

COUNCIL OF DEFENSE AND SPACE INDUSTRY ASSOCIATIONS
4401 Wilson Boulevard, Suite 1110
Arlington, Virginia 22203
703-875-8059
codsia@codsia.org
<http://www.codsia.org/>

March 12, 2018

Mr. Greg Snyder
Defense Procurement and Acquisition Policy
3060 Defense Pentagon, Room 5E621
Washington, DC 20301-3060

Re: DARS-2018-0005 - Request for Public Comment on Proposed Definition of “Procurement Administrative Lead Time” or “PALT” and the Plan for Measuring and Publicly Reporting Data on PALT for Department of Defense Contracts and Task Orders Above the Simplified Acquisition Threshold

Dear Mr. Snyder:

On behalf of the Council of Defense and Space Industry Associations (CODSIA),¹ we are pleased to respond to the request for comment on the proposed definition of “Procurement Administrative Lead Time” or “PALT,” and the plan for measuring and publicly reporting PALT data, published in the *Federal Register* on February 9, 2018.²

Section 886 of the Fiscal Year 2018 National Defense Authorization Act requires the Secretary of Defense to develop, make available for public comment, and finalize a definition of the term “Procurement Administrative Lead Time” or “PALT,” to be applied Department of Defense-wide. At a minimum, the definition is to describe the amount of time from the date on which a solicitation is issued to the date of an initial award of a contract or task order by the Department of Defense. The Secretary must also produce a plan for measuring and publicly reporting data on PALT for Department of Defense contracts and task and delivery orders above the simplified acquisition threshold.

CODSIA strongly supports this proposed regulation and urges its rapid implementation. Reducing the timeframes associated with the contracting process is in the best interest of the government, the contractor community, and the taxpayer. When the government identifies a need, it should be able to obtain those goods and services as soon as

¹ 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 Alliance for Public Sector (ITAPS), 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.

² See <https://www.federalregister.gov/documents/2018/02/09/2018-02599/opportunity-for-public-comment-on-proposed-definition-of-procurement-administrative-lead-time-or>

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possible through the common FAR-based acquisition system. We recognize that many of the Department's acquisitions are not made through FAR-based procurement but instead through OTAs or other mechanisms. We believe strongly that the Department should also track and report on PALT for these non-FAR-based procurements.

Given the pace of technological change in the solutions that contractors can provide to the government, the acquisition system must be efficient. 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 some military departments and Defense agencies are already tracking PALT, many use their own definitions, and few publicly release information on their PALT.³ Harmonizing, tracking, and reporting based on a common definition of PALT would provide consistency across the Department while supporting one of the top priorities of Undersecretary of Defense for Acquisition and Sustainment (USD(A&S)) Lord - reducing the time it takes from identification of a need to delivery of goods or services.⁴

We support harmonizing the definition of, and then tracking, PALT. We believe that buying activities should have the flexibility to track PALT at an earlier stage than that identified in the statute. Earlier tracking will not only aid buying activities in managing their acquisitions, it will provide greater opportunities for the Department to reduce the time spent on such acquisitions and better support both Under Secretary Lord's goals and Congress' direction in the law. Therefore, we recommend all buying activities develop and apply common definitions, then be allowed to capture and publicly report data based on the additional timeframes that matter most to the activity and its solicitations. For example, for Defense Department buying activities who are acquiring routine commodities, COTS items, or basic services, where there may be little pre-solicitation work, the solicitation date may be the equivalent of the determination of need. By contrast, 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. Not only is this worth capturing and reporting, it should be a principle focus of reduction efforts. In addition, for some services contracts, requirements are not well defined in advance of solicitations. Including this period in the definition could improve DoD procurement of services.

³A few civilian agencies also report PALT, but there is no common definition in use there either. Even fewer report their PALT information publicly. One notable exception is USAID, which has been tracking and reporting PALT based on its unique definition for many years. See <https://www.usaid.gov/sites/default/files/documents/1868/Management-Bureau-Office-of-Acquisition-and-Assistance-Progress-Report-Fiscal-Year-2016-Update-3-31-17.pdf>.

⁴We endorse Mrs. Lord's efforts to reduce PALT and to focus reporting on earlier stages in the Department's acquisition lifecycle that occur before the release of the solicitation.

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However, we believe the Department should go further in responding to the statutory requirements for publicly reporting data. The real value to DoD of a standard definition and tracking of PALT is to support Under Secretary Lord's drive to reduce lead times. We recommend that DoD do more than make it possible for the public to retrieve and compile data; in addition, we recommend that DoD compile the data for the entire department and each component and buying activity and use these data to measure progress reducing PALT.

CODSIA urges the government to go farther and implement this regulation on a government-wide basis. All federal agencies have a responsibility to ensure that they solicit and acquire goods and services from contractors in the most effective and efficient manner. Uniformly defining PALT, consistently capturing that data, and publicly reporting those data will significantly benefit all agencies and stakeholders, particularly if it becomes the basis of structured efforts to reduce PALT. There is evidence of this objective in Section 886, as well. As addressed in the statute, and as noted in the February 9 request for comment, the best mechanisms for agency reporting of PALT is through the existing government-wide Federal Procurement Data System – Next Generation (FPDS-NG).

Section 886 directs the Secretary of Defense to work in coordination with the Administrator of the General Services Administration (GSA) to implement Section 886 using existing data systems. The February 9 notice states that DoD plans to track PALT by using FPDS-NG, referred to as “the authoritative source for Governmentwide contract award data.”

The February 9 notice further states:

“The Department plans to submit a Change Control Board request to the General Services Administration to update FPDS-NG by adding a new data field that reflects when the solicitation for a contract or task order valued above the simplified acquisition threshold is issued.”

We support this DoD initiative to have FPDS-NG serve as the common data collection source. Although it will take time for FPDS-NG to be modified to capture this data, we urge the Department, as well as the rest of the federal government, to move forward with adopting the common definition and directing agencies to begin capturing these data even as FPDS-NG is being modified. Thus, when FPDS-NG becomes available, buying activities will be able to immediately begin capturing the data through FPDS.

In addition, since all federal agencies already capture their procurement information in FPDS-NG, all federal agencies should be able to capture their own core PALT data in

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FPDS with minimal cost and effort. Doing so now would also prevent GSA from having to apply the data fields retroactively, should this requirement be extended government-wide. Thus, we are sending a separate letter to the Office of Federal Procurement Policy Acting Administrator to encourage her to support making the changes to FPDS and extending government-wide the same provisions described in Section 886.

Thank you for your attention to these comments. If you have any questions or need any additional information, please contact Alan Chvotkin of the Professional Services Council, who serves as our project officer for this case. He can be reached at chvotkin@pscouncil.org or (703) 875-8148.

Sincerely,



John Luddy
Vice President National Security
Aerospace Industries Association



Jessica Salmoiraghi
Director of Federal Agencies and
International Programs
American Council of Engineering
Companies



Jimmy Christianson
Regulatory Counsel
Associated General Contractors of America



A.R. "Trey" Hodgkins, III, CAE
Senior Vice President, Public Sector
Information Technology Alliance for the
Public Sector



Wesley P. Hallman
Senior Vice President for Policy
National Defense Industrial Association



Alan Chvotkin
Executive Vice President and Counsel
Professional Services Council