

Congress of the United States
House of Representatives

COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

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May 11, 2017

Ms. Deirdre "Dee" Lee
Director, IT Management Issues
Chair, Section 809 Panel
2 Tormek Way
Greenville, SC 29615

Dear Ms. Lee:

Thank you for appearing before the Subcommittee on Information Technology and the Subcommittee on Government Operations joint hearing on March 28, 2017, titled, "Reviewing Challenges in Federal IT Acquisition." We appreciate the time and effort you gave as a witness before the Committee.

Pursuant to the direction of the Chairman, the hearing record remains open to permit Members to submit additional questions to the witnesses. In preparing your answers to these questions, please address your response to the Member who has submitted the questions and include the text of the Member's questions along with your response.

Please provide your response to these questions by Thursday, May 25, 2017. Your response should be addressed to the Committee office at 2157 Rayburn House Office Building, Washington, DC 20515. Please also send an electronic version of your response by e-mail to Kiley Bidelman, Clerk, at Kiley.Bidelman@mail.house.gov in a single Word formatted document.

Thank you for your prompt attention to this request. If you need additional information or have other questions, please contact Julie Dunne at (202) 225-5074.

Sincerely,



Will Hurd
Chairman
Subcommittee on Information Technology



Mark Meadows
Chairman
Subcommittee on Government Operations

Enclosures

Questions for Ms. Deidre “Dee” Lee
Chair
Section 809 Panel

Questions for the Record from Rep. Will Hurd, Chairman
Subcommittee on Information Technology
Committee on Oversight and Government Reform

The general perception amongst federal CIOs is that the FAR and the general complexity of the acquisition system is a big reason for the federal government’s inability to procure IT services quickly.¹ In addition to the FAR, agencies have internal review processes that can lengthen the time it takes to get a proposal out the door.

1. Would a “trimming” of the FAR do anything to procure IT services faster?
 - a. [IF YES] Which sections should be removed and why?
2. What initiatives should be undertaken to speed up the acquisition process?
3. In the interest of efficiency, what can be done to reduce the number of internal agency checkpoints to get IT proposals out to the bidders?
4. What is the key improvement area needed to get the federal government to an agile IT acquisition model?
5. If you were the Federal CIO for a day, what would be the first thing you would address to get the government to an agile acquisition cycle?

Another school of thought regarding the slowness of IT acquisition focuses on the acquisition workforce itself. The complaint is that IT acquisition personnel lack the proper expertise or training to run a successful IT acquisition, and that the federal acquisition workforce has a long “culture of being risk averse.”²

1. Have you ever conducted acquisition workforce assessments?
 - a. What did you find to be the condition of your acquisition workforce and how did you address the challenges you discovered?
2. In your dealings with the federal IT contract acquisition process, what have you found to be the level and expertise of federal acquisition personnel?
3. What areas of training would help improve the skills of the acquisition workforce?

¹Professional Services Council/Grant Thornton, The 2016 Federal CIO Survey, Federal CIOs: Delivering Results While Preparing for Transition (2016) at 13.

² Venkatapathi Puvvada, Pres. Unisys Federal Systems, Written Statement at Joint Hearing of the IT and GO Subcommittees of the House Committee on Oversight and Government Reform (March 15, 2017).

The Partnership for Public Service last year referred to a practice they called “reverse industry days” where “agency personnel have a chance to learn industry representatives' perspectives on what it is like for them to work with government and how they view government contracts. Government representatives can also hear from industry about their agencies' acquisitions and acquisition processes.”³

1. Are you familiar with this term, and if so, could you please explain a little more about this practice?
 - a. **[IF YES]** Have you found any validation to this practice in improving the speed of the acquisition process and encouraging innovation?

³ Partnership for Public Service/Booz, Allen, and Hamilton, Innovation Is A Contract Sport (February 2016) at 8.

Questions for Ms. Deidre “Dee” Lee
Chair, Section 809 Panel

Questions for the Record from Rep. Mark Meadows, Chairman
Subcommittee on Government Operations
Committee on Oversight and Government Reform

Addressing Complexity of the Federal Acquisition System: There are reportedly 126 contract clauses (including close to 85 mandatory clauses) for commercial item contracts under the federal acquisition rules. The number of clauses has grown over time. In the mid-1990s, there were reportedly only three mandatory clauses and three more that were applicable for commercial item contracts as needed.

1. How do we reduce the complexity of the current acquisition system, particularly with respect to commercial items and services?
2. Should Congress or the Federal Acquisition Regulation Council require any new clauses expire after a certain number of years, essentially sunset these clauses?
3. Should there be a periodic review of the entire Federal Acquisition Regulation? Who is best placed to do this?
4. How can we quantify the compliance costs for IT federal contractors?

Barriers to Entry: The complexity of the federal acquisition system results in barriers to entry that lead some vendors to decide the cost of doing business with the federal government is too high. Bloomberg has reported that the number of first-time vendors has fallen to a 10-year low (down from 24 percent in 2007 to only 13 percent in 2016).

5. Based on your experience, what does the federal government do well and not so well in terms of engaging with first time vendors?
6. Are there existing tools in the federal procurement rules that if fully leveraged could encourage the participation of more first time vendors – or could you suggest strategies for encouraging such participation?
7. The Section 809 panel established a study team on barriers to entry. Could you provide more detail on the framework for approaching this area of study?

Getting Back to Commercial: There is a strong preference for buying commercial goods and services in federal acquisition law and rules. This preference is supposed to help the federal government leverage the innovation and capabilities of the commercial sector.

8. Does the federal government actually buy commercial? Why/why not? Examples?

9. What is the cause of this drift away from buying commercial? Is this an acquisition workforce training issue?

I understand that the fiscal year 2016 and 2017 National Defense Authorization Acts (NDAA) included several provisions aimed at encouraging DOD to buy commercial. For example, one fiscal year 2016 provision requires DOD to do market research and buy commercial IT products and services *unless* the agency head determined the commercial option cannot meet the government's needs – making commercial IT the default option. Another fiscal year 2017 provision encourages DOD to use commercial or non-government standards instead of government-unique specs in developing requests for proposals for new systems.

10. Would the civilian acquisition system benefit from a renewed emphasis on commercial buying with provisions similar to those enacted for the defense acquisition system in fiscal years 2016 and 2017?

Strategies for Streamlining Federal Acquisition: There have been multiple panels, studies, and reform ideas for acquisition reform over the years. Some strategies for streamlining the federal acquisition process have included multi-year funding solutions for long-term projects, emphasizing results versus process, using new contracting models, and leveraging industry capabilities to deliver non-core services with shared service models.

1. What specific strategies would you recommend to streamline the federal acquisition process? Please specify whether these strategies would require use of existing tools or new law/rules.
2. Are there particularly effective contracting models for IT acquisitions?

IT Acquisition Workforce: Some experts have said the federal acquisition workforce has been overtaken by process to the detriment of focusing on results. Further, the IT acquisition workforce has become risk averse.

3. What do you think are the key challenges that we need to address to better prepare the IT acquisition workforce?
4. How do we address the challenge of incentivizing the civilian acquisition workforce and retaining the best performers, particularly those with IT expertise?
5. I understand that the Department of Defense has some government-industry exchange programs, including the Secretary of Defense Corporate Fellows program. Are these programs effective? Do we have sufficient opportunities for the civilian IT acquisition workforce?

Questions for Ms. Deidre “Dee” Lee
Chair, Section 809 Panel

Questions for the Record from Rep. Robin L. Kelly, Ranking Member
Subcommittee on Information Technology
Committee on Oversight and Government Reform

1. As Chair of the Section 809 Panel, what have been the guiding principles for you and your fellow commissioners as you collectively approach the challenge of analyzing the current procurement system for the Department of Defense’s information technology (IT) acquisitions, and work towards developing recommendations for improvement?