Statement of Senator Robert F. Bennett

Improving Transparency and Accessibility of Federal Contracting Databases

Committee on Homeland Security and Governmental Affairs Subcommittee on Contracting Oversight

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Effective management of any system depends on analysis of data that is accurate, timely, and relevant. In government acquisition, this is particularly true, as over \$538 billion was spent in the last fiscal year on contractors who support the federal government's efforts to serve the American public. Although the accomplishment of the federal mission is paramount, it is equally important to ensure that every taxpayer dollar is well spent. Our oversight of acquisition depends on data from several government systems, but they do not work together in a seamless, accessible manner. Because they are separated, these databases fall short as an effective analytical tool, because its data is not adequately accurate, timely, nor relevant.

Acquisition and contracting have always been integral to government operations, and as the mission and scope of the federal government has grown, so too has the acquisition process. Although advertising, competitive bidding, and archiving of contracts have been obligations of the federal government for over 150 years, the system is, at times opaque.

The government currently has several databases that collect information on several aspects of acquisition, ranging from small business status to past performance. There have been many attempts to integrate these systems into one complete picture. In spite of these efforts, the federal acquisition databases remain separated and under the control of different agencies.

Very often with issues like this one, the root cause of the problem is intertia – in this case, an object (or a process) that is in motion tends to stay in motion. Sometimes with the best of intentions, or even because they are mandated to do so, government develops processes that should be integrated, but are not. This is because they began that way, and stay that way for a wide array of reasons. It is my intention today to implore the agencies who own the separate databases to take the broad perspective that we do, overcome their separate interests, and find a solution that gives us the integrated and functional system we all need.

Scrutiny should yield competition, clarity, and honesty. Tools like our federal acquisition databases are intended to penetrate the fog in which many of our contracting decisions are made. An effective system encourages informed decision-making across government; from policy decisions in Congress, to management decisions in the executive branch, and aids inter-agency support. Just as importantly, contractors would gain from this improved market intelligence, and develop targeted and competitive products for the federal marketplace. Finally, the American taxpayer can see, straight from the source, how every tax dollar is being spent.

The needs of government, industry, and the public for relevant information have eclipsed the technology of the original system. As the caretaker of public funds, we owe the American taxpayer a system that is transparent, user-friendly, and ultimately, useful. What is less clear is how we can properly balance the benefits of an enhanced system with the costs of upgrades.

The benefits are clear. Accessible and accurate data helps government, industry and the public guaranty that tax dollars are well spent, and that our programs are efficient. A seamless system will ensure data integrity, and free the acquisition workforce from thousands of hours of data entry.

But improving these systems will not come without cost, and we must take care to avoid having our enthusiasm for an improved system cloud a clear assessment of those costs. In addition to the expense of designing and maintaining the system, there are equally important costs that come from imposing new reporting requirements on our federal acquisition professionals and on small business who hope to sell to the government. Transparency is a critical component of honest, competitive and efficient contracting. Imposing process on our contracting officers and suppliers without careful consideration of the additional expense that comes from that reporting may produce the opposite outcome.

The thirty-year history of our acquisitions databases has been defined by the federal government lagging private sector technology. It is a sad statement that the power of the information age has been overwhelmed by the intransigence of the federal bureaucracy. As is so often the case, what falls victim to our failure to change are vision, performance, and accountability.

That is why I intend to focus on the fragmented state of our acquisitions systems in this hearing, and hope to explore their chronic problems so that we can avoid repeating them with any new enterprises that are proposed. Our witnesses today have insights into these questions, and I am eager to hear their perspective on this important issue.