

# DATA Act Section 5 Pilot

OMB, in collaboration with the Chief Acquisition Officers Council, Department of Health and Human Services (HHS), and the General Services Administration (GSA) is engaged in a multiphase, multifaceted approach that will result in recommendations to reduce reporting burden, standardize processes, and reduce costs for Federal awardees.

## **Phase 1 (May 2015 - May 2017): National Dialogue and Pilot to Reduce Reporting Compliance Costs for Federal Contractors and Grantees**

The dialogue sponsored by the Chief Acquisition Officers Council, HHS, and GSA is generating ideas to streamline reporting for Federal contractors and grantees. Join the [Dialogue](#).

## **Phase 2 (May 2015- May 2017): Pilots for Simplifying Federal Award Reporting**

While the recipient reporting for Federal contracts and grants are similar, there are reporting burdens unique to each. To gather recommendations for easing reporting for recipients of Federal contracts and grants, OMB is conducting the pilot with two primary focus areas.

### **Pilot Focus - Federal Procurement Track**

OMB is providing strategic leadership for the procurement pilot and collaborating with GSA and the Chief Acquisition Officers Council for implementation. The objectives of the Section 5 procurement pilot focus are to:

- Identify recommendations in the National Dialogue for further review
- Develop a central reporting portal prototype and collection tool for FAR required reports, and
- Test the portal by centrally collecting select FAR required reports that are currently reported across the Federal government, beginning with collection of reports required under FAR 22.406-6.

The goal is to allow contractors doing business with the Federal Government to submit FAR required reports to one central location in an efficient and effective manner rather than multiple locations and to each contracting officer (CO).

An overview of the procurement pilot focus, test models, and metrics is [below](#).

# DATA Act Section 5 Procurement Pilot

## Overview of Existing Contractor Burden Reduction Efforts

- Transformative government-wide initiatives to reduce contractor burden and streamline Federal procurement:
  - 2018 - GSA Integrated Award Environment completes modernization of 10 different legacy systems essential to Federal contracting. End result is one location where contractors can find contracting opportunities, complete FAR-required pre-award activities common across Federal government. Federal officials will have one location for pre-award and post-award management. Core data to be shared across all systems to avoid duplication, reduce burden, and increase quality.
  - 2018 – Federal agencies move to electronic invoicing for Federal contracts. End result is standardized data, processes, and invoices for Federal contracts. Will reduce contractor burden and increase access to data.
- IAE impacts almost 1M users via the 10 systems.

## Opportunities & Gap

- 2014 analysis of FAR identified over 100 contractor reporting requirements;
- Of the 100, 40% are decentralized, increasing costs, precluding data sharing, inhibiting access to data real-time, requiring repetitive reporting of same information already in USG systems.
- No central, standardized location for submitting electronic invoices for use by various agencies
- 2014 Open Dialogue (553 users, 2039 votes on 118 ideas) identified #1 idea to reduce contractor burden was to eliminate duplicative, unnecessary reporting.
- **GAP – current contractor burden reduction efforts to not include a user-friendly single collection point for all FAR required post-award reporting.** Such a capability would leverage existing data in other systems, serve as a single entry point for post-award contractor reporting, collect and store data in a secure manner, make data available in machine-readable formats, support multiple types of submissions, and facilitate access to other electronic reporting tools from one location.

## Focus of Section 5 DATA Act Pilot

Select Representative Reporting Requirement that meets burdens identified by contractor engagement, specifically need a FAR report that requires:

- Repeatedly reporting same thing to each agency instead of submitting once; Contractors to submit numerous copies of forms, in paper, and without benefit of e-signatures;
- Multiple submission locations with no single clearinghouse that allows for pre-population or drop-down data selections to minimize reporting;
- Weekly re-entry or re-submission of information that has previously been submitted.

**FAR 22.406-6 Reporting Requirement for Weekly Payroll meets all the contractor identified “pain points” to test capability for central reporting. Impacts over 10,800 contractors (7%) and \$39B (8.8%) of FY15 contract obligations, requires testing IT capability to collect high-frequency, repetitive, and sensitive data so once iterations of testing are complete, can be scaled to less frequent or sensitive reporting.**

(If IT application is successful with FAR 22.406-6 reporting, next phase of pilot will include collection of data via this tool for FAR 4.1703, 23.406, and integration with other reporting tools such as VETS-4212)

## Test Models & Metrics

Test Models for Reducing Burden	Metrics
<b>Central Reporting Capability for Reporting Requirements in the Federal Acquisition Regulation</b>	
1. Standardize the process for submission of FAR-required data.	Time to submit reports via tool vs traditional submission.
2. Verify FAR data standards address needs.	Focus group results comparing data points from group to those required under FAR.
<b>External Application Development to the Integrated Award Environment</b>	
3. Data pre-population.	Time to submit reports via tool vs traditional method and errors in core data reported.
4. Consolidated data collection and access – proof of concept tool.	Time to submit reports via tool vs traditional submission.
5. Interface with other reporting systems.	Outcome measure is that interfaces work to prepopulate and share data. Specific IT metrics under development with GSA team (IT and acquisition).

## Key Actions:

1. Analysis of FAR reporting requirements and submission methods – complete
2. Analysis of results of National Dialogue and relevant stakeholder input – ongoing
3. Identification of representative reporting requirement for piloting central reporting tool – complete - FAR 22.406-6 represents key input areas from dialogue
4. Federal Register Notices for Information Collection Requirements – complete
5. Discovery into central reporting portal, including initial outreach – complete
6. Prototype for development of tool - complete
7. Contract award for tool development – complete. Link to [FedBizOpps.gov](http://FedBizOpps.gov) for contract award information.

## Key Upcoming Milestones:

1. Launch of pilot tool and data collection – November 2016
2. Iteration of tool – through Spring 2017
3. Introduction of additional FAR reporting requirements to proof of concept tool– Summer 2017
4. Report on recommendations resulting from pilot data collection - August 2017
5. Close out procurement pilot data collection – November 2017

Contractors who are required to submit under FAR 22.406-6 and are interested in participating in

the pilot data collection tool are encouraged to share their information and interest via [SpendingTransparency@omb.eop.gov](mailto:SpendingTransparency@omb.eop.gov). Acquisition community members can get updated information about the DATA Act Section 5 Procurement Pilot by following this link to [GSA's Integrated Award Environment \(IAE\) Industry Community](#).