BERKELEY RESEARCH GROUP

GOVCON RESEARCH REPORT
JULY — SEPTEMBER 2013

CONTENTS

Berkeley Research Group's Government Contracts Advisory Services (GCAS) practice keeps its clients up to date on the latest regulatory developments affecting the government contracts industry. This edition of the GovCon Research Report summarizes the critical regulatory and compliance issues contractors faced in the second calendar quarter of 2013. The issues are summarized by the following key subject-matter areas:

- Special Inspector General for Iraq Reconstruction
- DOD Office of Inspector General Reports
- Key Federal Acquisition Regulation (FAR) Updates
- Key Defense Acquisition Regulation (DFAR) Updates
- Defense Contract Audit Agency (DCAA) Guidance
- Small Business Administration Updates
- Key Office of Management and Budget Updates

SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION

SIGIR 2013 Final Report to Congress (September 2013 Report)

BY: LUKE MANCINI

The Special Investigator General for Iraq Reconstruction (SIGIR) has successfully piloted a new model of cross-jurisdictional Government oversight that is already being implemented in Afghanistan (SIGAR) and on Wall Street (SIG for the Troubled Asset Relief Program (SIGTARP)), and may come soon to other Federal mass-funding efforts (perhaps the Affordable Care Act?). As SIGIR so aptly stated in its final report, "Ten years ago there was no manual for a warzone watchdog. Now there is."SIGIR is the first of its kind: a SIG not beholden to any specific agency or department of the Federal Government. In fact, the head of this independent, cross-jurisdictional entity reports directly to the Secretary of Defense, Secretary of State, and Congress itself. Largely due to this unique structure, since its inception in 2004, SIGIR hasdone the following:

- Criminal indictments: 112
- Criminal convictions: 90
- $192.6 million recovered for taxpayers
- $640.7 million in costs disallowed
- Lessons Learned reports: 9

The work of SIGIR should not go unnoticed by Federal contractors. SIGs are audit agencies staffed by veteran auditors (most of SIGIR was initially drawn from the Department of Defense Inspector General (DODIG), Defense Criminal Investigative Service, Air Force Audit Agency, etc.) and less restricted by jurisdictional red tape than other agencies. As we can see from their actions above, they use their independence to question costs, prosecute fraud, and publicize the entirety of their activities on a scale that other Government audit agencies do not.

Thus, contractors would be well served to review and where appropriate strengthen their compliance efforts. While mass-funding efforts like those seen in Iraq, Afghanistan, TARP, and most recently the Affordable Care Act provide new opportunities, they come with increased regulatory scrutiny.

OFFICE OF INSPECTOR GENERAL REPORTS

Inspector General (IG) Report No. DODIG-2013-120: Army Needs Better Processes to Justify and Manage Cost-Reimbursement Contracts

BY: JOHN CRAIG

The DODIG continues to criticize the Army for failing to fully implement FAC 2005-50 (FAR Case 2008–030). First implemented on an interim basis in March 2011 and then finalized in March 2012 as required by section

864 of the 2009 National Defense Authorization Act (Public Law 110-417), this rule provides regulatory guidance on the proper use and management of other-than firm-fixed-price contracts (e.g., cost-reimbursement, time-and material, and labor-hour); and requires extensive documentation, approval, and oversight by the Contracting Officer (CO).

On August 23, 2013, the DODIG submitted report No. DODIG-2013-120, "Army Needs Better Processes in Place to Justify and Manage Cost-Reimbursable Contract." The report outlined the scope and findings of its assessment of the Army's compliance with the FAR revisions per FAC 2005-50.

The IG sampled 161 contracts and found that Army contracting personnel fully implemented the rule for only 54 of those contracts. It should be noted, however, that the Army did implement the rule in over 80 percent of the award value (the 54 contracts represented $42.8 billion of $53.3 billion sampled). The IG specifically assessed the Army's compliance with the following:

1. Documentation of approval of an official at least one grade higher than the CO in the issuance of any cost-type contracts
2. Justification of cost-reimbursable contracts
3. Ability of cost-reimbursable contract to transition to a fixed-price contract in the future
4. Availability of contracting personnel resources to oversee cost-type contracts
5. Adequacy of contractors' cost-accounting systems throughout the contract period of cost-type awards

Adherence to the new rules varied by site and generally failed to be consistent primarily because Army contracting personnel were not aware of the changes. Further, internal guidance and procedures were not updated to effectively communicate the new rules—a failure of the Army's own internal control protocols.

The IG's recommendations included increased training of Government COs, increased use of hybrid contracts that allow for multiple types of delivery/task orders, and continued emphasis on the need for contractors to have adequate accounting systems before being issued a cost-type award.

Given the mandate to reduce cost-type awards and continued audit findings that agencies are not fully meeting the goals of that mandate (a report issued in March 2013 found that the Air Force did not consistently implement the new rules either), we expect that implementing fixed-type awards will continue and that the Government will increase its focus on business systems audits in order to comply with its obligation to ensure contractor compliance.

KEY FEDERAL ACQUISITION REGULATION UPDATES

Final Rule: Contractors Performing Private Security Functions Outside the United States (FAR Case 2011-029)

BY: KELLY LYNCH AND KAYLA SEE

The DoD, General Services Administration (GSA), and National Aeronautics and Space Administration (NASA) issued a final rule amending the Federal Acquisition Regulation (FAR) to implement Government-wide polices specified in Section 862 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2008. This statute establishes Government-wide policies for the selection, accountability, training, equipping, and conduct of personnel performing private security functions outside the United States.

As such, sections 25.302-1 through -6 were added to FAR Subpart 25.3, Contracts Performed Outside the United States, which applies to:

- Non-DoD contracts performed in areas of other significant military operations, as designated by the Secretary of Defense and agreed to by the Secretary of State
- DoD contracts performed in areas of contingency operations outside the United States
- Non-DoD (and DoD) contracts performed in areas of combat operations, as designated by the Secretary of Defense
- DoD contracts performed in areas of other significant military operations, as designated by the Secretary of Defense

FAR 25.302 is in effect regardless of whether the contract is a prime contract for private security services or whether private security is just a permitted cost as part of performing the prime contract.

Contractors are responsible for establishing processes and requirements that address employee awareness and compliance with relevant orders, directives, and instructions; accounting for weapons; management of proper personnel records; and registering and identifying armored vehicles, helicopters, and other military vehicles.

Final Rule: System for Award Management Name Change, Phase 1 Implementation (FAR Case 2012-033)

BY: KAYLA SEE

This final rule involves the merging of the Government-wide acquisition and award support systems into a single database, System for Award Management (SAM). GSA believes incorporating Central Contractor Registration (CCR) database, Online Representations and Certification Application (ORCA), and the Excluded Parties List System (EPLS) to SAM will improve the efficiency of doing business with the Government. SAM is intended to serve as a single host for data information for vendor, contract award, and reporting information used by Federal officials in the procurement and award process.

Upon the implementation by the GSA of Phase 1, which began on July 29, 2012, preexisting applications were retired and all requirements for entity registration, representations and certifications, and exclusions are now accomplished through SAM. This final rule incorporates language that reflects consolidating the functional capabilities of the CCR, OCRA, and EPLS applications in the SAM database.

Final Rule: Price Analysis Techniques (FAR Case 2012-018)

BY: KELLY LYNCH AND KAYLA SEE

FAR 15.404-1(b)(2) addresses numerous price analysis techniques and processes the Government may use to ensure a fair and reasonable price. The proposed rule by DoD, GSA, and NASA is specifically geared towards clarifying more accurately a reference used in FAR 15.404-1(b)(2)(i).

FAR 15.404-1(b)(2)(i) discusses examples of techniques and procedures used in the comparison of proposed prices received from multiple offerors in response to a solicitation. Furthermore, this section references FAR 15.403-1(c)(1), which sets forth the requirements of adequate price competition. However, FAR 15.403-1(c)(1)(i) is the only reference that exclusively addresses the situation when two or more offerors, independent from one another, submit priced offers that satisfy the Government's expressed requirement.

Interim Rule: Contracting With Women-Owned Small Business Concerns (FAR Case 2013-010)

BY: KAYLA SEE

This interim rule issued by the DoD, GSA, and NASA amends FAR 19.1505(b)–(c) by removing the dollar limitations on the anticipated award price of contracts to economically disadvantaged women-owned small business (EDWOSB) concerns or women-owned small business (WOSB) concerns eligible under the WOSB Program.

As such, contracting officers may set aside acquisitions for competition restricted to EDWOSB or WOSB concerns eligible under the WOSB Program at any dollar level above the threshold, provided the other requirements for a set-aside under the WOSB Program are met.

It is anticipated that the removal of the set-aside dollar limitation under the WOSB Program will positively affect eligible concerns under the program, allowing greater access to Federal contracting opportunities; and have a positive effect on EDWOSB concerns competing for contracting opportunities in industries that are determined by the Small Business Administration (SBA) to be substantially underrepresented by WOSB concerns.

However, this interim rule may negatively affect firms that are women-owned but not WOSB Program participants and small businesses not owned by women. These firms could potentially now be excluded and set aside from competition on some acquisitions that previously could not be set aside for EDWOSB concerns or WOSB eligible under the WOSB Program due to the dollar thresholds.

Final Rule: Updated Postretirement Benefit (PRB) References (FAR Case 2011-019)

BY: KELLY LYNCH AND KAYLA SEE

The DoD, GSA, and NASA propose to amend FAR 31.205-6, "Compensation for Personal Services." Specifically, the final rule concerns the recognition procedures for determining the allowability of the transition from obligation when converting from pay-as-you-go accounting for postretirement benefits (PRBs) to an accrual method of accounting for purposes of Government contract cost accounting (FAR case 2011-019).

The final rule amends FAR 31.205-6 by removing references to the superseded Financial Accounting Standard (FAS) 106, which were deleted in the FAS Codification of Generally Accepted Accounting Principles (GAAP). This revision replaces those references with explicit criteria and is intended to allow a general continuation of the obsolete GAAP delayed recognition method for contractors that move from the pay-as-you-go method of accounting to an accrual basis of accounting for PRB costs for Government contract cost accounting. This revision is not expected to have a significant economic impact on a substantial amount of small entities, because this amendment only removes references that no longer exist in GAAP.

Proposed Rule: Contractor Comment Period for Past Performance Evaluations (FAR Case 2012-028)

BY: LUKE MANCINI

Under this proposed rule, Federal contractors will have to amend their evaluation response procedures. Contractors will have half as much time—just 14 days—to respond to their past performance evaluations. Currently, FAR 21.1503(b) grants a "minimum of 30 days" for contractors to offer official comments or rebuttals.

This proposed change is mandated by Section 853 of the 2013 NDAA. The Government claims that shortening the response period from 30 to 14 days will: a) improve communication and b) give selection officials more timely information with which to make their award decisions. Ultimately, the goal is to have the Government do business with only "high-performing contractors." However, contractors should be aware that this proposed rule has a hidden risk: the planned system changes will allow the Government to "revise a past performance

evaluation in the Past Performance Information Retrieval System (PPIRS) if the Government determines, after the 14-day period has expired, that corrections should be made to the past performance evaluation." Neither the FAR nor the NDAA outline how such revisions will be made, or even if they will be communicated to the contractor at all. This rule appears inconsistent with its primary goal of "improving communication between the contractor and the Government," and could cause additional uncertainties for contractors.

KEY DFARS UPDATES

Interim Rule: Allowability of Legal Costs for Whistleblower Proceedings (DFARS Case 2013-D022)

BY: BRAD SMITH

The 2013 NDAA established enhanced whistleblower protections for contractor and subcontractor employees. As part of these enhanced protections, the DoD officially deems as unallowable legal costs associated with whistleblower claims of retaliation by their employer (the contractor or subcontractor). This extends the cost principles of FAR 31.205-47 to claims of retaliation. Additionally, this DFARS rule requires that all DoD contracts after September 30—and all contracts undergoing "major modification" after September 30—contain a clause applying this rule to the contract.

The DoD does not expect that this rule will have a "significant economic impact on a substantial number of small entities," though the actual impact on any one contractor will depend on the number of whistleblower incidents—and associated legal costs—that the contractor encounters. However, as these new, more stringent cost principles are retroactively applied to contracts as they come up for modification, current contracts are not exempt from the potential effects of this rule. That said, this rule does not impose any formal compliance requirements on contractors. Contractors should review both their accounting policies and procedures with regard to unallowable legal costs as stipulated in the aforementioned FAR subpart.

Interim Rule: Enhancement of Contractor Employee Whistleblower Protections (DFARS Case 2013-D010)

BY: BRAD SMITH

The 2013 NDAA established enhanced whistleblower protections for contractor and subcontractor employees. These enhanced protections are being implemented via two types of cases: one details the enhanced protections, and one establishes the allowability of legal costs related to such whistleblower cases. Here we examine only the former.

The following changes apply to all contractors, regardless of size, status, or sub/prime level:

- Changes and additions to the list of entities to whom a whistleblower disclosure must be made, to make the whistleblower eligible for additional protections against reprisal
- Agency heads have greater latitude to take action with regard to a DoD Inspector General finding of reprisal against a contractor whistleblower
- Contractors must provide written notice to employees of their whistleblower rights in the "predominant native language of the workforce"
- Contractors must flow down the aforementioned requirement to subcontractors; subcontractors must also provide written notice of whistleblower rights to their employees

While contractors and subcontractors alike must now notify employees of their whistleblower rights in writing, this interim rule does not burden contractors with additional reporting requirements. Contractors should review their current human resources documentation process to establish whether sufficient documentation is retained to address potential claims of retaliation. Prime contractors should take additional steps to ensure that their subcontractors comply with this measure.

Final Rule: Solicitation Provisions and Contract Clauses for Acquisition of Commercial Items (DFARS Case 2011-D056)

BY: LUKE MANCINI

This final rule, effective June 25, 2013, changes the presentation of commercial provisions and clauses, but makes no substantive changes to the commercial acquisition process. The DoD is implementing this rule for two reasons. First, it specifies the flowdown of clauses to commercial subcontracts. Second, this rule modifies DFARS Parts 216 and 252 to support the use of automated contract writing systems (i.e., contracting officers are no longer required to literally "check the box" with regard to what clause(s) apply to each contract). Contractors will not experience any new regulatory or compliance burdens as a result of this rule, but should be aware that formatting and language changes will be evident in future contracts.

Final Rule: Requirements for Acquisitions Pursuant to Multiple Award Contracts (DFARS Case 2012-D047)

BY: KAYLA SEE

On June 26, 2013, DoD adopted as final an amendment to the Defense Federal Acquisition Regulation Supplement (DFARS) incorporating section 863 of the NDAA for FY 2009. Section 863 required that FAR be amended to require enhanced competition in the purchase of property and services by all executive agencies pursuant to multiple-award contracts. As such, section 863 is an effort to continue the Federal Government's goal of increasing savings in expenditures through competition. The requirement of section 863 was fulfilled on March 2, 2012, in the final publication of FAR Case 2007-012, "Requirements for Acquisitions Pursuant to Multiple-Award Contracts."

This statute repeals section 803 of the NDAA for FY 2002, which was implemented on October 25, 2002, as a redundant provision. The purpose of section 803 was to achieve savings in expenditures through the use of competition in the purchase of services pursuant to multiple-award contracts. As a result, all obsolete references to section 803 of the NDAA for FY 2002 are reconciled and removed from the DFARS and now implemented in the FAR.

DEFENSE CONTRACT AUDIT AGENCY (DCAA) GUIDANCE

Audit Alert on Access to Contractor Employees (13-PPS-015(R))

BY: ZACHARY SCHOENHOLTZ

On July 30, 2013, DCAA issued a Memorandum for Regional Directors (MRD) addressing the recent debate over auditors' access to contractor employees. While DCAA continues to maintain that access to contractor employees is essential for its audit activities, many contractors are pushing back, arguing that FAR 52.215-2 grants DCAA access to records, but not necessarily employees.

DCAA must follow the Generally Accepted Government Auditing Standards (GAGAS), which requires auditors to make inquiries of management and key contractor personnel during the planning stages of an audit. Based on this requirement, DCAA views contractor employees in the same way it views contractor books and records. If access to certain employees is necessary to complete audit objectives and satisfy GAGAS requirements, then DCAA believes access should be granted.

The extent to which DCAA needs access to contractor employees varies by the type of audit. For audits of pricing proposals or business systems, the auditor may feel that it is necessary to conduct walkthroughs or demonstrations with the contractor employees that actually perform the work. For labor audits, evaluating compliance with labor charging policies, internal controls, and contract terms is difficult to accomplish without performing inquiries and observations of contractor employees.

The subject MRD provides guidance for auditors experiencing difficulty gaining access to contractor employees. Auditors are to attempt to resolve these issues at the lowest possible DCAA and contractor management level. Otherwise, auditors shall formally report these instances as denials of access to contractor records using the same procedures that they have historically used when being denied access to documents, records, and other data.

A denial of access to records can have significant financial impacts on contractors. Costs affected by the denial can be questioned by DCAA in their entirety. In some cases, the auditor can recommend a suspension of payments on all affected contracts until the access-to-records problem is resolved.

Audit Guidance on Detecting Instances of Fraud in Attestation Engagements (13-PAS-014(R))

BY: KAYLA SEE

On July 30, 2013, DCAA issued a memorandum (13-PAS-014(R)) regarding "Audit Guidance on Detecting Instances of Fraud in Attestation Engagements." This memo reiterates the requirements for DCAA audit teams to design examination engagements to detect instances of fraud and other noncompliance with applicable laws, regulations, and contract and agreement terms and conditions that may have a material effect on the subject matter. The memo supplements previously updated language within the DCAA's Contract Audit Manual (CAM 4-702) and associated training provided to auditors in March and April of this year.

The memorandum suggests information-gathering procedures that may be used by auditors to understand a contractor and its environment. These procedures include management inquiries, analytical procedures, and audit team discussions.

In addition, the memorandum stresses the importance of auditors being familiar with fraud risk factors and responding to fraud risk factors by designing audit procedures that (i) impact the overall conduct of the audit; (ii) modify the nature, timing, and extent of the audit procedures; and/or (iii) address the risk of management override of controls.

Contractors should stay abreast of DCAA's audit procedures related to the detection of fraud and strive to implement similar procedures within their internal audit and compliance processes.

Audit Guidance on Placing Reliance on Scanned Images (13-PPS-016(R))

BY: ZACHARY SCHOENHOLTZ

On August 15, 2013, DCAA issued an MRD providing new guidance on testing contractors' document scanning processes to establish reliability on scanned documents in lieu of hard-copy originals. The testing will also be designed to assess contractors' compliance with the FAR clauses that govern the duplication, storage, and reproduction of original records.

FAR 4.703(c) requires that contractors have established procedures to ensure that the imaging process preserves accurate images of the original records. This includes all signatures, approvals, and other written or graphic images on the original document. Contractors must also maintain an effective indexing system to permit timely and convenient access to the records. Lastly, contractors must retain the original records for at least one year after imaging to permit DCAA's periodic testing of the imaging system.

FAR 4.703(d) permits contractors to transfer images from one reliable computer medium to another, as long as the integrity, reliability, and security of the original data are not compromised, and as long as an audit trail is retained.

This MRD describes DCAA's new policy for testing contractors' image-scanning processes on an annual basis. The testing will not be performed in a separate audit assignment. Instead, it will be incorporated as part of another audit already being performed (incurred cost audit, proposal audit, etc.). During the planning stages of the audit, auditors will request walkthroughs of contractors' source documentation imaging processes. They will be testing a sample of scanned images to original documentation from the preceding 12-month period to ensure integrity, reliability, security, and compliance with FAR 4.703(c)–(d). DCAA will ultimately use the results of these tests to determine if reliance can be placed on scanned copies of original documents in future audits.

The results of testing will be documented in a DCAA Memorandum for Record or a summary working paper if no instance of noncompliance was noted. If a significant deficiency is discovered, the auditor will prepare an accounting system deficiency report citing noncompliance with FAR 4.703(c) and/or FAR 4.703(d).

Impact of Sequestration on DCAA

BY: ZACHARY SCHOENHOLTZ

On September 2, 2013, the nonprofit Center for Effective Government published a Freedom of Information Act response from DCAA, projecting the possible impact of sequestration on the agency's functions and operations.

In response to sequestration, DCAA instituted an agency-wide hiring freeze on January 15, 2013, resulting in the loss of an estimated 614 employees from planned staffing levels for FY 2013 and generating estimated savings of almost $11 million. According to DCAA's calculations, this reduction in resources may prevent DCAA from recovering as much as $74 million in excessive contractor billings.

In FY 2012, DCAA reported that it had recovered $6.70 for each taxpayer dollar invested. A spokesperson from the Office of the Defense Secretary explained that the $74 million in forgone savings was calculated by multiplying the $11 million in cuts by $6.70 recovery rate.

In addition to the hiring freeze, DCAA has made a number of other personnel reductions, including the termination of rehired annuitants, temporary employees, and student hires. The agency has also cancelled or suspended overtime pay, TDY travel, facilities projects, tuition assistance programs, and most of its in-house training.

DCAA was already struggling to balance audit requirements with available resources before sequestration, so it will be interesting to see how the agency manages its agenda and priorities going forward.

SMALL BUSINESS ADMINISTRATION UPDATES

Final Rule: Small Business Subcontracting; Code of Federal Regulations (13 CFR Parts 121 and 125)

BY: HOMER WINTER

Published by the Small Business Administration (SBA) and effective August 15, 2013, this final rule amends CFR Parts 121 and 125, which govern small business subcontracting. The purpose of the final rule is to implement provisions of the Small Business Jobs Act of 2010.

In particular, the final rule adds three primary provisions impacting both prime contractors and contracting officers. The first provision requires that a prime contractor notify the contracting officer in writing when it has chosen not to use a small business subcontractor that had been used on the prime contractor's bid or proposal. A second provision requires that a prime contractor notify the contracting officer in writing when payments to a small

business subcontractor are 90 days or more past due, or if the prime contractor anticipates reducing payments to the small business subcontractor. The third provision addresses subcontracting compliance by clarifying the contracting officer's responsibilities for monitoring small business subcontracting plan performance, the subcontracting plan requirements and credit towards subcontracting goals, and the requirements for subcontracting data reporting. These requirements will also be incorporated in the FAR.

Per the Regulatory Flexibility Act of 1980, which requires Federal agencies to consider the potential impact(s) of regulations on small entities, the SBA performed a Regulatory Flexibility Analysis (RFA) prior to the issuance of the final rule. Based on the RFA, the changes are expected to have an impact on a minimal number of small businesses. However, those which are impacted are anticipated to experience several benefits, including: timely payments by prime contractors, more defined responsibilities of the contracting officer in monitoring small business subcontracting plan compliance, and additional transparency with regard to small business subcontracting on an order-by-order basis.

Final Rule: VA Veteran-Owned Small Business Verification Guidelines; (38 CFR Part 74)

BY: KAYLA SEE

This final rule amends a portion of the Veterans Benefits, Health Care, and Information Technology Act of 2006 to reducing the re-verification of service-disabled veteran-owned small businesses and veteran-owned small businesses (SDVOSB/VOSB) status every two years as opposed to annually. The rule reduces the administrative burden associated with maintaining verification annually on SDVOSB/VOSB status from one year to two years. Integrity of the program is still intact by the initial vigorous and detailed verification examination.

KEY OFFICE OF MANAGEMENT AND BUDGET UPDATES

Extension of Policy to Provide Accelerated Payment to Small Business Subcontractors (M-13-15)

BY: KELLY LYNCH

As part of the continued effort to support small business participation in Federal Government contracting, the Office of Management and Budget (OMB) has extended Memorandum M-12-16, "Providing Prompt Payment to Small Business Subcontractors," from an end date of July 11, 2013, to July 11, 2014. Memorandum M-12-16 established the policy that agencies should, where possible, temporarily accelerate payments to prime contractors within 15 days of the receipt of relevant documents to ensure that the prime contractors provide payment to small business subcontractors in a timely manner.

The temporary policy states that prime contractors accelerate payments to small business subcontractors; include a contract clause in future contracts to accelerate payments to small business subcontractors; and, where

possible, modify existing contracts with small business subcontractors to accelerate payments within 15 days of the receipt of proper documentation.

The extension of Memorandum M-12-16 shall allow for the OMB and agencies to evaluate the impact on the accelerated payments to subcontractors and to allow the Federal Acquisition Regulatory Council time to solicit input on a long-term strategy to improve the timeliness of payments to small business subcontractors.

Increasing Efficiencies in the Training, Development, and Management of the Acquisition Workforce (September 3, 2013)

BY: LUKE MANCINI

The OMB recently issued an internal memo outlining the Administrator's plan to consolidate the entire civilian Federal acquisition workforce onto a single acquisition training and talent management system. This effort aims to "reduce duplication of workforce management information systems" and "leverage scarce training resources across agencies," with the Federal Acquisition Institute Training Application System (FAITAS) being the system of choice. Already widely utilized, FAITAS will be "personalized" by adding modules specific to each agency and its mission

Practically speaking, the OMB is looking to improve training, and thereby performance, across the entire population of acquisition personnel. If successful, this effort will cut costs for the Government over the long term. This memo does not dictate any fundamental changes in the acquisition process, which might drastically impact contractors, and the overall effects will likely be minimal.

BRG'S GOVERNMENT CONTRACT BLOG

Many of the items in this edition of the GovCon Research Report were first reported on our Government Contract blog. Please follow us at www.brggovconinsight.com for up-to-date information on Government Contract matters.

IN SUMMARY

If you have questions about specific items in this publication and would like to know more about how they apply to you, please feel free to contact one of our experts.

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BRG GOVERNMENT CONTRACTS ADVISORY SERVICES

Government contracting creates significant opportunities for many companies, but the accompanying regulations can present equally significant difficulties. A company's ability to navigate challenges while managing risk during the course of contract performance will determine its profitability and success.

BRG offers its clients extensive and unique industry experience combined with a focus on regulatory interpretation and compliance, policy and procedure evaluation, investigation, litigation support, dispute resolution, and advisory services related to complex issues. We provide independent and objective analyses supported by facts and sound approaches – backed by decades of experience.

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- International and USAID Contracting
- Litigation Consulting and Expert Testimony
- OMB Circular A-21 and A-122
- Service Contract Act (SCA) and Davis Bacon Act (DBA) Compliance
- Small Business Subcontracting
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