

PROCUREMENT MANAGEMENT REVIEW SAMPLING TECHNIQUES

Background:

A Procurement Management Review (PMR) team will review a sampling of pre-award activity, basic contracts, delivery orders, change orders, modifications, post-award administration activity, and/or closeout activity conducted during a specific period of time.

To the maximum extent practicable, statistical sampling methods should be utilized. As applicable, a stratified approach should be considered that selects sub-samples from all categories of contract action that exist in the population. Such categories include pre-award activity, basic contracts, delivery orders, change orders, modifications, post-award activity, closeout, etc. Within these categories, sub-samples should be selected using simple random or systemic selection processes, as appropriate. These sub-samples, in aggregate, will form the total sample population.

Where statistical sampling is not possible or where population sizes are too small, a non-statistical or "judgmental" sampling approach may be utilized, but all applicable contract categories must be represented. Under this approach, contract actions and/or related activities will be selected using any reasonable sampling technique determined as appropriate by the PMR team lead.

The size of the sample to be reviewed depends on several considerations:

- The sample must be sufficient to establish whether findings are a rare or common occurrence.
- To ensure deficiencies identified in a previous PMR are resolved, the sample selected a follow-up PMR should include similar actions.
- The size of the sub-sample selected from each category should be relative to the share of the total population represented by that category. For example, if modifications comprise 20% of the total population, then 20% of the total sample should be comprised of the sub-sample of modifications.
- The initial total sample should be approximately 10% of all contract actions or relevant activities conducted during the time period identified, but depending on the PMR type and objectives the sample size may range from 5% to 20% of the total population. Alternatively, where total populations are large enough, statistically significant sample sizes may be used.
- The sample may need to be increased during the course of the PMR based on findings. The reason for adjusting the sample is to review additional actions or activities to determine if findings represent a trend or a rare occurrence. If there is a compelling need for changing the PMR scope, then the sample may be modified by mutual agreement of the PMR team lead and the contracting office under review. If the original sample is modified, a revision number and date will be applied to the updated sample list.

Sources for Sampling:

Federal Procurement Data System (FPDS)

When contract actions (basic contracts, delivery orders, change orders, modifications) are subject to a PMR, the PMR team lead will request a report showing all awards made within the date range or other criteria specified in the request. The report request should also indicate any column formatting requirements. (see Procedures, Guidance and Information (PGI) Attachment 5, Electronic Contract Data Request).

After receipt of the report, the PMR team lead will select a sample of actions. The sample should be reviewed to ensure it will meet the objectives described in methodology. If so, the sample will be

PROCUREMENT MANAGEMENT REVIEW SAMPLING TECHNIQUES

finalized. If not, additional or other actions should be selected.

Other Sources

Other sources of data that may be utilized to support PMRs include:

- Other existing databases and lists (e.g., contract writing system, contract document storage and retrieval system).
- Results from past PMRs and audits performed by TMA or other agencies (e.g., Government Accountability Office or Procurement Management Review reports).
- Individual staff member interviews.