

TDR Survey Results

Coalition Member Survey
April 2024



THE COALITION
FOR GOVERNMENT PROCUREMENT

About the Survey

- In Q3 of FY 2024, GSA initiated a pilot of four additional optional TDR fields:
 - For Products: Order Date, Ship Date, Zip Code Shipped to, and Federal Customer
 - For Services: Federal Customer
- According to GSA, these additional TDR fields may become mandatory depending on the pilot results and industry feedback.
- The Coalition for Government Procurement conducted a survey of its members to gather industry feedback on the TDR pilot.
- 65 members responded to the TDR survey:
 - 62 of 65 respondents are Schedule holders
 - 31 currently participate in TDR
 - 24 are small businesses
 - 39 offer products under the MAS, 25 offer services and 1 consults for both

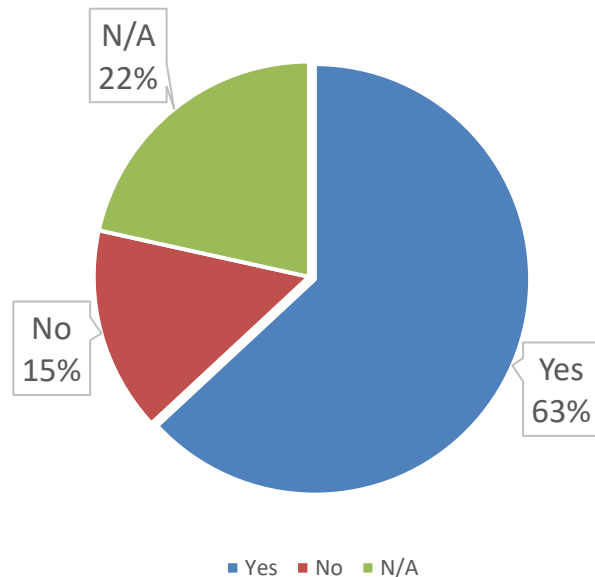


Feedback on Expanding TDR to entire MAS Program

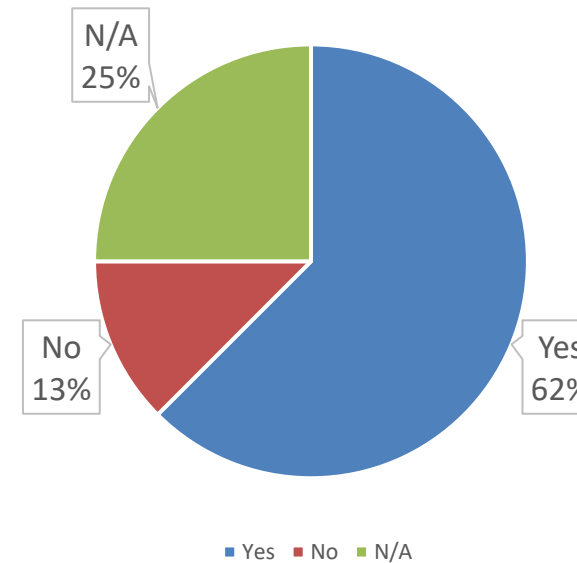
Feedback on TDR Expansion across MAS

- Members were asked if TDR should be expanded as an option to the entire MAS program.
- The majority of respondents (41 of 65) support TDR expansion across the GSA Schedule (63% support vs 15% do not support)
- Small business respondents supported TDR expansion across MAS at similar rates (62% support vs 13% do not support)

Should TDR Be Expanded to the Entire MAS Program?



Small Business Support for Expansion across MAS



Contractors that Support TDR Expansion Across Schedules

- 25 (of 39) Product companies support expanding TDR to the entire MAS and 15 (of 25) Service companies support the expansion.
- Why Support?
 1. Appreciate the burden reduction due to the elimination of the Price Reduction Clause (PRC), and
 2. The ability of TDR to increase price transparency.
- Respondents **Support TDR as an OPTION** but not mandatory.
 - *“Providing TDR as an option to MFC pricing and PRC allows all vendors to select the method that best fits their offerings/solutions assuming it remains an option in lieu of the MFC/PRC.”*
 - *“TDR allows us to skip the MFC pricing for our EPA modifications, which makes this desirable for us as a contract holder, however, I think this is a preference and shouldn't be mandatory.”*

Concerns from Contractors that Do NOT Support TDR Expansion

- Members that do NOT support expanding TDR as an option across Schedules (10) noted-
 - Cost burden of reporting
 - Usefulness of the data (especially for professional services)
 - Lack of information about how the data will be used
- Cost of Compliance concerns:
 - *“I think the administrative cost of compliance would far outweigh any benefit of the information obtained.”*
 - *“We don't see the benefits of adding this requirement to an already regulatory-laden contract mechanism.”*
 - *“TDR for services, specifically T&M labor category reporting, should remain optional. The cost of reporting has not been factored into our GSA rates and would require significant time.”*
 - *“TDR, while providing vertical market insight; does very little to protect government pricing; this is especially true when there is volatility in the market”*
- Questions about how data may be used to erode Best Value at Contract Level:
 - *“We do not participate in TDR mostly because of how the data may be used to drive down pricing making apples to oranges comparisons.”*
- Lack of information about how TDR is used:
 - *“I don't fully understand what they are using the data for. It makes me nervous.”*

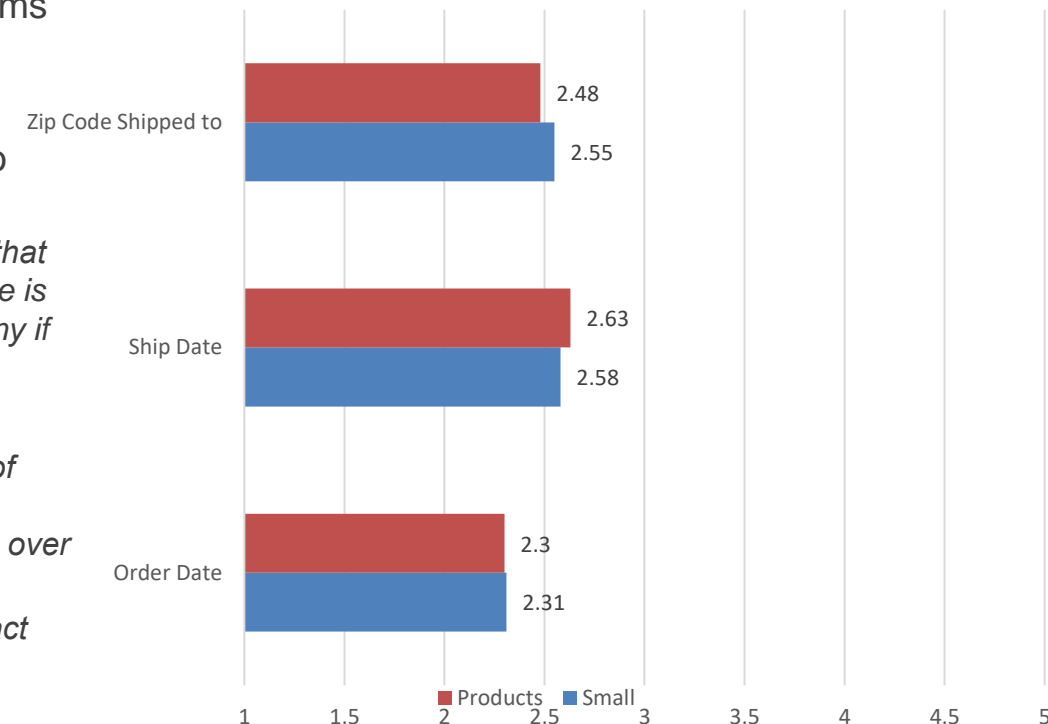


Feedback on 4 Additional TDR Fields in Current Pilot

Estimated Burden of TDR Fields Applicable to Product Companies

- Members were asked to rate the burden of the additional fields in the TDR pilot
 - For Product Companies- Order Date, Ship Date, Zip Code Shipped to, Federal Customer
 - For Service Companies- Federal Customer
- On average members rated the burden of all order date, ship date and zip code shipped to slightly below average on a scale of 1 - 5
- Respondents who rated the level of burden as low generally have automated systems that already collect the data.
- Respondents who rated the level of burden as high expressed the following:
 - Furniture companies are concerned with the complexity of all three fields due to configurability of orders.
 - *“GSA's default position is that every product needs to be listed on GSA Advantage and that the data in Advantage and TDR must match. That's fine for some industries, but furniture is not bought through GSA Advantage and there would be billions of line items per company if they were forced to put all products and configurations on GSA Advantage.”*
 - Timing issues preventing proper documentation of the order date
 - *“[Our] accounting system stores data in a transactional manner based on ending week of input into the system, not necessarily when a procurement action took place, this is necessary in circumstances such as accruals or when a sub/vendor can't get an invoice over timely.”*
 - *“If additional furniture is added to a rental lease post initial delivery, how would that impact the order date?”*

Estimated Burden of TDR Fields for Product Companies



Questions about the value of the data

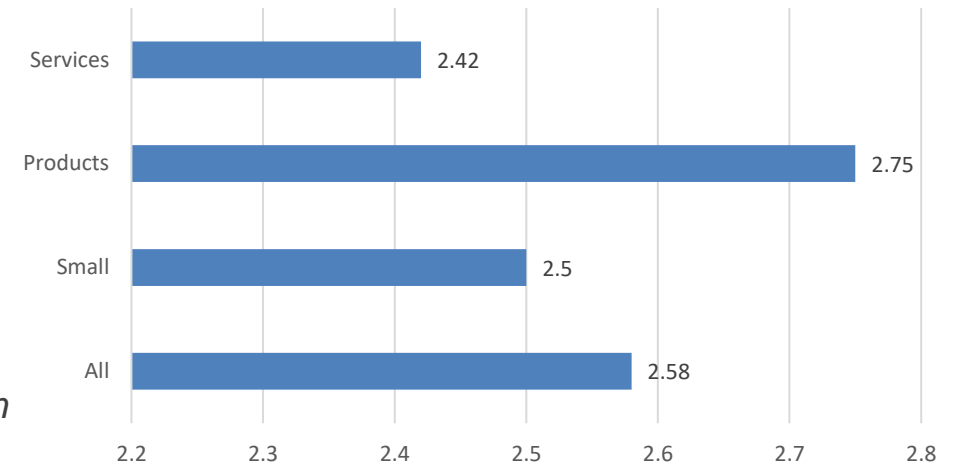
- *“What would be the value of providing this data? The more fields = greater increase for error”*



Estimated Burden of “Federal Customer” TDR Field

- All members were asked to rate the burden of reporting “Federal Customer” on scale of 1 – 5.
- Product providers had the highest burden estimate at 2.75 and had questions about what GSA means by “Federal Customer,” e.g.:
 - *“Our customer names may be tracked differently than GSA tracks. Also, contract issuing office may be different than end user.”*
 - *“Although we do capture the federal customer’s name to include a specific code would be more difficult. Not sure that this code is provided during the procurement process. If it’s something that industry has to look up this would be very burdensome for high volume contracts.”*
 - *“It’s not so much that is burdensome but what does GSA hope to achieve. Customers are tracked differently within each company and at some level can even be identified differently internally within an organization. There are so many agencies, sub agencies, cabinets, etc that trying to collect and analyze data in a meaningful way would be challenging.”*
- Service contractors rated “Federal customer” as less burdensome but indicated that GSA already has the information:
 - *“This is not actually burdensome, but GSA already has this data in TDR, since the order number tells you the Federal customer.”*

Estimated Burden for “Federal Customer” Field



Segment Unique Feedback

- **Systems Integrators-** Several systems integrators expressed concern about the burden because the data would have to be collected from other sources.
 - *“As a large systems integrator, primarily providing services for large complex missions and only providing products as support materials, the new 4 additional TDR fields are difficult to obtain readily as those data sets are not part of the invoicing system. We assess the overall burden is significant to most of the large systems integrators due to data associated with new fields required need to be obtained from different systems (invoices vs purchase order). The extraction and merging data from multiple reports is expected to be manual effort and time consuming.”*
- **Furniture Companies-** Concerns about their ability to report TDR due to the highly configurable nature of their commercial products.
 - *“It would be incredibly burdensome based upon the type of service we provide to the government customer on GSA contract. If this becomes mandatory, it will be something to consider when it is time to extend the next option”*
 - *“While we are not currently using TDR it would add to the burden of moving over to TDR reporting when they expand it to include more highly configurable products.”*

Takeaways from Survey Results

- The divide in the total burden assessment comes from contractors differing workloads for complying with new fields.
- Several product companies with automated systems expressed the following regarding the burden.
 - *Minimal administrative burden one-time to create the recurring monthly report with additional data. Minimal administrative burden monthly to then add the extra information to the extra columns in the TDR upload file.*
 - *“No change. We already have to report those field headers already, this would just expand the number of orders I apply those values for.”*
- However, for some members this could cause a significant financial burden.
 - *“Due to the volume of orders our firm reports monthly, making these fields mandatory would directly result in additional time and resources to complete the TDR report accurately. Our firm estimates that this could increase the burden of report completion by as much as 8 hours”*
 - *“We are estimating an equivalent to 1 FTE plus the cost to implement the accounting system or reporting = \$150 to \$200K initial cost plus annual maintenance.”*

Observations

- Avoid requesting data that it already available to GSA
 - *“...GSA already has this data in TDR, since the order number tells you the Federal customer.”*
- GSA should clarify how the TDR data is being used before requiring additional data reporting
 - *“Sharing the results of this new expansion with the contractors would go a long way to instill confidence in TDR.”*
 - *“I am relieved the fields are being rolled out as optional -- gives us time to acclimate and assess burden. More info on how the data will be used would be helpful. And is GSA going to share any of this data publicly?”*
- Maintain TDR as an OPTION so that contractors can choose the best option from a business perspective
 - *“Providing TDR as an option to MFC pricing and PRC allows all vendors to select the method that best fits their offerings/solutions assuming it remains an option in lieu of the MFC/PRC.”*
- Share TDR data (as appropriate) with industry in order to increase transparency
 - *In the interest of transparency, GSA should share data collected through TDR with industry when appropriate.*
 - *However, GSA should make sure to recognize firm’s need for privacy regarding information that could provide an undue competitive advantage to competitors.*

Thank you

For questions, please contact:

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