

Subpart 4.14 - Reporting Executive Compensation and First-Tier Subcontract Awards

Parent topic: [Part 4 - Administrative and Information Matters](#)

4.1400 Scope of subpart.

This subpart implements section 2 of the Federal Funding Accountability and Transparency Act of 2006 (Pub.L.109-282), as amended by section 6202 of the Government Funding Transparency Act of 2008 (Pub. L. 110-252), which requires contractors to report subcontract award data and the total compensation of the five most highly compensated executives of the contractor and subcontractor. The public *may* view first-tier subcontract award data at <http://www.usaspending.gov>.

4.1401 Applicability.

(a) This subpart applies to all contracts with a value of \$40,000 or more. Nothing in this subpart requires the disclosure of *classified information*.

(b) Reporting of subcontract information will be limited to the first-tier subcontractor.

4.1402 Procedures.

(a) Agencies *shall* ensure that contractors comply with the reporting requirements of [52.204-10](#), Reporting Executive Compensation and First-Tier Subcontract Awards. Agencies *shall* review contractor reports on a quarterly basis to ensure the information is consistent with contract information. The agency is not required to address data for which the agency would not normally have supporting information, such as the compensation information required of contractors and first-tier subcontractors. However, the agency *shall* inform the contractor of any inconsistencies with the contract information and require that the contractor correct the report, or provide a reasonable explanation as to why it believes the information is correct. Agencies *may* review the reports at <http://www.frs.gov>.

(b) When *contracting officers* report the contract action to the Federal Procurement Data System (FPDS) in accordance with FAR [subpart 4.6](#), certain data will then pre-populate from FPDS, to assist contractors in completing and submitting their reports. If data originating from FPDS is found by the contractor to be in error when the contractor completes the subcontract report, the contractor *should* notify the Government *contracting officer*, who is responsible for correcting the data in FPDS. Contracts reported using the generic entity identifier allowed at FAR [4.605\(c\)\(2\)](#) will interfere with the contractor's ability to comply with this reporting requirement, because the data will not pre-populate from FPDS.

(c) If the contractor fails to comply with the reporting requirements, the *contracting officer shall* exercise appropriate contractual remedies. In addition, the *contracting officer shall* make the

contractor's failure to comply with the reporting requirements a part of the contractor's performance information under [subpart 42.15](#).

(d) There is a reporting exception in [52.204-10\(g\)](#) for contractors and subcontractors who had gross income in the previous tax year under \$300,000.

4.1403 Contract clause.

(a) Except as provided in paragraph (b) of this section, the *contracting officer shall* insert the clause at [52.204-10](#), Reporting Executive Compensation and First-Tier Subcontract Awards, in all *solicitations* and contracts of \$40,000 or more.

(b) The clause is not prescribed for contracts that are not required to be reported in the Federal Procurement Data System (FPDS) (see [subpart 4.6](#)).