



U.S. General Services Administration

FY24 Legislative Proposal – Acquisition Workforce Training Fund

## SEC. \_\_\_\_. ACQUISITION WORKFORCE TRAINING INVESTMENTS.

Section 1703(i)(3) of title 41, United States Code, is amended by striking “Five” and inserting “Seven and a half”.

**[Please note: The “Changes to Existing Law” section below sets out in red-line format how the legislative text would amend existing law.]**

### Section-by-Section Analysis

This proposal would bolster acquisition workforce training by increasing the Acquisition Workforce Training Fund (AWTF) credit from five percent (5%) to seven and a half percent (7.5%). The proposal would allocate a larger share of the fees already paid by federal agencies for the use of certain interagency contracts to the Federal Acquisition Institute (FAI) and Defense Acquisition University (DAU) to make a greater investment in training the acquisition workforce.

The purpose of this legislative proposal is to address a critical deficiency in the training and support the Government provides to our acquisition professionals and position the acquisition workforce to procure, deliver, and sustain mission-execution resources. Increasing the AWTF credit will allow the Government to keep up with short-term training demands (e.g. new training legislation, increased contract expenditures) and meet long-term workforce challenges (such as technical knowledge gaps, new acquisition laws and regulations, and an aging acquisition workforce). Without the additional funding authority, the Government risks being unable to adequately implement new statutory training requirements, deliver fundamental training to new entrants to the acquisition workforce, and develop and deliver the advanced training needed to keep up with a continuously evolving procurement environment.

### The Federal Acquisition Workforce

The federal acquisition workforce is described in 41 U.S.C. 1703 as employees serving in entry-level and senior positions in the General Schedule Contracting Series (GS-1102), positions in the General Schedule Purchasing Series (GS-1105), and “positions in other General Schedule series in which significant acquisition-related functions are performed...”.<sup>1</sup> The latter may include employees who develop contract requirements, evaluate proposals, and administer contracts. The increasingly complex nature of the federal acquisition landscape requires the expertise of employees in wide ranging disciplines, including but not limited to, program and project management, finance, information technology, personnel identification and access, and supply chain risk management.

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<sup>1</sup> 41 U.S.C. 1703(a) and (g)(1)(A.)

In FY 2021, the federal acquisition workforce, consisting of nearly 40,000 contracting officers and hundreds of thousands more employees performing significant acquisition-related functions, oversaw \$630 billion in contracts for goods and services.

## FAI and DAU

The federal acquisition workforce is trained by FAI and DAU.

FAI was established under the auspices of the Office of Management and Budget's Office of Federal Procurement Policy (OFPP) to facilitate and promote career development and training for the acquisition workforce of all civilian agencies. The National Defense Authorization Act for Fiscal Year 2012 gave FAI twelve statutory responsibilities, beginning with a mandate to develop a highly professional workforce.<sup>2</sup> In 2013, OFPP delegated FAI's operational and resource management duties to the General Services Administration (GSA).

FAI trains and certifies nearly 200,000 members of the acquisition workforce at any given time in three main acquisition disciplines: Federal Acquisition Certification in Contracting (FAC-C), Contracting Officer Representatives (FAC-COR), and Program/Project Management (FAC-P/PM). FAI is regularly tasked with development of training and tools for the entire acquisition workforce, though most of the acquisition training for Department of Defense (DoD) employees is handled by DAU. FAI is also tasked to train employees in emerging disciplines with acquisition impacts, such as "officials with supply chain risk management responsibilities at Federal agencies...", as required by the Supply Chain Security Training Act of 2021.<sup>3</sup>

DAU was established in October 1991 and currently supports approximately 175,000 defense acquisition workforce members with about 600 faculty staff. It provides the education and training standards and courses for the civilian and military acquisition workforce as required by the Defense Acquisition Workforce Improvement Act (DAWIA).<sup>4</sup> The DAU courses required to meet those education and training standards are commonly referred to as being "DAWIA curricula." Similarly, certifications that are awarded upon meeting such standards are often referred to as "DAWIA certification," although those certifications are the responsibility of each service and defense agency to administer. DAWIA certifications are available only to DoD employees, military and civilians assigned to an acquisition-coded position, as well as select military officers whose career development will include assignment to acquisition-coded positions.

## AWTF

The AWTF was established by the National Defense Authorization Act (NDAA) for Fiscal Year (FY) 2004 on November 24, 2003.<sup>5</sup> GSA manages the fund through FAI, in consultation with OFPP and the FAI Board of Directors. The fund is financed through a credit of

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<sup>2</sup> Pub. L. 112-81, div. A, title VIII, §864(b)(1), Dec. 31, 2011, 125 Stat. 1523.

<sup>3</sup> Pub. L. 117-145, §2(a), June 16, 2022, 136 Stat. 1269.

<sup>4</sup> Pub. L. 101-510, div. A, title XII, Nov. 5, 1990, 104 Stat. 1638.

<sup>5</sup> Pub. L. 93-400, §37(h)(3), as added Pub. L. 108-136, div. A, title XIV, §1412(b), Nov. 24, 2003, 117 Stat. 1664.

5% of the fees collected from executive agencies (other than DoD) for certain Governmentwide contracts, including ones managed by GSA, the Department of Veterans Affairs, the Department of Health and Human Services, and the National Aeronautics and Space Administration.<sup>6</sup> Receipts are available for expenditure in the fiscal year collected, as well as during the two following fiscal years. GSA is statutorily required to transfer fees collected from DoD's use of the aforementioned contracts back to DoD to use for acquisition workforce training.<sup>7</sup> GSA and DoD split AWTF collections, with GSA retaining 60% for FAI and distributing the remaining 40% to DoD.<sup>8</sup>

FAI is solely funded by the AWTF. DAU is funded through three sources: annual appropriations, the Defense Acquisition Workforce Development Fund (DAWDF), and the portion of the fees paid into the AWTF by DoD ordering activities.

### Need for New Acquisition Workforce Training Investments

Federal contracting requirements are growing in complexity, with a greater need for services contracting, technology acquisition, and, more recently, supply chain concerns. This is true not only for contracting officers but also those program office professionals—namely contracting officer's representatives and program and project managers—who oversee contract performance, all of whom are considered part of the acquisition workforce. Indeed, Congress has recognized the importance of training to meet these challenges and recently passed the Supply Chain Security Training Act of 2021 and the Artificial Intelligence Training for the Acquisition Workforce Act ("AI Training Act").<sup>9</sup> Other bills that emphasize acquisition workforce training, such as the AGILE Procurement Act of 2022, have also been considered.

The FY2020 NDAA<sup>10</sup> also required DoD to implement a professional certification program based on standards developed by a third-party accredited program that uses nationally or internationally recognized standards. FAI must implement similar changes to its certification programs to ensure that there is consistent training and accreditation between the defense and civilian agencies, which will require additional funding. This will allow greater workforce agility, which is important to attracting and retaining talent.

Moreover, an increase in training funds is needed to prepare the next generation of acquisition professionals to carry out recently enacted statutes—particularly the Infrastructure Investment and Jobs Act<sup>11</sup> and P.L. 117-169 (commonly known as the "Inflation Reduction Act of 2022")<sup>12</sup>—and fill the roles that will eventually be vacated by an aging federal workforce.

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<sup>6</sup> 41 U.S.C. 1703(i)(3).)

<sup>7</sup> 41 U.S.C. 1703(i)(5).)

<sup>8</sup> The current distribution ratio was established in a memo [add link?] from the GSA Office of the Chief Financial Officer to DAU dated March 23, 2022.

<sup>9</sup> Pub. L. 117-145, Jun. 16, 2022, and Public L. 117-207, Nov. 15, 2021, respectively.

<sup>10</sup> Pub. L. 116-92, div. A, title VIII, §861, Dec. 20, 2019, 133 Stat. 1515; and 10 U.S.C. 1701(c).

<sup>11</sup> Pub. L. 117-58, Nov. 15, 2021, .

<sup>12</sup> Pub. L. 117-169, Aug. 16, 2022.

Finally, the AWTF credit has also remained static at 5% since its inception in 2003, while demands on FAI and DAU continue to grow. For example, FAI's twelve statutory responsibilities were enacted 8 years after the AWTF was established.<sup>13</sup>

### Boosting AWTF Collections

Increasing the AWTF credit is a relatively frictionless way, without appropriations, of ensuring the federal acquisition workforce is prepared for today's and tomorrow's challenges. Since GSA manages the fund through FAI, but also contributes about 90% of the fees credited to it, this proposal would essentially authorize GSA to reallocate a greater proportion of fees it already collects for acquisition workforce training.

This proposal entails increasing the AWTF credit from 5% to 7.5%. This projects to be a \$11.5 million increase to the fund's collections in FY 2024, with FAI retaining \$7.5 million of the new funds and the remaining \$4 million being transferred to DAU.

In FY 2022, about \$22 million was credited to the fund, with FAI retaining \$14 million and the remaining \$8 million being transferred to DAU. Approximately \$20 million of those credits came from fees collected by GSA for the use of its applicable contracts (such as Federal Supply Schedules and Governmentwide Acquisition Contracts). If the FY 2022 credit (5%) had been increased to the proposed 7.5% rate, total collections would have been approximately \$33 million, with \$21 million being retained by FAI and \$12 million being transferred to DAU. GSA-collected fees would have accounted for \$30 million of the total \$33 million in fund credits.

**Resource Information:** This proposal would have no significant net budgetary impacts. Resources affected by this proposal are incidental in nature and amount and are included within the Fiscal Year (FY) 2024 President's Budget request. This proposal would not impact net outlays or revenues. It would increase credits to the AWTF by 50% by increasing the portion of fees already collected by federal agencies (primarily GSA).

**Resubmission Information:** This is the first time this proposal has been submitted.

**Changes to Existing Law:** This proposal would make the following changes to section 1703(i) of title 41, United States Code:

(i) TRAINING FUND.—

(1) PURPOSES.—The purposes of this subsection are to ensure that the Federal acquisition workforce—

(A) adapts to fundamental changes in the nature of Federal Government acquisition of property and services associated with the changing roles of the Federal Government; and

(B) acquires new skills and a new perspective to enable it to contribute effectively in the changing environment of the 21st century.

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<sup>13</sup> Pub. L. 112-81, div. A, title VIII, §864(b)(1), Dec. 31, 2011, 125 Stat. 1523.

(2) ESTABLISHMENT AND MANAGEMENT OF FUND.—There is an acquisition workforce training fund. The Administrator of General Services shall manage the fund through the Federal Acquisition Institute to support the activities set forth in section 1201(a) of this title, except as provided in paragraph (5). The Administrator of General Services shall consult with the Administrator in managing the fund.

(3) CREDITS TO FUND.—~~Seven and a half~~Five percent of the fees collected by executive agencies (other than the Department of Defense) under the following contracts shall be credited to the fund:

(A) Government-wide task and delivery-order contracts entered into under sections 4103 and 4105 of this title.

(B) Government-wide contracts for the acquisition of information technology as defined in section 11101 of title 40 and multiagency acquisition contracts for that technology authorized by section 11314 of title 40.

(C) multiple-award schedule contracts entered into by the Administrator of General Services.

(4) REMITTANCE BY HEAD OF EXECUTIVE AGENCY.—The head of an executive agency that administers a contract described in paragraph (3) shall remit to the General Services Administration the amount required to be credited to the fund with respect to the contract at the end of each quarter of the fiscal year.

(5) TRANSFER AND USE OF FEES COLLECTED FROM DEPARTMENT OF DEFENSE.—The Administrator of General Services shall transfer to the Secretary of Defense fees collected from the Department of Defense pursuant to paragraph (3). The Defense Acquisition University shall use the fees for acquisition workforce training.

(6) AMOUNTS NOT TO BE USED FOR OTHER PURPOSES.—The Administrator of General Services, through the Office of Federal Procurement <sup>1</sup> [*Footnote: So in original. Probably should be "Procurement"*] Policy, shall ensure that amounts collected under this section are not used for a purpose other than the activities set forth in section 1201(a) of this title.

(7) AMOUNTS ARE IN ADDITION TO OTHER AMOUNTS FOR EDUCATION AND TRAINING.—Amounts credited to the fund are in addition to amounts requested and appropriated for education and training referred to in subsection (h)(1).

(8) AVAILABILITY OF AMOUNTS.—Amounts credited to the fund remain available to be expended only in the fiscal year for which they are credited and the 2 succeeding fiscal years.