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CODSIA Case 2020-002 - Receipt #1k4-9f4e-kxwu

Via email: www.regulations.gov

February 20, 2020

The Honorable Michael Wooten Administrator ATTN: Ms. Curtina Smith Office of Federal Procurement Policy 725 17th St. NW Washington, DC 20503

Re: Procurement Administrative Lead Time (PALT)

#### Dear Administrator Wooten:

On behalf of the undersigned member associations of the Council of Defense and Space Industry Associations (CODSIA),<sup>1</sup> we are pleased to respond to the Office of Federal Procurement Policy's (OFPP) January 21, 2020 request for public comment on a proposed definition of the term "Procurement Administrative Lead Time" (PALT) and a plan for measuring and publicly reporting government-wide data on PALT for contracts and orders above the simplified acquisition threshold (SAT).<sup>2</sup>

As strong supporters of both Section 886 of the Fiscal Year 2018 (FY18) National Defense Authorization Act (NDAA) and Sec 878 of the FY19 NDAA, we are pleased to see that OFPP's proposal accurately reflects both the letter and intent of the law. While the government is not meeting the statutory deadlines for implementation of these provisions, CODSIA applauds the efforts thus far and strongly encourages OFPP to move forward as expeditiously as possible.

CODSIA welcomes the definition and appreciates the government's recognition of the impact that PALT can have on the procurement process. We concur that PALT can

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<sup>&</sup>lt;sup>1</sup> CODSIA was formed in 1964 by industry associations with common interests in federal procurement policy issues at the suggestion of the Department of Defense. CODSIA consists of seven associations – Aerospace Industries Association (AIA), American Council of Engineering Companies (ACEC), Associated General Contractors (AGC), Information Technology Industry Council (ITI), National Defense Industrial Association (NDIA), Professional Services Council (PSC), and U.S. Chamber of Commerce. CODSIA's member associations represent thousands of government contractors nationwide. The Council acts as an institutional focal point for coordination of its members' positions regarding policies, regulations, directives, and procedures that affect them. A decision by any member association to abstain from participation in a particular case is not necessarily an indication of dissent.

<sup>&</sup>lt;sup>2</sup> OFPP Notice and request for public comments on Procurement Administrative Lead Times, available at <a href="https://www.govinfo.gov/content/pkg/FR-2020-01-21/pdf/2020-00783.pdf">https://www.govinfo.gov/content/pkg/FR-2020-01-21/pdf/2020-00783.pdf</a>

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drive process improvements and innovation in procurement practices, while also increasing efficiency in the requirements development process. The primary goal of measuring and tracking PALT is to reduce lead times so that once the government identifies a need, it is able to obtain those goods and services as soon as possible. This is especially critical given the pace of technological change in the solutions that contractors are providing to the government. Under lengthy lead times, technology or solutions can change dramatically between the time a need is identified and the issuance of an award – and delivery of the product or capability to the user.

While the "start" and "stop" times for a solicitation as covered by this proposal are components of the front end of the total acquisition lifecycle, we know that internal agency actions also contribute to such delays. Thus, we appreciate the acknowledgment that "there will be opportunity to collect and track additional data points and timeframes beyond those covered by the proposed definition... [including] the ability to capture data routinely on various aspects of requirements development..."

In our March 12, 2018 comments on the Department of Defense's request for comment on their proposed definition of PALT,<sup>3</sup> we stated in part: "...for complex information technology or other services acquisitions, or major systems purchases, the time between a requirements determination and solicitation may be the longer period in the acquisition lifecycle." We therefore welcome OFPP's statement in the proposal to encourage agencies to continue (or initiate) their broader efforts that collect and track additional data points, such as from the time a complete requisition package is received by the procurement office.

As the government moves forward measuring and reporting PALT, we would encourage a one-time review of the impact of two types of contract awards described in OFPP's proposed coverage, when no solicitation is otherwise required: (a) "awards resulting from unsolicited proposals" and (b) "orders placed against indefinite delivery contracts where pricing is based on pre-priced line items included in the indefinite-delivery contract and no elements of the order's delivery or performance require negotiation." Under OFPP's formulation, the "solicitation date" is defined to be the date of award for these contracts, and thus the PALT would be measured as one day—which does not represent the intent of measuring PALT. While the number of contracts covered by these two anomalies would not be significant enough to impact overall PALT measurements, and we acknowledge the value of collecting the information, CODSIA recommends that these two types of awards be excluded from any PALT metric calculation; however, at a minimum, we would welcome a government review to ensure that the "one-day PALT" would not, in fact, impact broader government-wide or agency

https://www.codsia.org/uploads/6/8/9/9/68991301/codsia comments dars-2018-0005 - palt - final - 12 mar 18.pdf

 $<sup>^{\</sup>rm 3}$  CODSIA DARS-2018-0005 Comments, available at

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measurements. We acknowledge that this formulation is identical to that provided in DoD's June 14, 2018 memo titled "Reporting 'Solicitation Date' in the Federal Procurement Data System (FPDS)."<sup>4</sup>

CODSIA agrees that the PALT clock should not begin when an agency issues a draft solicitation. By the same token, the proposal could create an ambiguity by stating that the issuance date for "initial solicitation" would be the date on which the "final solicitation" seeking offers is issued. We know that solicitations have numerous amendments, and occasionally several proposal submissions before the last version of the solicitation is compiled and offerors are instructed to submit "final offers." The coverage would be clearer if OFPP simply stated that draft solicitations do not commence the "issuance" date, but that the "issuance date" does commence with the first request for offers, bids or proposals issued by the government.

CODSIA appreciates your consideration of these comments and recommendations. We look forward to continuing to work with you on these and other efforts to increase efficiency and reduce the PALT timeframes associated with the contracting process.

If you have any questions or need additional information, please do not hesitate to reach out to Alan Chvotkin, PSC's Executive Vice President and Counsel, who serves as our project officer for this case. He can be reached at (703) 875-8059 or at <a href="mailto:chvotkin@pscouncil.org">chvotkin@pscouncil.org</a>.

### Sincerely,

Som Hall SPLIA John Luddy Steve Hall Vice President National Security Vice President, Government Affairs Aerospace Industries Association American Council of Engineering Companies im ferin Conto Put Jimmy Christianson Gordon Bitko Regulatory Counsel Senior Vice President of Policy, Public Associated General Contractors of America Sector Information Technology Industry Council (ITI)

<sup>&</sup>lt;sup>4</sup> Department of Defense 6/14/2018 Memorandum: "Reporting 'Solicitation Date' in the Federal Procurement Data System (FPDS)", available at <a href="https://www.acq.osd.mil/dpap/policy/policyvault/USA001458-18-DPAP.pdf">https://www.acq.osd.mil/dpap/policy/policyvault/USA001458-18-DPAP.pdf</a>.

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