

The Following are the Findings and Recommendations on Data as revised and provisionally adopted by the Acquisition Advisory Panel during the public meeting held August 10, 2006

Recommendations for the Improvement of Data in FPDS-NG

While the trend is promising, a totally unified and standard data collection method for all agencies remains to be achieved

Findings		<u>Recommendation</u>
<u>Cause</u>	<u>Background</u>	
<p>1. Competition data on orders under Interagency Contracts is unreliable</p> <ul style="list-style-type: none"> - 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. - All DoD Schedule Orders are automatically coded as full and open competition. - Most of the other orders derived their extent competed from the master contract 	<p>Prior to December 2004, the User Manual for FPDS legacy system instructed agencies to input the same <i>Extent Competed</i> choices as were available to definitive contracts (e.g., Full and Open Competition). In December 2004 the policy was changed to allow for a clear choice at the order level, competitive delivery order or non-competitive delivery order, with a validation rule in the system that would require the selection of an exception to fair opportunity for non-competitive delivery orders. This was implemented in FPDS-NG. However, the validation rules are not functioning as intended. FPDS-NG reports provided to the Panel show the overwhelming majority of orders are reported, for <i>Extent Competed</i>, as Full and Open Competition.</p>	<ul style="list-style-type: none"> 1. OFPP shall ensure that FPDS-NG correct the reporting rules for competition immediately. 2. OFPP shall ensure that validations apply equally to all agencies unless there is a statutory reason to differ. 3. An Independent Verification and Validation (IV&V) should be undertaken to ensure all other validation rules are working properly. There is a cost associated with IV&V that was not anticipated in FY 2007 budget. This may mean already scheduled priorities might be delayed.
<p>2. Current value and estimated value of orders under Interagency Contracts is not available from migrated data</p> <p>Previous system had a single field, "Dollars Obligated"</p>	<p>Although the benefit of 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.</p>	
<p>3. Current value and estimated value of orders under Interagency Contracts is not entered correctly by Agencies</p>		

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<p>The fields were unclear until posting of a new User Manual with guidance and examples</p>	<p>Rather than inputting only the modification value, such as an option, allowing the system to calculate the total value of all transactions against that order, agency personnel input the cumulative value-to-date of the order with the modifications, which the system then adds to the value of all previous transactions, thereby overstating the current value.</p>	
<p>4. Inaccurate user data entry compromises the usefulness of data</p>		
<p>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</p>		
<p>Numerous instances of data mismatches between FPDS-NG and the actual contract files were found. (PSC-NAICS, Competition, Performance Based Contracting, etc.)</p>	<p>Increasing the integration between the various agency Contract Writing Systems and FPDS-NG is improving the accuracy, however the accountability must be instituted at all levels of the organization. This is an ingredient in ensuring that accuracy and timeliness is elevated through the mechanism of leadership to the field. Only assigning specific responsibility will encourage elevation of accuracy to those entering data</p>	<p>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.</p> <p>5. Agencies shall ensure that 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"> ~Improving the public trust through increased transparency ~Providing a tool for sound policy-making and strategic acquisition decisions <p>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.</p>

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		<p>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.</p> <p>8. 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>9. The Government Accountability Office (GAO) should perform an audit that covers not only the quality of FPDS-NG data but agency compliance in providing accurate and timely data.</p>
<p>6. <i>Data on Interagency Contract ordering trends is not readily available for analysis</i></p>		
<p>FPDS-NG has dozens of standard reports and an ad hoc query capability but the data needed for this type of analysis had to be specially created</p>	<p>The majority of the difficulties were caused by the transition from the old system and the data migration. Previously the Interagency Contracts were not entered as there was no dollars obligated, so the base contract data is not available for older contracts and must be derived from orders. Logic for new transactions and reports was not focused on this data.</p>	<p>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:</p> <p>Who is buying how much of what using what type of indefinite delivery vehicle and if not buying it competitively, what</p>

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		<p>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>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.</p>
<p>7. FPDS was not designed to provide sufficient granularity for spend analysis and strategic decisions</p>		
<p>PSC codes and NAICS codes are generally too broad and "Description of Requirement" is a free form text field</p>	<p>Additional classifications are used in two on-line ordering systems (GSA Advantage and DOD EMail) but these are not passed on to agency contracting or finance systems. Both systems use the UNSPSC (UN Standard Product Service Codes).</p>	<p>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.</p> <p>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.</p>
<p>8. FPDS relies on voluntary contributions from Agencies for operational and enhancement funding</p>		
<p>FPDS is part of the Integrated Acquisition</p>	<p>All cross agency common systems such as FedBizOpps, Central Contractor Registration and FPDS-NG are funded and governed by agencies to</p>	<p>14. OMB shall ensure that Agencies provide sufficient funds to ensure that these systems are financed as a shared service</p>

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Environment which is funded by agencies	ensure buy-in and consistency	based on levels agreed to by the CAO Council and OFPP sufficient to support the objectives of the systems.
<p>9. a) FPDS data only pertains to use of taxpayer funds in <u>acquisition</u> 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) Taxpayers should be provided the maximum level of transparency on the use of their tax dollars through contracts, grants, cooperative agreements, 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>15. Within one year, OMB shall conduct feasibility and funding study of integrating data on awards of contracts, grants, cooperative agreements, inter-agency service support agreements, and Other Transactions through a single, integrated, and web-accessible database searchable by the public.</p>

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ATTACHMENT – 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.