

New law puts contractor performance in the public spotlight

2010 Supplemental Appropriations Act allows public access to Federal Awardee Performance and Integrity Information System

- By [Matthew Weigelt](#)
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A new supplemental appropriations law has given the public access to the most comprehensive contractor database, rekindling the debate about limits to transparency in government.

The [Supplemental Appropriations Act for fiscal 2010](#), which President Barack Obama signed into law July 29, allows the public to access the Federal Awardee Performance and Integrity Information System (FAPIIS) on the Web. Agencies can block only contractors' past performance reviews.

"Today, with our national debt approaching \$12 trillion, we hand out over \$500 billion a year to federal contractors, many of which have a well-established history of systemic, illegal, and fraudulent behavior," Sen. Bernie Sanders (I-Vt.) said today. Sanders had the provision added to the appropriations bill in May. "We cannot let these corporations continue to rip off American taxpayers," he said.

The FAPIIS database contains specific information on the federal contractors and grantees' reliability and history of work with the government. It stores data from numerous existing federal databases and information from agencies. FAPIIS is intended to increase the amount of information available to government contracting officers as they evaluate contractors competing for their contracts.

The database is available for use in award decisions at www.ppirs.gov.

The new law amends the Clean Contracting Act, which gave access to FAPIIS only to chairmen and ranking members of congressional committees. Several members of Congress proposed opening the database at least to all lawmakers. But the supplemental bill goes further.

The Project on Government Oversight is pleased with the new law.

"There was never any valid reason to keep this database from the public in the first place," Scott Amey, POGO's general counsel, said in a statement on Aug. 4. He also urged the General Services Administration, which is in charge of the database, to waste no time opening it to the public.

As POGO sees it, the law will open up an immense cache of valuable data regarding histories of contractors' work, including civil, criminal and administrative proceedings, POGO wrote in its statement about the law. POGO and 14 other organizations urged Congress to pass this provision in June.

Sanders said today he expects the law's effects will pressure government and industry to spend tax money wisely.

“I strongly expect that this new public awareness will put an end to handing out taxpayer-financed contracts to corporations with a history of fraud,” he said.

On the other hand, one industry group feared the public would rush to judgment on a company if someone misinterprets FAPIIS' information.

In addition, as federal officials drafted regulations about FAPIIS, concerns were raised about getting the most recent information into the database quickly and accurately. Several commenters cited recent government audits that have revealed inaccurate, untimely or even missing data associated with several existing databases that contracting officials are required to consult, according to a Federal Register notice from March.

“Information taken even partially out of context by those not familiar with government procurement rules could do substantial damage to a company’s reputation and/or stock price,” said Larry Allen, president of Coalition for Government Procurement.

He said there comes a point when transparency goes too far and does little else useful. He said the Defense Department, for instance, classifies sensitive military information.

“Transparency is not an end unto itself. Think about it. It is not always appropriate for everyone to see everything all the time,” Allen said. “This is just plain voyeuristic and adds little, if anything, to the integrity of the contracting process.”

With those concerns, “I don’t think anyone envisioned [FAPIIS] as a weapon for corporate espionage,” Allen said.

The Professional Services Council also said an open FAPIIS could hurt the objective procurement process.

“While firms are accountable for their past performance, opening portions of the database that are not now already publicly available elsewhere could risk improperly influencing the evaluation and selection of otherwise qualified bidders because of public pressure to ‘blacklist’ certain vendors,” said PSC Executive Vice President and Counsel Alan Chvotkin.

About the Author

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