

Procurement Administrative Lead Time (PALT) Definition Update

The Office of Federal Procurement Policy (OFPP) has requested public comment on a proposed definition of the term “Procurement Administrative Lead Time” (PALT) and a plan for evaluating and publicly reporting data on PALT for contracts and orders above the Simplified Acquisition Threshold (SAT). This proposed change is based on definition was adopted by the Department of Defense (DoD) pursuant section 886 of the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2019.

OFPP PROPOSED PALT DEFINITION

- “The time between the date on which an initial solicitation for a contract or order is issued by a Federal department or agency and the date of the award of the contract or order.”

According to the Administrator of OFPP, establishing a common definition of PALT and a plan for measuring and publicly reporting PALT data are important steps in helping the Federal Government to understand and better address causes of procurement delays. PALT can help to drive continual process improvement and the pursuit of more innovative procurement practices, especially when the data are used in combination with other inputs for evaluating the overall effectiveness of the acquisition process in delivering value to the taxpayer, such as cost and the quality of the contractor's performance. PALT can also create incentives to drive greater efficiencies in the requirements development process, which has long been recognized as one of the most significant sources of delay in the acquisition lifecycle.

References:

- <https://www.federalregister.gov/documents/2020/01/21/2020-00783/procurement-administrative-lead-time-palt>

Section 878 of the NDAA for 2019, Public Law 115-232, requires the Administrator of OFPP to develop and make available for public comment a definition of the term PALT. Section 878 further requires that the Administrator develop a plan for measuring and publicly reporting data on PALT for Federal Government contracts and orders above the SAT.

MEASURING AND REPORTING PALTs

- The OFPP proposes leveraging publicly available data in the Federal Procurement Data System—Next Generation (FPDS-NG) to measure and report on PALTs. More specifically, as a part of the General Service Administration's effort to enhance FPDS-NG, the “solicitation date” data field was added as a mandatory reporting requirement for all contracts or orders valued above the SAT.
- Agencies and the public will be able to use obtained PALT information that is valued above the SAT.
- FPDS-NG data can be used to evaluate PALTs for specific types of acquisitions and authorities

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