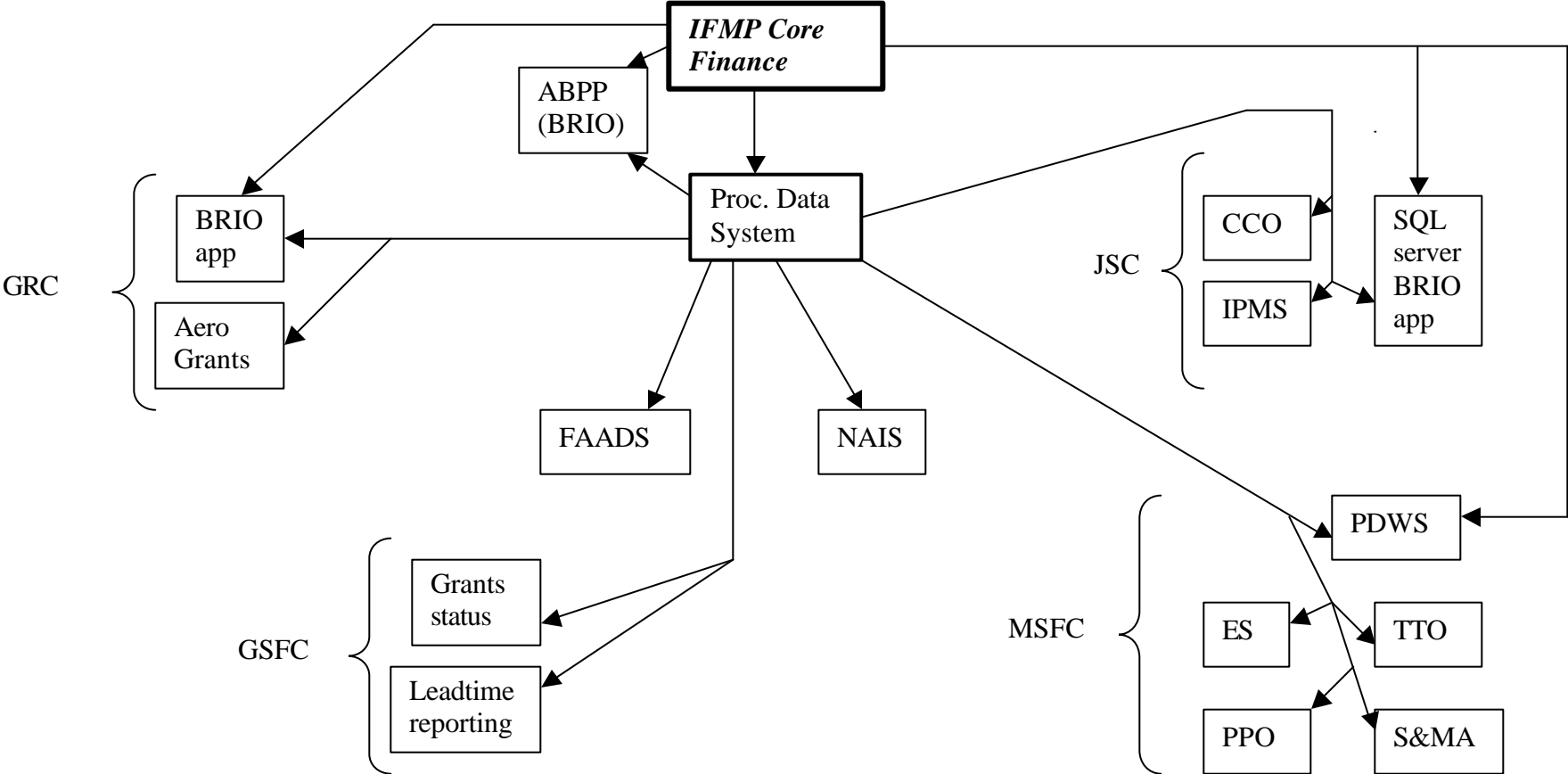
FPDS – feeder system for converting NPMS data into a format acceptable by the Federal Procurement Data System.

ABPP – Agency Brio Pilot Program. A data warehouse containing procurement and financial data and utilizing Brio software.

AMS Interdependencies (After Core Finance Rollout)



AMS Interdependencies (After Core Finance and PDS Rollout)



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FPDS – feeder system for converting NPMS data into a format acceptable by the Federal Procurement Data System.

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Appendix B

Sample On-line Query Reports

**FACS Contract Query Results
for FY 01**

<u>Contractor</u>	US AIR FORCE BROOKS AIR FORCE BASE TX
<u>Contract Number</u>	CC 81629B
<u>NASA Center</u>	KSC- Kennedy Space Flight Center
<u>Place of Performance</u>	KENNEDY SPACE CENTER FL
<u>Award Date</u>	02/24/1998
<u>Completion Date</u>	09/30/2002
<u>Contractor Type</u>	
<u>Award Type</u>	
<u>Current FY Obligations</u>	\$0
<u>Total Obligations</u>	\$998,491
<u>Total Award Value</u>	\$998,491
<u>NAICS Code</u>	[None Indicated]
<u>Description of Work</u>	NDPR FOR ENVIRONMENTAL ASSESSMENTS

**FACS Contract Query Results
for FY 01**

<u>Contractor</u>	TITAN SYSTEMS CORP VIENNA VA
<u>Contract Number</u>	S 43619Y
<u>NASA Center</u>	GSFC- Goddard Space Flight Center
<u>Place of Performance</u>	VIENNA VA
<u>Award Date</u>	01/23/2001
<u>Completion Date</u>	09/30/2001
<u>Contractor Type</u>	Business, Not Disadvantaged
<u>Award Type</u>	
<u>Current FY Obligations</u>	\$1,320,359
<u>Total Obligations</u>	\$1,320,359
<u>Total Award Value</u>	\$402,077
<u>NAICS Code</u>	[None Indicated]
<u>Description of Work</u>	SOFTWARE INDEPENDENT VERIFICATION & VALIDATION (IV & V).

**FACS Contract Query Results
for FY 02**

<u>Contractor</u>	BAYLOR COLLEGE MEDICINE HOUSTON TX
<u>Contract Number</u>	NAG 8 1383
<u>NASA Center</u>	JSC- Johnson Space Flight Center
<u>Place of Performance</u>	HOUSTON TX
<u>Award Date</u>	06/26/1997
<u>Completion Date</u>	11/30/2002
<u>Contractor Type</u>	Educational (Non-Minority, Private)
<u>Award Type</u>	
<u>Current FY Obligations</u>	\$0
<u>Total Obligations</u>	\$619,000
<u>Total Award Value</u>	\$332,898
<u>NAICS Code</u>	[None Indicated]
<u>Description of Work</u>	FOR RESEARCH ENTITLED "LIVER TISSUE ENGINEERING IN MICROGRAVITY ENVIRONMENT"

FACS Search Results

INDYNE INC

6 contract(s) found:

<u>Contractor</u>	INDYNE INC MCLEAN VA
<u>Contract Number</u>	NAS 3 99179
<u>NASA Center</u>	GRC- Glenn Research Center
<u>Place of Performance</u>	CLEVELAND OH
<u>Award Date</u>	06/29/1999
<u>Completion Date</u>	10/31/2001
<u>Contractor Type</u>	Business, Disadvantaged Direct
<u>Award Type</u>	Cost Plus Incentive Fee
<u>Current FY Obligations</u>	\$18,820,761
<u>Total Obligations</u>	\$39,120,004
<u>Total Award Value</u>	\$100,427,257
<u>NAICS Code:</u>	056121
<u>Description of Work</u>	LOGISTICS IMAGING TECH, TECHNICAL PUBL, METROLOGY, LIBRARY & ADMINISTRATIVE & CLERICAL SUPPORT SERVI

Appendix C

NASA Management Response

National Aeronautics and
Space Administration
Headquarters
Washington, DC 20546-0001



December 9, 2002

HK

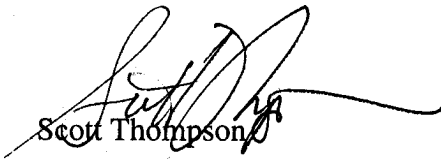
TO: W/Assistant Inspector General for Inspections & Assessments

FROM: HK/Director, Contract Management Division

SUBJECT: Code H Response to OIG Draft Report: Review of NASA's Procurement Management System On-line Query Tool, G-02-006

Enclosed is our response to the subject draft report dated November 5, 2002.

Please call Lou Becker at (202) 358-4593 if you have any questions or need further coordination on this matter.


Scott Thompson

Enclosure

Recommendation 1: The Assistant Administrator for Procurement should ensure that each Center conducts a one-time reconciliation of the obligation and award values for each of the procurements reported in FACS (F) and AMS prior to full roll out of the Core Financial Module of IFM.

Response: Concur. The Centers are engaging in updates of the AMS obligation and award values as part of their preparation for IFMP conversion. It is our understanding that this satisfies the recommendation. After the rollout is complete, both the award values and obligation values will be maintained in IFMP, rather than in separate systems, and the problem will be rectified. We note that differences in amounts shown, as obligations in AMS versus obligations in FACS (F) have always been reconciled on a monthly basis.

Recommendation 2: The Assistant Administrator for Procurement should modify the on-line query system to include the Instrument Type, (e.g., purchase order, grant, etc.) in the Award Type field when that field would otherwise be blank. When the award type is a contract, the type of contract detail (e.g., fixed price, cost plus award fee, cost plus incentive fee, etc), should continue to be reflected.

Response: Concur. The Award Type field on the on-line query system had been modified to include the Instrument Type when that field would otherwise be blank. This change was implemented on April 26, 2002.

Recommendation 3: The Assistant Administrator for Procurement should modify the on-line query tool to include a central point of contact from each Center's procurement office to answer questions and provide additional information not found in the data base.

Response: Concur. The on-line query tool will be modified to indicate a central point of contact for each Center. CCR # 200030011 has been initiated and approved for this purpose. The estimate to complete date assigned is February 28, 2003.

Recommendation 4: The Assistant Administrator for Procurement should modify the Procurement on-line query tool to clearly define the term "Completion Date" in terms of whether it includes unexercised options or not.

Further, the Procurement on-line query tool should be modified to add a new data field reflecting the "Total Contract Value Including Options."

Response: Concur. We will redefine Completion Date. We do not have the funds needed to add a new field at this time, but we will add a sentence to the Award Value definition to indicate that the contract may contain future options, whose value will not be included in the total unless and until they are exercised. CCR # 200030011 has been initiated and approved for this purpose. The estimate to complete date assigned is February 28, 2003.

There is some possibility that the FACS system, from which the FACS On-Line Query Tool extracts data, will either be substantially restructured or be made obsolete by other systems (agency or federal-wide) within the next few years. As this process unfolds, NASA will most likely be given the opportunity to provide input during the requirements definition phase. To the extent that we enjoy such an opportunity to express agency requirements, Code H will advocate the addition of a field for "Total Contract Value Including Options" in any new or substantially restructured on-line query system that is developed in the future. Our best estimate for this process to unfold is between one to three years.

Recommendation 5: The Assistant Administrator for Procurement should continue to be involved in the development of the FPDS-NG system and participate in the development of a procurement reporting system with the IFM contractor in order to ensure that the Agency is positioned to go in the direction offering the best solution in the shortest timeframe possible.

Response: Concur. The Office of Procurement is as fully engaged as possible in these two efforts and intends to remain so.

Recommendation 6: The Assistant Administrator for Procurement should rename FACS to better describe the system and its purpose. Note: As a result of discussions between Diane Frazier and Ron Crider, it was agreed that the language in Recommendation #6 should be clarified to read as follows: "The Assistant Administrator for Procurement should rename the FACS On-Line Query System to better describe the system and its purpose." Ms. Frazier indicated that when the final report is issued, this language would replace that of the current recommendation. It was agreed that Code H would proceed accordingly and provide status as if the language had already been changed.

Response: Concur. As noted in your report, some of the confusion over the names (FACS (P) and FACS (F)) will disappear when FACS (F) is replaced with the Core Financial Module. The FACS On-Line Query Tool will be renamed to the "NASA Procurement Management System (NPMS) On-Line Query System" to track the new name given its feeder system. CCR # 200030011 has been initiated and approved for this purpose. The estimate to complete date assigned is February 28, 2003.

Appendix D

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Distribution

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AG/Program Executive Officer for Integrated Financial Management
AO/Acting Chief Information Officer
B/Acting Chief Financial Officer
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House Committee on Science
House Subcommittee on Space and Aeronautics

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**Report: Review of NASA's Procurement Management System On-line Query Tool,
G-02-006**

Please circle the appropriate rating for the following statements.

I.

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	N/A
1. The report was clear and readable	5	4	3	2	1	N/A
2. The report was logically organized	5	4	3	2	1	N/A
3. The report was concise and to the point	5	4	3	2	1	N/A
4. The facts were presented fairly and accurately	5	4	3	2	1	N/A
5. The report contained sufficient information to support the finding(s) in a balanced and objective manner	5	4	3	2	1	N/A
6. The recommendation(s) made sense and were relevant	5	4	3	2	1	N/A
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