

Improving Access To Government Contractor Integrity Information

Government Contracts Law 360

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The Federal Awardee Performance and Integrity Information System is designed to be a "one-stop shop" for acquisition professionals to obtain information regarding contractor performance and responsibility matters, including nonresponsibility determinations, terminations for default and administrative agreements entered into in lieu of suspension or debarment.

On July 18, the Office of Federal Procurement Policy (OFPP) in the Office of Management and Budget issued a notice that it is requesting comments on whether changes to existing regulations and guidance might improve contracting officers' access to contractor performance and integrity information. See 77 Fed. Reg. 42339 (July 18, 2012).

In the OFPP notice accompanying the Federal Register notice, the OFPP relates that there are concerns that certain practices associated with entering information into the Central Contractor Registration (CCR) database and the reporting of unique Data Universal Numbering System (DUNS) numbers are limiting contracting officer access to information that is potentially relevant.

Specifically, the CCR user's guide instructs contractors to maintain a unique DUNS number for each business location or different business address, but the government does not associate each such DUNS number with a particular entity. Accordingly, the notice relates that contracting officers cannot determine if there may be relevant information reported under different DUNS numbers assigned to other locations at which the contractor conducts business or under different

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Government Contracts

DUNS numbers assigned to other parts of the contractor entity, such as affiliates or subsidiaries, that may not be named in a contract but that share the same management, infrastructure and systems as the contractor uses in doing business with the government.

As a result, the OFPP states that it has received recommendations from stakeholders to modify the government's policies and systems to enhance a contracting officer's ability to obtain information about different locations of an entity as well as its subsidiaries and affiliates.

The OFPP further notes that there are other related agency inquiries underway. For example, the OFPP notes that the U.S. General Services Administration is conducting an analysis of capabilities in the commercial market to meet the government's needs for unique contractor identifiers and has published a "Sources Sought" document on the issue.

In addition, the U.S. Department of Defense is evaluating how it can better understand the corporate structure and affiliation of contractors to support implementation of tools to require identification of contractor relationships and affiliations and held a public meeting to explore the use of Commercial and Government Entity codes to identify entities that might own or control a contractor offeror.

Thus, the OFPP is seeking comments on a broad array of topics to explore policies and practices that might improve contracting officer access to information about contractor business integrity and, according to the notice, allow them to make more informed responsibility determinations. Topics upon which the OFPP seeks comments include whether current data collection policies and practices provide acquisition professionals with sufficient information, recommendations for improving such access to information, if necessary, the benefits or drawbacks of modifying the current data collection policies, the best method to obtain additional information, if necessary, and whether the Federal Acquisition Regulation Councils should consider a definition of the term "corporate entity."

The OFPP's initiative signals that acquisition officials are looking for ways to obtain information not only about a particular contractor offeror location, division or entity, but about the contractor corporate organization as a whole. Given that the FAR also permits a suspension and debarment authority to extend a suspension, proposed debarment, or debarment to affiliates of a contractor, FAR 9.406-1(b) and 9.407-1(c), this increased focus on the contractor performance and integrity "as a whole" counsels contractors to take a holistic view of their organization to ensure that their entire business is operating ethically and performing in accordance with contract requirements.