



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D. C. 20503

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OFFICE OF FEDERAL
PROCUREMENT POLICY

MEMORANDUM FOR CHIEF ACQUISITION OFFICERS,
SENIOR PROCUREMENT EXECUTIVES,
AND SMALL AGENCY COUNCIL MEMBERS

FROM: Paul A. Denett
Administrator

SUBJECT: Improving Acquisition Data Quality — FY 2008 FPDS Data

The passage of the Federal Funding Accountability and Transparency Act of 2006 and subsequent activation of the USAspending.gov website have increased public access and interest in Federal acquisition and other Federal spending data. It is therefore more important than ever that we continue to pay careful attention to the accuracy of these data. I am counting on you to assure that your data are accurate.

This memorandum provides guidance on improving the quality of your acquisition data. It builds on and supersedes the FY 2007 guidance for verifying, validating, and certifying FPDS data and includes additional information on the desired format for reporting plans to verify and validate (V&V) FY 2008 FPDS data, based on lessons learned and best practices developed over the past year.

Agencies' responses to last year's guidance were very diverse, particularly in the descriptions of their V&V approaches and the results of their statistically-based data validation activities. We were particularly impressed with the response from the Treasury Department, which highlighted the accuracy of key data elements and identified specific actions needed to make improvements. For the FY 2008 data, we are providing more detailed guidance on the formats for reporting data quality plans and results. This new guidance is the result of extensive collaboration between my office and your agencies and I appreciate the time and input that many of your staff have provided us. These refinements will allow OFPP to better understand agencies' data quality approaches, identify best practices, and develop a data accuracy baseline.

By July 15, all agencies are required to submit their data quality plans for their FY 2008 FPDS data. An approved data quality plan is a key internal control for effective information management and stewardship under OMB Circular A-123. Our goal is for all agencies to use statistically valid processes for validating selected FPDS data against the corresponding contract files. Agencies that choose to use alternative approaches to validate their data must describe the alternative approaches in their plans. We are aware that some agencies may have already begun validating their FY 2008 data according to previous guidance and are asking them to indicate which quarters of FY 2008 data are subject to the new plan.

By January 5, 2009, agencies shall certify that their agency's FY 2008 procurement data is in FPDS and that their data quality plans have been completed.

Agencies shall submit their plans and associated information using the attached exhibits. The purpose of the exhibits and associated attachments are summarized in the table below.

Form	Purpose	Submission Date
Exhibit 1	Use this form to describe the agency's data quality plan. <ul style="list-style-type: none">• Use Attachment A to describe the agency's approach for using statistically valid processes for validating FPDS data.• Refer to Attachment B for definitions of key terms and guidance on the statistically valid processes for validating FPDS data.	July 15, 2008
Exhibit 2	Use this form to certify FY 2008 procurement data in FPDS. <ul style="list-style-type: none">• Use Attachment A to describe deviations from the agency's data quality plan.• Use Attachment B to describe other agency activities to validate FPDS data, including validation activities if statistical sampling methods were not employed.• Use Attachment C to provide the overall data accuracy rate and accuracy rates for key data elements.	January 5, 2009

Please submit all documents by e-mail in .pdf format to GSA (robert.burton@gsa.gov) as well as my office (jkelly@omb.eop.gov).

If you have questions concerning this guidance, please call or e-mail Jack Kelly at 202-395-6106 or jkelly@omb.eop.gov.

Agency FPDS Data Quality Plan**Department/Agency Name:** _____**Fiscal Year and Quarters of FPDS Data Subject to this Plan:** _____

Please describe the activities your agency plans to perform to validate its FPDS data for the fiscal year and quarters shown above. Please describe these activities under the applicable headings below in as much detail as necessary to provide a clear explanation. Use additional pages as needed.

How Component Organizations and Individuals Are Held Accountable for Data Accuracy

Steps Planned to Improve the Accuracy of Data Entered into Contract Writing Systems and FPDS

Steps Planned to Improve Data Accuracy after Data Entry (other than conducting a statistical sample of FPDS data)

Other Steps Planned to Improve Data Accuracy

Data Validation Approach

It is important that the data validation approach used by agencies produce credible results. Therefore, agencies are requested to conduct statistically valid comparisons of their FPDS data to their contract files, and to explain their sampling plans in the format provided by Attachment A to this Exhibit. Agencies that choose to use methods other than the requested method for validating their FPDS data should describe these alternate methods under "Other Steps Planned to Improve Data Accuracy" above. This description should also explain the advantages and disadvantages of the alternative methods compared to the requested method.

SENIOR PROCUREMENT EXECUTIVE NAME (Printed)

SENIOR PROCUREMENT EXECUTIVE SIGNATURE

DATE

Department/Agency Name: _____

Fiscal Year of FPDS Data: _____

Approach for Conducting Statistically Valid Comparison of FPDS Data and Contract Files

This Attachment provides a standard format to report key information about the statistically valid sampling methodology that will be used to validate the accuracy of FPDS data. Use additional pages as needed.

Note: Attachment B provides guidance on how agencies are expected to conduct statistically valid comparisons of their FPDS data and the underlying contract files. When you certify the accuracy of your data next January, you will be expected to summarize the results collected from all subordinate offices that validated and certified their own data into your agency's certification report.

Number of Contracting Offices Expected to Provide Data: _____

Sampling Approach(es) Planned:

How will samples of FPDS records be selected and by whom?

How will statistical validity of sample be determined?

Who will conduct independent review of FPDS data quality?

Guidance for Making Statistically Valid Comparison of FPDS Data and Contract Files

This attachment provides guidance on how agencies are expected to conduct statistically valid comparisons of their FPDS data and the underlying contract files. This guidance includes definitions of key terms, e.g., accuracy rate, as well as the procedures required to conduct statistically valid, independent reviews of FPDS data.

Definitions:

Overall Accuracy Rate – The percent of all the FPDS data elements sampled which were determined to be correct, i.e., they matched the corresponding data in the contract files and the data in the contract files were correct. For purposes of this report, only compute the overall data accuracy for the data elements reported on Exhibit 2. Do not include in this computation the accuracy of other data elements the agency might choose to validate for its own purposes.

Data Element Accuracy Rate – The percentage of entries for each selected data element in the sampled contract action records that were determined to be correct, i.e., the entry matched the corresponding data in the contract file and the data in the contract file was correct. Only data elements appropriate for the type of record being validated should be counted in computing the accuracy rate; e.g., only count the accuracy of the Reason for Modification element in modification records. Data elements that have been optional in FPDS should be validated as though they had been required. Therefore, data elements should only be blank if they do not apply to that record type. Data elements that apply to the type of record being reviewed must not be blank and must be supported by information present in the contract file or contract writing system.

Total Sample Size – This is the total number of FPDS contract action records selected by all subordinate reporting activities for comparison to the corresponding contract files. Agencies are expected to select these records randomly and in sufficient numbers to produce statistically valid conclusions at the 95% confidence level, with an error rate of no more than $\pm 5\%$.

Percent of Total Procurement Spend Covered by Sample – This is computed by dividing the total obligations associated with the contract action records sampled by the total obligations associated with all contract actions.

Procedures:

Although departments and agencies are expected to establish their own internal procedures for sampling and validating their FPDS data, these procedures must conform to the following requirements:

1. The sample sizes must be sufficient to produce statistically valid conclusions for the overall department or agency at the 95% confidence level, with an error rate of no more than 5%.
2. The contract action records sampled must be selected randomly. This does not preclude your department/agency from using stratified samples and/or also targeting known problem areas for special scrutiny.
3. Each sampled contract action record (CAR) must be validated against the associated contract file by an individual other than the contracting officer who awarded the contract or the person entering the contract data, for that contract action record. Although some agencies may also validate their FPDS data against the corresponding data in their contract writing systems, ultimate data verification must be made against the official contract files. The reviewer must obtain sufficient information to validate any CAR data elements not contained in the contract file or contract writing system (CWS). Data elements that cannot be validated must be considered incorrect. This includes CAR data elements that match data in the contract file or CWS that the reviewer and his/her supervisor determine to be inaccurate.

Certification of FY 2008 Procurement Data Submissions to FPDS

1. **Department/Agency Name:** _____

2. **Date of Submission Certification:** I certify that ____% of all reportable contract actions awarded during FY 2008 for my department/agency have been entered into FPDS as fully and accurately as possible as of the date of my signature. Agencies unable to certify entry of 100% of their reportable contract actions must discuss the reasons for this and their plans to remedy this situation in Section 5 of this Certification.

3. **Substantiation of Certification:** Given the importance of data accuracy for purposes of running all Federal Reports, what have you done to substantiate your certification? (Answer all.)

- a. Collected certifications from subordinate offices YES NO
- b. Through statistically correct processes, compared FPDS data to data in the corresponding contract files. (If you answered "Yes" here, please complete the information requested in Attachment A.) YES NO
- c. Other V&V actions taken for FY '08 (Provide in format of Attachment B) YES NO
- d. Data accuracy rates provided in format of Attachment C. YES NO

4. **Data Submission Method:** Check the data submission method(s) used by your department/agency:

- a. Contract Writing System(s) (CWS) YES _____% NO
- b. Web Portal (On-line login) YES _____% NO
- c. Other YES _____% NO
- Total YES 100%

If "Yes" for 4.a., please name Contract Writing System(s) used: _____

If "Yes" for 4.c., please describe the "Other" method(s) used: _____

5. **Explanation of Data Missing from Certification:** Use additional pages as necessary to discuss any procurement data that are not included in this certification. Please identify data belonging to organizations that have been unable to enter their data into FPDS as well as CWS data and "draft" FPDS records that have not passed the FPDS data validation routines. For each category of missing FPDS records, indicate the number, dollar value, and age of the missing records and your milestone plans for bringing these records into FPDS.

6. **General Comments (Include on added page(s), if needed):**

7. _____
 SENIOR PROCUREMENT EXECUTIVE NAME (Printed)

8. _____
 SENIOR PROCUREMENT EXECUTIVE SIGNATURE DATE

Department/Agency Name: _____

Fiscal Year of FPDS Data: _____

Results of Statistically Valid Comparison of FPDS Data and Contract Files

This Attachment provides a standard format for agencies to use in reporting key information about the sampling methodology used to determine the accuracy rates shown on Attachment C. (Note that the data element names on that attachment are as they appear on the FPDS screens.) Please summarize the results collected from all subordinate offices that validated and certified their own data into this Attachment and Attachment C. Please also discuss any systemic causes of invalid data in as much detail as you can, with particular attention to errors caused by FPDS or any other components of the Integrated Acquisition Environment. Use additional pages as needed.

Number of Subordinate Offices Providing Data: _____

Sampling Approach(es) Used That Deviated from Data Quality Plan:

Please describe any sampling activities under the following headings that deviated from the Data Quality Plan your agency submitted in June. If your activities under the applicable headings below were totally consistent with your Plan, please just state that.

How were samples of FPDS records selected and by whom?

How was statistical validity of sample determined?

Who conducted independent review of FPDS data quality?

Total FY 2008 Procurement Spend: _____ (\$ in millions)

Total Sample Size: _____ Percent of Total Procurement Spend Covered by Sample: _____%

Department/Agency Name: _____

Fiscal Year of FPDS Data: _____

Other Agency Activities to Verify and Validate FPDS Data

Please describe any other activities your agency performed to validate its FPDS data for the fiscal year shown above, with particular attention to activities that deviated from the Data Quality Plan your agency submitted in June. If your activities under the applicable headings below were totally consistent with your Plan, please just state that. Use additional pages as needed.

How Component Organizations and Individuals Were Held Accountable for Data Accuracy

Steps Taken to Improve the Accuracy of Data Entered into Contract Writing Systems and FPDS

Steps Taken to Improve Data Accuracy After Data Entry (other than conducting a statistical sample of FPDS data)

Other Steps Taken to Improve Data Accuracy

Agencies that chose to validate their FPDS data using an approach other than a statistically valid sampling methodology are still expected to report their accuracy rates as shown on Attachment C. (Note that the data element names on that attachment are as they appear on the FPDS screens.) Please summarize the results collected from all subordinate offices that validated and certified their own data into this Attachment and Attachment C. Please also discuss any systemic causes of invalid data in as much detail as you can, with particular attention to errors caused by FPDS or any other components of the Integrated Acquisition Environment. Use additional pages as needed.

Department/Agency Name: _____

Fiscal Year of FPDS Data: _____

Overall Accuracy Rate: _____ %

Accuracy Rates for Key Data Elements		Systemic Causes of Invalid Data (please check all that apply)		
Data Element Name	Accuracy Rate (%)	User	FPDS	Other
1A Procurement Identifier	_____	_____	_____	_____
1C Referenced IDV ID	_____	_____	_____	_____
2A Date Signed	_____	_____	_____	_____
2C Completion Date	_____	_____	_____	_____
2D Est. Ultimate Completion Date	_____	_____	_____	_____
2E Last Date to Order	_____	_____	_____	_____
3A Base and All Options Value	_____	_____	_____	_____
3B Base and Exercised Options Value	_____	_____	_____	_____
3C Action Obligation	_____	_____	_____	_____
4C Funding Agency ID	_____	_____	_____	_____
4F Funded by Foreign Entity	_____	_____	_____	_____
5B Who Can Use	_____	_____	_____	_____
5D Fee for Use of Service	_____	_____	_____	_____
5J Fee Paid for Use of IDV	_____	_____	_____	_____
6A Type of Contract	_____	_____	_____	_____
6F Performance Based Service Acquisition	_____	_____	_____	_____
6M Description of Requirement	_____	_____	_____	_____
7A Clinger Cohen Act	_____	_____	_____	_____
7B Walsh-Healy Act	_____	_____	_____	_____
7C Service Contract Act	_____	_____	_____	_____
7D Davis Bacon Act	_____	_____	_____	_____
8A Product/Service Code	_____	_____	_____	_____
8G Principal NAICS Code	_____	_____	_____	_____
8K Use of EPA Designated Products	_____	_____	_____	_____
8L Use of Recovered Material	_____	_____	_____	_____
8N Bundled Contract	_____	_____	_____	_____
9A DUNS No	_____	_____	_____	_____
9C Principal Place of Performance Code	_____	_____	_____	_____
9H Place of Manufacture	_____	_____	_____	_____
9K Place of Performance ZIP Code(+4)	_____	_____	_____	_____
10A Extent Competed	_____	_____	_____	_____
10C Reason Not Competed	_____	_____	_____	_____
10N Type of Set Aside	_____	_____	_____	_____
10P Evaluated Preference	_____	_____	_____	_____
10R Statutory Exception to Fair Opportunity	_____	_____	_____	_____
11A CO's Business Size Selection	_____	_____	_____	_____
11B Subcontract Plan	_____	_____	_____	_____
12A IDV Type	_____	_____	_____	_____
12B Award Type	_____	_____	_____	_____
12C Reason for Modification (if 12D = M)	_____	_____	_____	_____
13N 8(a) Program Participant	_____	_____	_____	_____
13O HUBZone Firm	_____	_____	_____	_____
13P Small Disadvantaged Business	_____	_____	_____	_____
13U Woman Owned Business	_____	_____	_____	_____
13V Veteran Owned Business	_____	_____	_____	_____
13W Service-Related DVOB	_____	_____	_____	_____