

## Deciphering The Alphabet Soup — FAPIIS, CPARS And PPIRS

*Law360, New York (April 20, 2012, 2:04 PM ET)* -- In March 2010, the U.S. government rolled out a new tool promised to provide a centralized source for all publicly available contractor past performance and integrity information — the Federal Performance and Integrity Information System (“FAPIIS”).

It is important to monitor the information entered to ensure that past performance evaluations are accurate, complete and fair, and also to prevent release of proprietary information to the public. But the system continues to evolve and, as contractors try to manage the information in FAPIIS, many companies find the process baffling due to (among other things) the multiplicity of modules within the system and the acronyms used to identify them.

In fairness, government personnel tasked with implementing FAPIIS have developed online training to assist contractors in navigating this complex system. That said, not everyone involved in government contracting can or will take the training, but everyone does need a basic understanding of FAPIIS. So keep reading, because you won't find this information in the Federal Acquisition Regulations.

### What's In A Name? — Understanding the Past Performance Databases

Let us begin with a review of the terminology, to assure that we understand the various acronyms and government information technology systems. Generally speaking, the government has three primary systems or modules that contain past performance data:

#### *Contractor Performance Assessment Reporting System (“CPARS”)*

For more than a decade, the government has used the CPARS module to centralize and harmonize past performance information. The main input for this system is a written “Report Card” issued by a contracting officer, which (in most circumstances) is called a contractor performance assessment report (“CPAR”), on which contractors have the opportunity to comment and which they can challenge. In this regard, note that multiple reports are commonly abbreviated as CPARs (little “s”), which is not to be confused with CPARS (capital “S”), which is the acronym identifying the database as a whole. The CPARS database is available to source selection officials government-wide, but it is not publicly available.

### *Past Performance Information Retrieval System ("PPIRS")*

PPIRS is a companion system to CPARS. It receives the completed CPARS report cards, including contractor comments, as well as other statistical reports on smaller-value contracts. Additionally, PPIRS receives reports of "adverse actions" reported by the contracting officer, with the information available government-wide.

The "adverse actions" include: (1) a nonresponsibility determination; (2) termination for cause; (3) termination for default; (4) defective pricing; (5) a determination of contractor fault; (6) a determination that the recipient is not qualified; (7) a termination for material failure to comply; and/or (8) entry into an administrative agreement to resolve a suspension or debarment proceeding. These "adverse actions" are, with the exception noted in our January 2012 posting, eventually made available to the public via FAPIIS, but the balance of the information in PPIRS remains unavailable to the public.

The FAR, if read literally, would suggest that PPIRS contains only written past performance evaluations submitted pursuant to the requirement of FAR 42.1502 that "agencies shall prepare an evaluation of contractor performance" for certain types of contracts over the simplified acquisition threshold of \$150,000 (with the U.S. Department of Defense having different and higher thresholds).

Such information is indeed contained in PPIRS — but in a separate submodule called PPIRS-RC (Report Card). Past performance information for contracts beneath the applicable dollar thresholds are contained in another PPIRS module — PPIRS-SR (Statistical Reporting), which collects quantifiable contractor past performance information regarding delivery, quality, etc., and uses sophisticated algorithms to compare the performance of comparable contractors and classify them accordingly. This past performance information is updated monthly and, like the information contained in PPIRS-RC, is accessible to contractors, who can review and challenge their classifications. Training on PPIRS is available at [www.ppirs.gov](http://www.ppirs.gov).

### *Federal Performance and Integrity Information System*

Created in 2008 by act of Congress (Pub. L. No. 110-417, Section 872), FAPIIS is, according to FAR 42.1503(f), a "module" of PPIRS, and includes publicly available information relating to a contractor's integrity, which is provided by both the government and the contractor. This information includes: (1) whether a contractor is included on the excluded parties list or has entered into an administrative agreement with an agency suspension and debarment authority; (2) a statement as to whether a company has been the subject of a criminal, civil, or administrative proceeding that resulted in a conviction, a finding of fault, or an admission of liability relating to performance of a government contract in the past five years; and (3) reports of government "adverse actions" (as reported by the contracting officer through CPARS).

At the risk of oversimplifying this confusing process, this graphic illustrates generally how past performance information flows through the government systems and into FAPIIS — please [click here](#) to view.

### **Clear As Mud**

The government appears to be aware of the confusion it has generated with its past performance "alphabet soup." To eliminate this confusion, the government has taken a number of steps:

In recent online instruction for CPARS, the government has attempted to distinguish more specifically between CPARS and FAPIIS, describing CPARS as hosting “a suite of web-enabled applications that are used to document contractor and grantee performance information that is required by ... FAR Part 42 ... [and] requires documenting additional contractor performance information in the Federal Awardee Performance & Integrity Information System (FAPIIS).”

In June 2011, the government proposed amendments to the FAR “to require all past performance information be entered into the Contractor Performance Assessment Reporting System (CPARS), the Governmentwide past performance system” and to standardize the past performance evaluation criteria. See 76 Fed. Reg. 37704 (June 28, 2011).

This rule could clarify that the government-wide past performance portal is “CPARS” — not “FAPIIS” — but absent an extensive re-education program (and a rebranding campaign for FAPIIS), we doubt that a simple rule change will effectively solve the confusion. The proposed CPARS revision (FAR Case 2009-042) is currently under review by DOD legal authorities, and we expect that a final rule will be issued soon.

### **Make Sure You Focus on More Than Just FAPIIS**

While companies are encouraged to stay abreast of information posted in FAPIIS because such information is required to be made publicly available, focusing only on FAPIIS ignores the other part of the picture — the part that your government customers see and use to make their past performance evaluations.

### **Conclusion**

Hopefully, we have managed to clarify (at least a little bit) your understanding of FAPIIS as a system and how it relates to the other past performance data repositories.

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