



April 15, 2024

Ms. Salomeh Ghorbani  
Director, IAE Outreach and Stakeholder Engagement Division  
General Services Administration

Re: Comment in reference to: Information Collection 3090-0292, FFATA Subaward and Executive Compensation Reporting Requirements (GSA-GSA-2024-0001-0002)

Dear Ms. Ghorbani,

The National Defense Industrial Association (NDIA)<sup>1</sup>, Professional Services Council (PSC)<sup>2</sup>, and Aerospace Industries Association (AIA)<sup>3</sup> appreciate the opportunity to provide comments to the General Services Administration (GSA) regarding the burden of the Federal Funding Accountability and Transparency Act (FFATA) Subaward and Executive Compensation Reporting Requirements and provide suggestions to alleviate said burden.

The FFATA of 2006 (Pub. L. 109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub. L. 110-252), requires federal government contractors (Contractors) to report information on subcontract awards. The law requires all reported information to be made public, therefore, the Contractor is responsible for notifying its subcontractors that the required information will be made public. FAR 52.204-10 Reporting Executive Compensation and First-Tier Subcontract Awards specifies more details of what must be reported based on FFATA requirements. Additionally, the Federal Funding and Accountability and Transparency Act Subaward Reporting System (website [www.FSRS.gov](http://www.FSRS.gov)) is a website used for collecting the required details from the Contractors. The [www.FSRS.gov](http://www.FSRS.gov) website provides specific guides for the fields that must be reported by the Contractors to comply with FFATA Act and FAR 52.204-10.

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<sup>1</sup> As a 501(c)3 educational non-profit, NDIA represents more than 1,700 corporate and over 66,000 individual members from small, medium, and large contractors. For more than 100 years, NDIA has provided a platform through which leaders in government, industry, and academia can collaborate and provide solutions to advance the national security and defense needs of the nation.

<sup>2</sup> PSC is a 501(c)(6) non-profit industry association with 400+ member companies—small, mid-sized, and large—that provide much-needed technology, professional, and other services to all federal agencies. For more than 50 years, PSC has supported our members and their federal government customers by promoting effective government practices and policies, improvements in federal contracting, and constructive dialogue between the federal government and industry.

<sup>3</sup> Founded in 1919, AIA is the premier trade association advocating on behalf of over 300 aerospace and defense companies for policies and investments that keep our country strong, bolster our capacity to innovate and spur economic growth. AIA's members represent the United States of America's leading manufacturers and suppliers of aircraft and aircraft engines, helicopters, unmanned aerial systems, missiles, and space systems.

Based on many years of performing the FFATA reporting tasks, the current economic market environment, and corresponding government system's capabilities, we are observing some inefficiencies that we would like to raise with GSA in hopes of reducing the reporting burden for many Contractors and their Subcontractors subject to the FFATA reporting compliance tasks; this reporting equates to roughly 36-53 hours monthly (or 432 to 636 hours annually) per response for prime Contractors. When combined with the 639,775 sub-award responses identified by GSA in the notice, the total annual burden for industry rises from the 1,027,419 hours identified by GSA from 276,382,800 to 406,896,900 hours. In addition, this calculation does not capture the Subcontractor's hours dedicated to responding to the prime Contractor. The actual burden is likely even higher.

Potential remedies for such inefficiencies are:

a) FFATA reporting threshold as specified in [FAR 4.103\(a\)](#) can be increased. As you aware, the original threshold value was originally set at \$25,000 in 2010 and increased to \$30,000 in 2015 via [FAR Case 2014-022](#). In accordance with [FAR 1.109](#), Statutory acquisition-related dollar thresholds-adjustment for inflation, the acquisition-related dollar thresholds are periodically updated. As the United States has seen [high inflation rates since the advent of the COVID pandemic](#) in 2020, industry believes it makes sense to review and, if appropriate, update the current threshold value of \$30,000 for the contracts subject to the FFATA reporting requirements. A standard Simplified Acquisition Threshold (SAT), which is currently set at \$250,000, is established to streamline the government procurement process. Additionally, industry recommends that matching the FFATA reporting threshold to the SAT threshold to align FFATA reporting requirements with the more stringent procurement process at \$250,000 or above would yield further streamlining. If the SAT threshold cannot be considered as part of the FFATA reporting threshold, the Defense Priorities and Allocations System (DPAS) threshold of \$125,000 (originating from [Code of Federal Regulations 15 CFR Part 700](#) and [Federal Acquisition Regulations \(FAR\) 11.6](#), Priorities and Allocations in support of authorized national defense programs) could be an alternative threshold option.

b) The Government could institute a threshold value for the Subcontractor's award amount changes that may occur subsequently after issuance of the subawards. FAR 52.204-10 states, "Continued reporting on the same subcontract is not required unless one of the reported data elements changes during the performance of the subcontract." One of the reporting elements is a "(iii) amount of the subcontract award", which can change based on updates to the sub-awards from the first-tier Subcontractors. This reporting element (Subcontractor's award amount change) currently does not include a threshold value within the FSRS.gov website. As it stands now, reporting for some of these Subcontractor's award amount changes could be considered immaterial, especially if the amount changes range from +/- \$0.01, or +/- \$1.00, or even up to the [micro-purchase threshold amount](#) (which is currently set to \$10,000). Contractors are spending a considerable amount of time identifying the Subcontractor's award amount changes, locating those financial changes within the sub-awards issued to the subcontractors, and then reporting these immaterial values on the www.FSRS.gov website. We recommend that GSA provide guidance on, and potentially institute, a threshold value, similar to what is mentioned above in point a) for the Subcontractor's award amount changes reporting element within the www.FSRS.gov website. Such action would help to reduce the reporting burden on Contractors by eliminating immaterial amount changes to be reported and thus allowing the Government to focus on more material changes to the Subcontractor's sub-awards.

c) The Government should consider requiring executive compensation reporting on only one government website. Currently, the [www.SAM.gov](http://www.SAM.gov) website requires Contractors to report executive compensation when filling Unique Entity Identification (UEI) registrations and annual recertifications on the [www.SAM.gov](http://www.SAM.gov) website. Additionally, FFATA and FAR 52.204-10 requires prime Contractors to collect the same information from their Subcontractors and then report it on the [www.FSRS.gov](http://www.FSRS.gov) website when the sub-awards are issued to the first-tier Subcontractors. Such efforts are unnecessarily duplicative. The executive compensation reporting data element would be more accurate when provided by the direct sources (such as, Contractors and Subcontractors on the [www.SAM.gov](http://www.SAM.gov) website) than what the sub-awardees provide to their prime Contractors, who then serve as a “middleman” for the FFATA requirement. There are situations wherein prime Contractors receive pushback from Subcontractors, who note they have already reported executive compensation details on the [www.SAM.gov](http://www.SAM.gov) website and who may prove reluctant to provide that information to their prime Contractors. As a result, prime Contractors expend resources negotiating with their Subcontractors about these reporting requirements and ensuring accurate reporting on the [www.FSRS.gov](http://www.FSRS.gov) website.

Additionally, the [www.SAM.gov](http://www.SAM.gov) website states that executive compensation “is sent to [USAspending.gov](http://USAspending.gov) for display in association with an eligible award.” Sending the executive compensation data reporting element from the [www.SAM.gov](http://www.SAM.gov) website to the [www.FSRS.gov](http://www.FSRS.gov) website for the Contractors’ utilization during the sub-award reporting process will help to eliminate the duplicative data collection and reporting process. When the prime Contractors enter their Subcontractors’ UEIs, to whom the sub-awards were issued to during the sub-award reporting process (using either or both manual or batch uploading methods), the [www.FSRS.gov](http://www.FSRS.gov) website should automatically populate the executive compensation directly from [www.SAM.gov](http://www.SAM.gov) website for those UEIs identified by the Contractors and remove the executive compensation fields from the batch upload template. Automatically populating the executive compensation reporting data element, which is already collected on the [SAM.gov](http://www.SAM.gov) website and transferring to the [www.FSRS.gov](http://www.FSRS.gov) website, will enhance the quality, utility, and clarity of the collected information and minimize the burden of the collection of executive compensation information.

d) The Government should consider updating the [www.FSRS.gov](http://www.FSRS.gov) website to provide a more user-friendly database by addressing two areas: information submission on the [www.FSRS.gov](http://www.FSRS.gov) website for FFATA compliance purposes and report retrieval from the [FSRS.gov](http://www.FSRS.gov) website for audit purposes by prime Contractors. The following suggested improvements would greatly increase the user experience and reduce Contractor burden using the [www.FSRS.gov](http://www.FSRS.gov) website for submission and/or report retrieval.

First, when prime Contractors utilize the batch upload submission method, the [www.FSRS.gov](http://www.FSRS.gov) website currently accepts files only if they are in a .CSV or Tab Delimited .TXT format. Prime Contractors use Microsoft Excel to collect information from their ERP systems and then must convert the Microsoft Excel files to either .CVS or .TXT before they can be submitted on the [www.FSRS.gov](http://www.FSRS.gov) website. If Microsoft Excel files are added as a third option to the batch upload process, the [www.FSRS.gov](http://www.FSRS.gov) website will eliminate an additional step of converting the Microsoft Excel files into .CVS or .TXT formatted files, decreasing the burden to the prime Contractors.

Second, when batch uploading occurs, the [www.FSRS.gov](http://www.FSRS.gov) website responds with a set of standard error messages. It is sometimes unclear which sub-awardee line item caused the error message. The prime Contractors may not be able to identify the cause and can spend significant time in an attempt to

reconcile the data to the [www.FSRS.gov](http://www.FSRS.gov) report (when submission data and report includes numerous line items), make necessary corrections, and resubmit.

Third, when manually entering data into the [www.FSRS.gov](http://www.FSRS.gov) website and entering subsequent awards manually into the FFATA report record, new Subcontractor fields can appear; the prime Contractors must scroll down to the area beyond the last sub-award entry to enter new subsequent sub-awards. The Government should consider moving the needed buttons to the top of the website page from the bottom.

Fourth, in situations where the Subcontractor's contracting and performance addresses are the same, the [www.FSRS.gov](http://www.FSRS.gov) website should include an option to simply click a box to select that the address is the same rather than entering the same data element manually.

Fifth, the [www.eSRS.gov](http://www.eSRS.gov) and [www.FSRS.gov](http://www.FSRS.gov) websites need to allow for back-up users under the primary Contractor's account. The prime Contractor usually has one team responsible for submitting the Subcontractor plans and FFATA data elements. However, logging in currently sends a code to one individual's cell phone, resulting in a single point of contact failure. Allowing back-up users within the prime Contractor's profile will mitigate the failure.

Sixth, the [www.esrs.gov](http://www.esrs.gov) and [www.FSRS.gov](http://www.FSRS.gov) websites only allow a prime contract to be on one worklist, preventing a report from being submitted by the other system; any attempt to do so causes an error. To correct this error, it is currently necessary to release the prime contract from the worklist—in which case visibility to the previously submitted reports disappears. Large corporations have multiple departments submitting reports to [www.FSRS.gov](http://www.FSRS.gov) and [www.esrs.gov](http://www.esrs.gov) websites, and multiple points of contact are the norm. Fluidity among the systems and worklists under a single corporation would be helpful and reduce errors.

Seventh, system limitations cause the most issues and frustrations. In a corporation that submits many reports each month, the most common error revolves around the congressional district. The congressional district code will be blank when entering some sub-award data. To rectify, the user must research the congressional district assigned to a particular street address, despite a note on the screen that says, "The Congressional District for your sub-awardees may not immediately populate. Once you have completed entering your sub-awardee data, please click on the 'Save' button at the top or bottom of the page to populate the Congressional District." This in fact does not work; congressional districts are not populated when clicking on the Save button. We recommend that the Government fix this element of the system.

Eighth, another system limitation for a corporation that submits many reports each month is that the [www.FSRS.gov](http://www.FSRS.gov) website will malfunction before the company completes all of its entries: after approximately 100 manual entries, the system fails to fetch the sub-awardee's information and instead removes an already submitted entry. It is not uncommon to have a report in a given month with +/- 100 entries where some reports cannot be included due to this system limitation. Conversely, a completely alternative view is provided when the prime contract report for a given month is well above 200 entries. The data are presented in a table view and a sub-awardee is entered one at a time instead of listing all the entries in a list form. This table view should be an option for manual data entry for reports that are under 100 entries.

Ninth, when submitting tickets to [www.FSD.gov](http://www.FSD.gov), a timely helpful response is paramount. Oftentimes, notice is provided that the ticket has been escalated to Tier 2, but no further update will be received. A help desk that provides timely responses and help to the user would be an advantage for all.

Finally, when DCMA performs Contractor Purchasing System Reviews (CPSR) of the Contractors' systems, DCMA auditors ask prime Contractors to present reports from the [www.FSRS.gov](http://www.FSRS.gov) website showing a date stamp of when specific sub-awards were reported. Currently, the FFATA pdf reports that are available for download do NOT include such a date stamp. We recommend that the FFATA pdf reports include the date stamp to support the DCMA audit requests during the CPSR audits.

In conclusion, to speed up the FFATA reporting submission and reduce the reporting burden for the prime Contractors using the [www.FRS.gov](http://www.FRS.gov) website, NDIA, PSC, and AIA recommends the following: increasing the threshold reporting values for the contracts and corresponding sub-awards, instituting a threshold value for the Subcontractor's award amount changes, automatically transferring the executive compensation reporting data element from the [www.SAM.gov](http://www.SAM.gov) website to the [www.FSRS.gov](http://www.FSRS.gov) website for all Contractors that have UEIs, improving the [www.FSRS.gov](http://www.FSRS.gov) website functionalities and reducing system limitations.

NDIA, PSC, and AIA appreciate the opportunity to comment on this matter and stand ready to assist. Please direct any questions to Michael Seeds, Sr. Director, Strategy and Policy, NDIA, at [mseeds@ndia.org](mailto:mseeds@ndia.org) or (703) 247-9478; Stephanie Kostro, Executive Vice President for Policy, PSC at [Kostro@pscouncil.org](mailto:Kostro@pscouncil.org) or (202) 277-2716; or Lorenzo Williams, Sr. Director Acquisition Policy, AIA, at [Lorenzo.williams@aia-aerospace.org](mailto:Lorenzo.williams@aia-aerospace.org) or (703) 358-1086.

Sincerely,

The National Defense Industrial Association

The Professional Services Council

The Aerospace Industries Association