



MILLENNIUM
CHALLENGE CORPORATION

UNITED STATES OF AMERICA



Millennium Challenge Corporation – FPDS Data Quality Review Process

In-House FPDS Audit Case Study
for the Small Agency Council

Challenges of FPDS Audit

- Keeping up with FPDS entries in itself is challenging for small agencies, let alone auditing them for accuracy
- Sample size of 20% (commonly used by other agencies) can be an intimidating amount to review for a small agency
- Data analysis may additionally be challenging without the proper tools and reporting mechanisms (Excel, Access, Workload Tracker/Procurement System)

MCC's Situation - Background

- Staff of 20 in Division of Contracts and Grants Management – nearly half of which are contractors
- No automated procurement system in place when FY 2011 data audit was done, so all data entry into FPDS was via web portal
- Stats (FY 2011):
 - 861 FPDS Actions entered
 - Obligated Dollars: \$66,206,929.64

Note: does not include IAAs, grants or cooperative agreements, many of which are accomplished at the MCC

MCC Plan of Action - QRB

- Funding for independent review/audit by a contractor not feasible with limited budget
- Formed internal Quality Review Board

QRB, consisting of:

- The SPE (FED)
 - Procurement Analyst (FED)
 - Junior Contract Specialist (FED)
 - Senior Contracting Officer/Team Lead (FED)
 - Senior Contract Specialist (KTR)
- Established QRB charter stating that contractors could be part of QRB, but had to be majority FED



MCC Plan of Action - QRB

Steps identified to complete the audit were as follows:

- Select sample, stratifying by major categories of actions
- Devise MS Access-based form using Exhibit 2 from OFPP FY 2011 Data Quality memorandum
- Divide actions up amongst QRB members, who would validate FPDS entries utilizing the paper file, entering the results into the MS Access form

APPENDIX 1 – PRIMARY FPDS DATA ELEMENTS

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
6A Type of Contract
6F Performance Based Service Acquisition
6M Description of Requirement
8A Product/Service Code
8G Principal NAICS Code
9A DUNS No
9H Place of Manufacture
9K Place of Performance ZIP Code (+4)
10C Other than Full & Open Competition
10D Number of Offers Received
10N Type of Set Aside
10R Fair Opportunity/Limited Sources
11A CO's Determination of Business Size Selection
11B Subcontract Plan
12A IDV Type
12B Award Type

Selecting the Sample

- Sample had to be representative according to OFPP guidance
- Utilized a 20% stratified sample (182 actions for review) utilizing Excel, sampling 20% of actions from the following categories to be representative of MCC workload:
 - Definitive Contract Actions (47)
 - BPA Actions (67)
 - FSS Order Actions (17)
 - IDV Actions (51)
- Output from internal workload tracker (Access/SQL database) to identify actions, then obtain contract file and map to FPDS actions

Review Process

- The 182 actions were divided amongst the five QRB members
- Contract files were checked out and each action reviewed
- Assessments regarding things like Product Service Code (PSC) were made subjectively by QRB member while NAICS and Business Status were examined by checking CCR printouts put in the file at the time of the contract action
- Periodic meetings of QRB during the process to discuss certain issues (i.e. appropriate PSC for certain types of requirements, how to reconcile GSA SINs with NAICS)
- Each member entered findings for each action into MS Access-based form, voting each data element in Exhibit 2 accurate or inaccurate

**ACCESS DATA BASE TOOL TO AID THE
AUDIT PROCESS AND INFORM THE REPORT**

MCC FPDS Exercise Jan 2012

File Home

Paste Cut Copy Filter Ascending Descending Remove Sort Toggle Filter Selection Advanced Refresh All Delete More Find Go To Select

frmStartup frmDATA_0QRYFPDS2011_A

GSA BLADES, Jim

2A-Date Signed Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	6F-Performance Based Service Acq Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	10D-Number of Offers Received Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID
2C-Completion Date Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	6M-Description of Requirement Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	10N-Type of Set Aside Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID
2D-Est Ultimate Completion Date Accurate <input checked="" type="checkbox"/> ContractEntry FPDS Entry Comment CauseID	8A-Product Service Code Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	10R-Fair Opportunity Limited Sources Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID
2E-Last Date to Order Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	8G-Principal NAICS Code Accurate <input type="checkbox"/> ContractEntry 541330 + 541620 FPDSEntry empty Comment CauseID User	11A-CO Determination of Business Size Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID
3A-Base and All Options Value Accurate <input type="checkbox"/> ContractEntry \$1,894,381.00 FPDSEntry \$18,943,810.00 Comment extra zero caused to c CauseID User	9A-DUNS No Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID	11B-Subcontract Plan Accurate <input checked="" type="checkbox"/> ContractEntry FPDSEntry Comment CauseID

Record: 3 of 30 No Filter Search

Findings

- Many inaccuracies were the result of parent record inaccuracies (i.e. wrong PSC entered on base contract, modifications thus have incorrect PSC). These were deemed not to be the immediate fault of the user, but were flagged for correction
- Greatest confusion was about PSC codes – many users found them difficult to understand as available guidance such as definitions is minimal
- NAICS Code mistakes were often as a result of not knowing what to select for GSA FSS Orders
- **Two biggest areas of inaccuracies:**
 - **NAICS (65% accurate)**
 - **Product/Service Code – PSC – (85% accurate)**
- All other categories were above 85% accurate



Findings (con't)

Lowest Accuracy Data Elements (≤ 90%)

Data Element	Grand Total
2A – Date Signed	88%
2D – Ultimate Completion Date	89%
3A – Base and All Options Value	90%
3B – Base and Exercised Options Value	90%
8A – Product/Service Code	85%
8G – NAICS Code	65%

Corrective Actions

- Conduct a subsequent QRB for next year
- Discuss findings and PSC/NAICS issues with staff during meetings, providing user training as necessary and collecting and retaining all available guidance on Product Service Codes on agency sharepoint site
- Implementation of an automated procurement system with direct linkage to FPDS in order to enable greater ease of review by Contracting Officer prior to award

Lessons Learned

- Conducting FPDS audit was daunting, but with a team established and review workload evenly divided, the task was manageable – *handled as an “other duty as assigned”*
- Constant communication amongst QRB members helped to keep every reviewer with a consistent perspective towards issues that arose and confusion amongst the reviewers themselves (PSC, NAICS, “Summary” Contract Values)
- Undergoing the process helped illuminate several areas where MCC staff may need training and internal misperceptions/confusion about contracting issues like NAICS codes and small business status
- **Valuable exercise for even small agencies in verifying and validating the quality of their own contracting data and internal understanding of the data**

Reducing Poverty Through Growth