



BILLING CODE 3110-01

OFFICE OF MANAGEMENT AND BUDGET

Office of Federal Procurement Policy

Procurement Administrative Lead Time (PALT)

AGENCY: Office of Federal Procurement Policy (OFPP), Office of Management and Budget (OMB).

ACTION: Notice and request for public comments.

SUMMARY: The Office of Federal Procurement Policy (OFPP) is requesting 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). This action is being undertaken in accordance with section 878 of the National Defense Authorization Act (NDAA) for FY 2019.

DATES: Interested parties should submit written comments to the address shown below within 30 days of this notice.

ADDRESSES: Please submit comments only and cite "Procurement Administrative Lead Time" in all correspondence. Comments may be submitted by any of the following methods:

- Online at <http://www.regulations.gov>,
- Facsimile: 202-395-5105.
- Mail: Curtina Smith, Office of Federal Procurement Policy, 725 17th St NW, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Curtina Smith, csmith@omb.eop.gov, 202-395-3301.

SUPPLEMENTARY INFORMATION: Section 878 of the NDAA for 2019, Pub. L. No. 115-232, requires the Administrator of OFPP to develop and make available for public comment a definition of the term PALT. Section 878 further requires that the Administrator develop a plan for measuring and publicly reporting data on PALT for Federal Government contracts and orders above the SAT.

OFPP is proposing to define PALT as “the time between the date on which an initial solicitation for a contract or order is issued by a Federal department or agency and the date of the award of the contract or order.” Section 878 includes this language as a suggested definition. Furthermore, this definition was adopted by the Department of Defense (DoD) pursuant section 886 of the NDAA for FY 18 and DoD implementing instructions. See “Reporting ‘Solicitation Date’ in the Federal Procurement Data System,” June 14, 2018, available at <https://www.acq.osd.mil/dpap/policy/policyvault/USA001458-18-DPAP.pdf>.

In instances where draft solicitations are issued generally for the purpose of seeking input from interested parties to assist the Government in finalizing its solicitation, the issuance date for the “initial solicitation” for purposes of the PALT would be the date on which the final solicitation seeking offers, bids, or proposals is issued by the Government. In cases where no solicitation is required, ‘the date on which an initial solicitation is issued’ would be guided by the following instructions, which promote consistent implementation across both civilian and DoD agencies:

- For awards resulting from unsolicited proposals, ‘the date on which an initial solicitation is issued’ is the date on which the Government notifies the offeror of proposal acceptance.

- For 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, ‘the date on which an initial solicitation is issued’ is the date of the award of the order.
- For the award of a contract under a Broad Agency Announcement (BAA), ‘the date on which an initial solicitation is issued’ is the date when a final combined synopsis/solicitation is issued except:
 - For two-step BAAs, including white paper submissions for review, selection, and subsequent request for full proposals, ‘the date on which an initial solicitation is issued’ is the date when the Government signs the proposal request.
 - Under BAAs with calls, ‘the date on which an initial solicitation is issued’ is the date when the individual call is issued.
 - For open BAAs, when white papers and/or proposals are accepted for review over an extended period (typically open for a year or longer), the ‘the date on which an initial solicitation is issued’ is either the date when the Government signs a proposal request (white papers) or the date on which the proposal is submitted, whichever is earlier.

To support measuring and public reporting of PALT, OFPP proposes leveraging publicly available data in the Federal Procurement Data System—Next Generation (FPDS-NG), i.e., the authoritative source for Federal Government procurement award data. The General Services Administration’s Integrated Acquisition Environment has included in its June 2019 enhancement of FPDS-NG a change to add the “solicitation date” data field as a mandatory reporting requirement for all contracts or orders valued above the SAT. Now that data are centrally collected in FPDS-NG, agencies and the public will be able to use these data to obtain PALT

information for any contract or order issued by the Federal Government that is valued above the SAT. In addition, FPDS-NG data can be used to evaluate PALT for specific types of acquisitions and to determine how timelines are impacted by the use of specific authorities, such as FAR Subpart 6.302-2, Unusual and Compelling Urgency, as well as other authorities that permit limited competition or noncompetitive awards. The public is invited to submit comments on both the proposed definition and plan for measuring PALT.

Establishing a common definition of PALT and a plan for measuring and publicly reporting PALT data are important steps in helping the Federal Government to understand and better address causes of procurement delays. PALT can help to drive continual process improvement and the pursuit of more innovative procurement practices, especially when the data are used in combination with other inputs for evaluating the overall effectiveness of the acquisition process in delivering value to the taxpayer, such as cost and the quality of the contractor's performance. PALT can also create incentives to drive greater efficiencies in the requirements development process, which has long been recognized as one of the most significant sources of delay in the acquisition lifecycle. For example, increased emphasis on PALT should encourage agencies to take greater advantage of facilitated requirements development workshops, where a trained facilitator leads a multi-functional integrated project team in the development of a mission critical acquisition requirement in days. Use of this practice has largely been limited to DoD but its promise makes it worthy of broader consideration across the Federal Government.

It is expected that as technology improves and the ability to capture better and more comprehensive procurement and requirements data becomes easier, there will be opportunity to collect and track additional data points and timeframes beyond those covered by the proposed

definition. For example, the ability to capture data routinely on various aspects of requirements development could significantly enhance the insight derived from measuring PALT. Agencies that may already collect and track additional data points and timeframes outside of the proposed definition, such as from the time a complete requisition package is received by the procurement office, will be encouraged to maintain their broader efforts, as they are able, to assist in the management, support, and evaluation of agency procurement operations.

Michael E. Wooten,

Administrator for Federal Procurement Policy.

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