

# CHANGE REQUEST COVER SHEET

**Change Request Number:** 12-115

**Date Received:** 9/7/2012

**Title:** Reporting Executive Compensation and First-Tier Subcontract Awards

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**Name:** Tim Eckert

**Phone:** (202) 267-7527

**Policy OR Guidance:** Guidance

**Section/Text Location Affected:** T3.10.1A.15

**Summary of Change:** Revision of applicability - deletion of exemption for classified contracts and contracts with individuals

**Reason for Change:** Required to be consistent with other Government contracting.

**Development, Review, and/or Concurrence:** Acquisition Policy Division; Procurement Legal; and Contracting Offices at HQ, Centers, and Service Areas.

**Target Audience:** Contracting workforce

**Potential Links within FAST for the Change:** None

**Briefing Planned:** No

**ASAG Responsibilities:** None

**Potential Links within FAST for the Change:** None

**Links for New/Modified Forms (or) Documents (LINK 1)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 2)** [null](#)

**Links for New/Modified Forms (or) Documents (LINK 3)** [null](#)

## SECTIONS EDITED:

Procurement Guidance:

*T3.10.1 Contract Administration*

*Contract Administration*

### **Section 15 : Reporting Executive Compensation and First-Tier Subcontract**

**Awards** [\[Old Content\]](#) [\[New Content\]](#) [\[RedLine Content\]](#)

## SECTIONS EDITED:

### **Section 15 : Reporting Executive Compensation and First-Tier Subcontract Awards**

**Old Content:** Procurement Guidance:

*T3.10.1 Contract Administration*

*Contract Administration*

### **Section 15 : Reporting Executive Compensation and First-Tier Subcontract Awards**

a. *Scope.* The Federal Funding Accountability and Transparency Act, as amended, requires contractors to report subcontracted award data and the total compensation of the five most highly compensated executives of the contractor and subcontractor(s).

b. *Applicability.* This reporting requirement applies to all contracts with a value of \$25,000 or more, except classified contracts and contracts with individuals. Reporting subcontract information is limited to the first-tier subcontractor(s). As described in AMS clause 3.13-14, there is an additional subcontract reporting exemption for contractors and subcontractors who had gross income in the previous tax year under \$300,000. Specific reporting requirements for executive compensation are also outlined in AMS clause 3.13-14.

c. *Review.* The CO will ensure contractors comply with the reporting requirements of AMS clause 3.13-14. Contractor reports will be reviewed as necessary to ensure the information is consistent with contract information. In such reviews, the CO is not required to address data for which FAA would not normally have supporting information, such as compensation information required of contractors and first-tier subcontractors. However, the CO will inform the contractor of any inconsistencies with the contract information and require that the contractor correct the report, or provide a reasonable explanation why it believes the information to be correct. The reports may be reviewed at [www.fsr.gov](http://www.fsr.gov).

d. *Failure to Comply.* If the contractor fails to comply with the reporting requirements, the CO will immediately bring this to the contractor's attention. If the contractor still does not comply, appropriate contractual remedies should be taken. In addition, the CO should make the contractor's failure to comply with the reporting requirements a part of the contractor's past performance evaluation.

e. When COs report contracting data to the Federal Procurement Data System (FPDS), certain data will then pre-populate from FPDS to assist the contractor complete and submit the reports.

**New Content:** Procurement Guidance:

*T3.10.1 Contract Administration*

*Contract Administration*

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**Red Line Content:** Procurement Guidance:

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