U.S. General Services Administration

Multiple Award Schedules Desk Reference

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GSA Multiple Award Schedules (MAS) Program Desk Reference

In your continuing role as a business advisor, we recognize that procurement is not just following rules and regulations. Rather, it is a process of making sound business decisions. Today, we have many tools and operate in a constantly changing environment. Your task now is to navigate the procurement world, understand the rules, employ the tools, and develop efficient acquisition strategies. This guide will help you navigate the MAS program to fulfill your agency's procurement needs.

Tips at a Glance ...

As you read this manual, look for these helpful tips to help you make a "best value" selection.

POWER-BUYING TIP

These tips are identified by the icon to the left. Read them carefully; they create opportunities for cost savings.

NUTS-AND-BOLTS TIP

These tips, identified by the icon shown here, are "how-tos" designed to enhance your learning experience.

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Welcome to the GSA Multiple Award Schedules Desk Reference

Through the GSA Multiple Award Schedules (MAS)* program, we establish long-term, government-wide contracts that provide easy access to more than 25 million commercial products and services whereby you can place orders at volume discount pricing. Further, because of established contractor relationships and the streamlined ordering procedures found in FAR Subpart 8.4, GSA Schedules offer shorter procurement lead times and lower administrative costs compared to establishing a new contract.

When using the MAS program, your purchases count toward your socioeconomic program goals while promoting compliance with various environmental and socioeconomic laws and regulations. Procedures used to purchase from GSA Schedules vary based upon the dollar amount of the procurement and whether a Statement of Work (SOW) is required. This manual will guide you through that process and help you to gain an understanding of how the MAS program works.

* Throughout this guide, the terms "Schedule," "GSA Schedule," and "GSA MAS" are used interchangeably. Each term refers to a GSA Schedule contract awarded under the GSA Multiple Award Schedules (MAS) program. The Federal Acquisition Regulation (FAR) refers to GSA Schedule contracts as "Federal Supply Schedules (FSS)."

For more information about Schedules, please visit www.gsa.gov/schedules.

Multiple Award Schedules (MAS) Value Proposition

With MAS, you will:

1. **Realize cost savings**
   - Up-to-date, FAR-compliant acquisition vehicles that help you minimize risks
   - Competitive, market-based pricing that leverages the buying power of the federal government with the ability to negotiate further discounts at the order level
   - Acquisition experts available to help you make the most of Schedules
   - On-site and online training for help using Schedules
   - Service to meet your mission needs, from the government's premier acquisition agency
2. **Experience flexibility and choice**
   - The ability to tailor orders to get what you need by customizing terms and conditions at the order level
   - Set-aside orders for small business at your discretion in order to help achieve your agency's annual small-business goals
   - Alternatives, such as Blanket Purchase Agreements (BPAs) and Contractor Team Arrangements (CTAs), that can replace the need for agency indefinite-delivery/indefinite-quantity (IDIQ) contracts
   - Decision tools and contracting solutions proven to meet complex requirements
   - A vast selection of contractors offering expert solutions for services and products
3. **Save time**
   - Pre-competed, on-demand contracts to increase the productivity and capacity of scarce acquisition resources
   - Quick and easy access to the right industry partners, allowing you to make the most use of your valuable time
   - GSA has already performed a FAR Part 9 responsibility determination on each MAS contractor
   - Formalized FAR part 15 procedures are not applicable to MAS orders (e.g., required debriefing, competitive range determinations, etc.)
   - Subcontracting plans are already negotiated and issued at the MAS contract level and therefore are not required for orders
4. **Realize transparency**
   - A suite of eTools that can be leveraged to identify qualified contractors, maximize competition, and assist you in reaching your socioeconomic goals
   - Business intelligence into customer purchasing patterns when using GSA eTools
5. **Control the procurement**
   - Self-service access that allows agency contracting offices to retain control of their procurements, including requirements development, evaluation, award, and administration
   - Full-service options when in-house resources are tapped with other pressing projects

Who May Purchase from GSA Schedules?

Federal agencies and other authorized activities are eligible to use GSA sources pursuant to the Federal Property and Administrative Services Act of 1949 or other statutory authority. An eligible ordering activity is authorized to place orders or establish Blanket Purchase Agreements (BPAs) against GSA Schedule contracts. Additional information and a complete list of eligible users is located at www.gsa.gov/eligibilitytouse.

List of Abbreviations

Below are abbreviations that appear in this desk reference.

AAC	Activity Address Code
ADR	Alternative Dispute Resolution
A/OPC	Agency/Organization Program Coordinator
BOA	Basic Ordering Agreement
BPA	Blanket Purchase Agreement
CICA	Competition in Contracting Act
CMLS	Centralized Mailing List Service
COC	Certificate of Competency
CTA	Contractor Team Arrangement
eBuy	Electronic Request for Quotations System
EPA	Economic Price Adjustment
EPLS	Excluded Parties List System
FAPIIS	Federal Awardee Performance and Integrity Information System
FAR	Federal Acquisition Regulation
FAS	Federal Acquisition Service
FBO	Federal Business Opportunities
FPMR	Federal Property Management Regulations
FSS	Federal Supply Schedule
GFE	Government Furnished Equipment
GFI	Government Furnished Information
GFM	Government Furnished Material
GPE	Government-wide Point-of-Entry
GSA	General Services Administration
GSAM	General Services Acquisition Manual
GSAR	General Services Acquisition Regulation
GWAC	Governmentwide Acquisition Contract
HUBZone	Historically Underutilized Business Zone
IDIQ	Indefinite Delivery/Indefinite Quantity
MFC	Most Favored Customer
MAS	Multiple Award Schedule
MOU	Memorandum of Understanding
NCSC	National Customer Service Center

ODC	Other Direct Cost
OMB	Office of Management and Budget
PBA	Performance-Based Acquisition
PL	Public Law
PPIRS	Past Performance Information Retrieval System
PWS	Performance Work Statement
QASP	Quality Assurance Surveillance Plan
RFI	Request for Information
RFQ	Request for Quotation
SAM	System for Award Management
SAT	Simplified Acquisition Threshold
SBA	Small Business Administration
SIN	Special Item Number
SOO	Statement of Objectives
SOW	Statement of Work
SPOC	State Point of Contact
U.S.C	United States Code

List of Web Resources

Below you'll find websites that appear in this desk reference.

GSA Web Resources*	Description
AbilityOne www.abilityone.org	Committee for Purchase from People Who are Blind or Severely Disabled. This is one of the required sources of supplies, per FAR 8.002.
Acquisition Gateway https://hallways.cap.gsa.gov/login-information	The Acquisition Gateway, built by GSA, helps federal government buyers from all agencies act as one acquisition community. The Acquisition Gateway is a workspace that provides accurate, useful, and unbiased advice. It helps federal acquisition professionals learn what they need to know, connect with others to collaborate and communicate, and act to accomplish their tasks effectively.
Blanket Purchase Agreement www.gsa.gov/bpa	Provides information on how to establish and use BPAs.

Continued on the next page

**For additional Web resources, refer to Section 13 of this Desk Reference.*

GSA Web Resources *(continued)*	Description *(continued)*
Central Contractor Registration www.sam.gov	Central Contractor Registration (CCR), now a part of the System for Award Management (SAM), is the primary registrant database for the U.S. federal government. CCR collects, validates, stores, and disseminates data in support of agency acquisition missions, including federal agency contract and assistance awards. Current and potential federal government registrants are both required to register in CCR in order to be awarded contracts by the federal government.
Defense Acquisition Guidebook https://dag.dau.mil/Pages/Default.aspx	Guide on procurement activities for DOD.
Eligibility to Use GSA Sources of Supply and Services www.gsa.gov/eligibilitytouse	Provides information on who can use the GSA Schedules program.
Excluded Parties List System www.sam.gov	The Excluded Parties List System (EPLS), now a part of the System for Award Management (SAM), includes information regarding entities debarred, suspended, proposed for debarment, excluded, or disqualified under the nonprocurement common rule, or otherwise declared ineligible from receiving federal contracts, certain subcontracts, and certain federal assistance and benefits.
Federal Acquisition Regulation www.acquisition.gov/far/index.html	Online version of the FAR; it is the most up-to-date source.
Federal Acquisition Service www.gsa.gov/fas	Through eight program areas, the Federal Acquisition Service (FAS) possesses unrivaled capability to deliver comprehensive products and services across government at the best value possible. FAS offers a continuum of innovative solutions in the areas of: ❖ Products and Services ❖ Technology ❖ Motor Vehicle Management ❖ Transportation ❖ Travel ❖ Procurement and Online Acquisition Tools

Continued on the next page

GSA Web Resources *(continued)*	Description *(continued)*
Federal Awardee Performance and Integrity Information System www.fapiis.gov	The Federal Awardee Performance and Integrity Information System (FAPIIS) provides users access to integrity and performance information from the FAPIIS reporting module in the Contractor Performance Assessment Reporting System (CPARS), proceedings information from the Central Contractor Registration (CCR) database, and suspension/disbarment information from the Excluded Parties List System (EPLS).
Federal Business Opportunities www.fbo.gov	Government Point-of-Entry (GPE) for the public to learn about upcoming acquisitions and to download solicitations.
General Services Administration (GSA) www.gsa.gov	GSA's home on the Web. From here, you can search for anything related to GSA, including pertinent information about the GSA Schedules program.
Governmentwide Acquisition Contracts www.gsa.gov/gwacs	GWACs are multiple-award, indefinite-delivery/indefinite-quantity (IDIQ) contracts that help agencies meet their technology requirements through a customizable solution. Hardware, software, and services can be purchased as a total technology solution.
GSA Acquisition Manual www.acquisition.gov/gsam/gsam.html	This is GSA's set of acquisition guidance materials. It includes the GSAR (General Services Acquisition Regulation), which supplements the FAR and other nonregulatory policies and procedures. It also houses the forms library.
GSA Centralized Mailing List Service www.gsa.gov/cmls	GSA offers a Centralized Mailing List Service (CMLS), which stores and mails printed copies of various GSA publications, including product catalogs, Schedules brochures, fact sheets, and more. Just let us know which publications you want, and we will mail them to you at no charge. You can also download PDF versions for your convenience.
GSA eBuy www.ebuy.gsa.gov	An electronic Request for Quotations (RFQ) system designed to allow government buyers to request information, find sources, and prepare RFQs, online, for millions of services and products offered through GSA's MAS and GSA Technology contracts.

Continued on the next page

GSA Web Resources *(continued)*	**Description** *(continued)*
GSA eLibrary www.gsaelibrary.gsa.gov	GSA eLibrary is your one source for the latest GSA contract-award information.
GSA Environmental Products and Services www.gsa.gov/gogreen	Source for a variety of environmental information including policy, procedures, programs, and links to products and services that are available to Schedule users to assist them in their efforts to comply with procurement responsibilities outlined in federal environmental laws and regulations.
GSA Multiple Award Schedules www.gsa.gov/schedules	Information on Schedules including an ordering guide, FAQ, policy and procedures, news and resources, federal agency information, contractor information, and much more.
GSA SmartPay® 2 www.gsa.gov/smartpay	Provides a copy of the master contract, contractor guides, performance summaries, a list of agency representatives for questions and answers, agency information, points of contact, and more.
GSA*Advantage!*® www.gsaadvantage.gov	GSA*Advantage!*® is the government's premier online shopping system. With GSA*Advantage!*®, you'll have instant access to millions of high-quality products, services, and solutions from thousands of approved commercial contractors.
GSA's National Customer Service Center (NCSC) www.gsa.gov/ncsc	The NCSC's customer-service representatives are knowledgeable about GSA's business lines and their associated products and services and will direct you to a source that will best address your needs.
Office of Management and Budget (OMB) www.whitehouse.gov/omb	The core mission of OMB is to serve the president of the United States in implementing his vision across the executive branch. OMB is the largest component of the Executive Office of the President. It reports directly to the president and helps a wide range of executive departments and agencies across the federal government to implement the commitments and priorities of the president in the areas of budget development and execution, management, coordination, and review of all significant federal regulations by executive agencies, legislative clearance and coordination, and executive orders and presidential memoranda.

Continued on the next page

GSA Web Resources *(continued)*	**Description** *(continued)*
Online Representations and Certifications Application (ORCA) www.sam.gov	ORCA, now a part of the System for Award Management (SAM), replaces most of the paper-based Representations and Certifications (Reps and Certs) in Section K of solicitations with an Internet application.
Past Performance Information Retrieval System (PPIRS) www.ppirs.gov	PPIRS is a Web-enabled, enterprise application that provides timely and pertinent contractor past-performance information to the Department of Defense and federal acquisition community for use in making source-selection decisions. PPIRS assists acquisition officials by serving as the single source for contractor past-performance data.
Performance-Based Acquisitions (PBA) Seven Steps www.acquisition.gov/comp/seven_steps/home.html	Provides the outline and details of each of the seven steps in conducting a PBA. Includes a decision tree to help decide whether an acquisition is a good PBA candidate.
Small Business Administration www.sba.gov	Created by the Small Business Act of 1953 to help small businesses get their fair share of federal contracts and subcontracts, by providing guidance and loans to emerging businesses.
U.S. Customs and Border Protection www.cbp.gov	Federal agency responsible for making substantial transformation determinations or giving their opinions based upon tariff laws.

Online Collaboration

Acquisition Gateway

The Acquisition Gateway, built by GSA, helps federal government buyers from all agencies act as one acquisition community. The Acquisition Gateway is a workspace that provides accurate, useful, and unbiased advice. It helps federal acquisition professionals learn what they need to know, connect with others to collaborate and communicate, and act to accomplish their tasks effectively. Our goal is to help make government acquisition great.

Inside the Acquisition Gateway, you can find governmentwide solution comparisons, connect with other acquisition professionals, and explore product and service category hallways. The hallways feature expert articles, templates, market research tools, prices paid data, and more to achieve successful outcomes at each step of the acquisition life cycle.

Please visit https://hallways.cap.gsa.gov/ for more information and to take advantage of all the resources the Acquisition Gateway has to offer.

GSA Interact

GSA Interact is GSA's online community where you can find the latest policy and guidance affecting GSA programs, as well as blogs, training events, webinars, and discussion groups. To join, visit https://interact.gsa.gov.

Section 1: Overview

Understanding the GSA Schedules Program

The U.S. General Services Administration (GSA) is a centralized federal procurement and property management agency designed to help federal agencies better serve the public. GSA continuously seeks new supplies and services, designs innovative systems, introduces procurement models, addresses customer needs and expectations, and strives to create "best value" for customers.

GSA's Mission and Priorities

Our Mission

The mission of GSA is to deliver the best value in real estate, acquisition, and technology services to government and the American people.

Our Priorities

- Delivering Better Value and Savings
- Serving our Partners
- Expanding Opportunities for Small Businesses
- Making a More Sustainable Government
- Leading with Innovation
- Building a Stronger GSA

Delivering Better Value and Savings. By using the purchasing power of the federal government, we will drive down prices, deliver better value, and reduce costs to our customer agencies. As a result, these agencies can focus their resources and attention on their core missions. We will also step up our efforts to save agencies money by creating 10 new ways that the entire government can purchase resources smarter and more efficiently. In addition, we are looking to maximize the value of our real-estate assets and reduce our federal footprint. At the same time, we are looking to help our partner agencies find the space and services they need to serve the American people.

Serving our Partners. GSA will ensure that doing business with us is as easy and reliable as possible by simplifying and streamlining our processes and systems. We are dedicated to providing an excellent customer experience for our partner agencies and vendors. GSA will create a culture of continuous improvement by always searching for better ways to meet our customers' needs and expectations.

Expanding Opportunities for Small Businesses. Delivering the best value for government and the American people requires taking advantage of all resources. Central to that approach is expanding opportunities for small businesses throughout the country. GSA will share ideas and best practices across the organization and with our customer agencies. We are working with the small-business community – including businesses owned by veterans, women, minority, and disadvantaged entrepreneurs – to strengthen partnerships and support the success of our vendors.

Making a More Sustainable Government. Going green saves green, and we are committed to a sustainable government that reduces energy and water use in federal buildings, responsibly disposes of electronic waste, and greens the federal fleet. GSA will also continue to work with businesses to make sustainable products and services readily available and affordable to our partner agencies. GSA has begun including life-cycle costs into our planning and decision-making. We are also beginning the widespread implementation of innovative technologies and best practices from sources such as our own Green Proving Ground. Through our efforts, we can reduce our government's environmental and fiscal footprints.

Leading with Innovation. GSA is a leader of innovation in public service. For example, GSA was the first government agency to move to the cloud and to offer a process to streamline security of cloud services for the entire federal government. We are promoting an innovative, flexible, open workplace that will shrink the federal footprint while also serving as a model for federal offices for the future. In the coming year, we will continue to develop innovative cost-saving solutions that will be shared across the government.

Building a Stronger GSA. We must provide our own employees with the same high-quality service and support that we provide our partner agencies. Within GSA, we need to give our employees the very best training and resources available so that they can deliver our mission as efficiently as possible. We will emphasize collaboration and cooperation across our business lines and throughout the agency so that our customers are receiving the best service from GSA. We will guarantee that when we do something, we will do it once and do it well.

Overview of the GSA Schedules Program

The GSA Schedules program provides eligible ordering activities with a simplified process for obtaining supplies and services.

Simply put, a Schedule is composed of companies that supply comparable commercial supplies and services through contracts awarded by GSA. With 17,000+ contracts in place, the program offers tremendous choice and flexibility.

Schedule contracts are indefinite-delivery/indefinite-quantity (IDIQ) contracts awarded to responsible companies that offer commercial supplies or services at fair and reasonable prices. These contracts can be used by eligible ordering activities worldwide (refer to www.gsa.gov/eligibilitytouse). After GSA awards the contracts, ordering activities order from Schedule contractors and deliveries are made directly to the customer.

Statutory and Regulatory Foundation

Statutory Authority for the MAS Program

The GSA Administrator has statutory authority to procure and supply personal property and nonpersonal services for use of the executive agencies in the proper discharge of their responsibilities and perform functions related to procurement and supply (including establishing the MAS program) through Title 41 U.S.C. 152 and Title 40 U.S.C. 501.

The statute states that the use of GSA Schedules is a competitive contracting procedure since participation in the program has been open to all **responsible prospective contractors** and orders and contracts under such procedures result in the lowest overall cost alternative to meet the needs of the government. (See FAR 8.404(a).)

Regulatory Foundation

The **Federal Acquisition Regulation (FAR)** provides the primary regulatory guidance for the GSA Schedules program. The **General Services Acquisition Regulation (GSAR)** is the GSA FAR supplement. The GSAR provides guidance tailored to GSA **acquisitions**, including GSA Schedules contracting. GSAR guidance primarily affects GSA Schedules by providing supplementary guidance to the Contracting Officers awarding and administering GSA Schedule contracts.

FAR Subpart 8.4, Federal Supply Schedules, prescribes procedures that federal government ordering activities must follow when issuing orders using GSA Schedules. Orders placed following these procedures are considered to be issued using full and open competition. (See FAR 8.404(a).)

FAR Part 12, Acquisition of Commercial Items, prescribes policies and procedures unique to the acquisition of commercial items. It implements the federal government's preference for the acquisition of commercial items contained in Title VIII of the Federal Acquisition Streamlining Act of 1994 (Public Law 103-355) by establishing acquisition policies more closely resembling those of the commercial marketplace and encouraging the acquisition of commercial items and components.

FAR Subpart 6.102(d)(3), Competition Requirements, pertains to use of competitive procedures. It states use of MAS issued under the procedures established by the Administrator of General Services consistent with the requirement of 41 U.S.C. 259(b)(3)(A) for the MAS program of GSA is a competitive procedure.

FAR	Title	Applicable to Orders
Part 13	Simplified Acquisition Procedures	No (except allows for MAS BPAs IAW 8.405-3)
Part 14	Sealed Bidding	No
Part 15	Contracting by Negotiation	No
Part 19	Small-Business Programs	No (except bundling and criteria)
Part 36	Construction and A&E	No
Part 7	Acquisition Planning	Yes
Part 10	Market Research	Yes
Subpart 17.5	Interagency Acquisitions	Yes
Subpart 33.1	Protests	Yes
Subpart 37.6	Performance-Based Acquisition	Yes
Part 39	Acquisition of Information Technology	Yes

Priorities for Use of the GSA Schedules Program

FAR Subparts 8.002, 8.003, and 8.004 establish priorities for the use of government supply and service sources to satisfy ordering-activity requirements.

FAR 8.002 – Priorities for Use of Mandatory Government Sources

Supplies*	Services
Agency Inventory	Services that are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled (AbilityOne)
Excess from other agencies	
Federal Prison Industries	
Supplies that are on the Procurement List maintained by the Committee for Purchase from People Who are Blind or Severely Disabled (AbilityOne)	
Wholesale Supply Sources (GSA/DLA)	

**Listed in order of priority*

If an agency is unable to satisfy requirements through mandatory sources, it is encouraged to consider satisfying requirements through the following nonmandatory sources before considering commercial sources in the open market.

FAR 8.004 – Use of Other Sources

Supplies*	Services*
Federal Supply Schedules	Federal Supply Schedules
Governmentwide Acquisition Contracts	Governmentwide Acquisition Contracts
Multi-Agency Contracts	Multi-Agency Contracts
Other contracts or BPAs intended for government-wide use, e.g., Federal Strategic Sourcing Initiative (FSSI)	Other contracts or BPAs intended for government-wide use, e.g., Federal Strategic Sourcing Initiative (FSSI)
Wholesale Supply Sources	Wholesale Supply Sources
	Federal Prison Industries

**No prescribed order of priority*

Competition and the GSA Schedules Program

The FAR states that orders and Blanket Purchase Agreements (BPAs) placed against the Schedules program are considered to be issued pursuant to full and open competition as long as the ordering procedures are followed. See FAR 6.102(d)(3).

The Schedules program meets the requirements of the Competition in Contracting Act (CICA).

An acquisition is considered to have been conducted under adequately competitive procedures when ordering activities follow the ordering procedures of FAR Subpart 8.4, Federal Supply Schedules (refer to "Ordering Procedures" – Section 3 of this desk reference).

Therefore, when placing orders in accordance with FAR 8.405, ordering activities:

- Shall not seek further competition outside the Schedules program
- Shall not synopsize the award in FBO (exception: orders or BPAs supported by a limited-source justification in accordance with FAR 8.405-6)
- Shall seek price reductions for orders exceeding the Simplified Acquisition Threshold (SAT)
- Need not make a separate determination of fair and reasonable pricing, refer to FAR 8.404(d) (except for determining the total price is reasonable when considering the level of effort and labor mix for service tasks as required by FAR 8.405-2(d)0). Except DOD and NASA:
  - For DOD, see Class Deviation – Determining Fair and Reasonable Prices When Using Federal Supply Schedules (dated March 13, 2014)
  - For NASA, see Procurement Information Circular 14-01 Class Deviation from FAR 8.404(d) – Pricing Orders under Federal Supply Schedules (dated March 13, 2014)

Key Benefits of the GSA Schedules Program

The wide variety and large number of Schedule contractors allow ordering activities to access an extensive range of supplies and services to satisfy their requirements. More than 17,000 Schedule contractors offer more than 25 million supplies and services.

Additionally, the Schedules program offers ordering activities numerous benefits, including:

Flexibility

When placing orders against Schedule contracts, ordering activities make a "best value" determination to select services or supplies to meet their needs (to find more on "best value," refer to Section 3).

Schedule users have the opportunity to access the latest innovative services and technologies available. Schedule contractors have the ability to submit requests at any time to update their offerings.

Expert Knowledge

GSA awards contracts to industry experts – from small, innovative companies to Fortune 500 firms – that understand the supplies and services needed by Schedules program customers. Similarly, GSA works with ordering activities to understand their needs. These efforts bring the private sector and ordering activities together in the knowledge supply chain.

Money-Saving Options

- **Volume Pricing**
  GSA negotiates competitive contracts with commercial partners that offer discounts equal to or better than those provided to their best commercial customers.
- **Spot Discounts**
  Schedule contractors may lower contract prices, offer spot discounts, pass along long-term price reductions, and/or provide additional concessions.
- **Price Reductions**
  Seeking additional price reductions and concessions at the order level allows the customer to achieve improved prices and delivery terms.

POWER-BUYING TIP

Discounts

Always ask for discounts from Schedule prices and rates. What do you have to lose?

NUTS-AND-BOLTS TIP

The Economy Act

The Economy Act: FAR 17.502-2 does not apply to the GSA Schedules program. No Memorandum of Understanding (MOU) is required for an agency to use a Schedule contract.

A Word to Contractors about Discounting

Discounting contract prices to an eligible ordering activity does not invoke the price reduction clause. See GSAR 552.238-75(d)(2).

Roles and Responsibilities

GSA is responsible for the award, administration, and management of GSA Schedule contracts. The ordering activity is responsible for the award, administration, management, and closeout of the task order placed under the GSA Schedule contract. In addition, the ordering activity must comply with the Schedule contract terms and conditions, the Federal Acquisition Regulation (FAR), and authorized agency supplement, statutes, and policies. For example, the Department of Defense (DOD) requires a Determination and Findings when using non-DOD contracts.

GSA's responsibilities:

- Administer the GSA Schedule contract including annual subcontracting goal reporting, contract modifications to implement new FAR guidance, and contract administration procedures IAW the terms and conditions of the contract.
- Update the GSA Schedule contract terms and conditions so that they remain relevant and FAR compliant.
- Provide advice and guidance to ordering activities regarding GSA Schedule matters as requested by the ordering activity.
- Determine fair and reasonable prices for the purpose of establishing the GSA Schedule contracts.

Ordering Activity Responsibilities:

- Define order requirements.
- Prepares Statement of Work (SOW) or Performance Work Statement for task and delivery order RFQs.
- Properly manage funds IAW rules and regulations.
- Ensure IT capital planning when appropriate.
- Evaluate quotes.
- Perform performance monitoring and appraisal via a certified Contracting Officer's Representative (COR).

Definitions

Ordering Contracting Officer (OCO): the agency-warranted Contracting Officer who is placing the order.

GSA Schedule Contracting Officer: GSA's warranted Contracting Officer who awarded and/or administers the GSA Schedule contract.

Schedule Number: the unique identification number assigned to each Schedule category. For example, GSA MAS 71 provides agencies with a variety of furniture options.

GSA Special Item Number: the unique identification number assigned to specific products or service category under a Schedule. For example, IT Schedule 70 offers a variety of SIN categories such as 132-51, Information Technology Professional Services, and 132-32, Term Software License.

Most Favored Customer Pricing: the best price (i.e., similar or better discounts that the vendor has given to commercial customers).

Contractor Price List: the most favored customer pricing terms, which have been negotiated by GSA at the Schedule level.

Contractor Team Arrangement: two or more GSA Schedule contractors working together to provide a total solution to the ordering activity. www.gsa.gov/contractorteamarrangements

NUTS-AND-BOLTS TIP

Scope Determination

The ordering activity should determine that the products and/or services required are within the scope of the GSA Schedule contract. The process for making a scope determination differs for products and services.

Products

For products, if the ordering activity has a bona-fide need for the product and it is available on the GSA contract, it is within scope. There is no requirement for the ordering activity to receive a GSA scope determination.

Services

For services, this typically means the ordering activity will use the steps below to verify that its requirement can be adequately met through a GSA Schedule contract:

1. Check the Schedule and category description using GSA eLibrary at http://www.gsaelibrary.gsa.gov.
2. Review the Statement of Work, which is available in the GSA standing solicitations for the GSA Schedule being contemplated. The solicitations may be accessed through www.gsa.gov/schedulesolicitations.
3. If the OCO is still unsure of the scope fit, he or she may request a scope review from the GSA Contracting Officer.

For most procurements, the ordering activity's Contracting Officer can make a scope determination by following steps 1 and 2 above; however, in the event additional information is needed, the Contracting Officer may contact GSA for further assistance at gsaschedules@gsa.gov.

Services Not Allowed on Schedule Task Orders

Schedule task orders shall not include any of the following:

Inherently governmental functions – see the prohibition at FAR Subpart 7.503(a)

Personal services as defined in FAR Subpart 37.104(a)

Architect and Engineering (A&E) Services subject to the Brooks Act and FAR Part 36 acquisition procedures

Construction – except minor repair and alterations can be provided as ancillary under GSA MAS 03FAC, Facilities Management.

Section 2: How GSA Schedules Are Awarded

The Schedules program is based on a commercial acquisition model. Through the program, GSA offers a means for buying activities to take advantage of the tremendous benefits that can be achieved only by leveraging the government's immense buying power. The discounts this buying power affords are passed on to ordering activities. The steps GSA takes in the acquisition process to establish Schedule contracts are similar to those of any federal acquisition. A step-by-step approach is provided below to explain this process.

Awarding a GSA Schedule Contract

Step 1. Acquisition Planning

GSA conducts market research and electronically posts pre-solicitation notices and synopses at the Federal Business Opportunities (FBO) website. Also, pre-solicitation conferences are held with industry and eligible ordering activities to assist GSA in accurately identifying and describing potential future requirements. Additionally, for each Schedule solicitation, small-business set-aside determinations are made.

Step 2. Standing Solicitations and Offers

Standing solicitations are posted on FBO (www.FBO.gov), and offers are solicited and accepted from prospective businesses at any time. Solicitations are continuously refreshed (amended) and updated as contract terms and conditions evolve. After the solicitations are updated, existing Schedule contracts are modified to ensure they contain the latest terms and conditions. All GSA Schedule solicitations may be accessed through www.gsa.gov/schedulesolicitations.

Step 3. Evaluation

After offers are received, each individual offer is evaluated on its own merit. Offerors are provided opportunities to clarify deficiencies and are allowed to submit supplemental information.

Schedule contract evaluation factors include:

- Technical
- Factor One – Corporate Experience
- Factor Two – Past Performance
- Factor Three – Quality Control
- Factor Four – Relevant Project Experience (services contracts only)
- Pricing

During the evaluation process, the Contracting Officer works closely with the small-business technical advisor to evaluate small-business subcontracting goals for large-business offerors.

Prior to award, a "determination of responsibility" is made pursuant to FAR Part 9.

Because GSA has completed a determination of responsibility at the Schedules contract level, ordering agencies are not required to conduct it at the order level. A determination of responsibility focuses on a Schedule contractor's financial resources, integrity, operational controls, technical skills, production-control procedures, quality-assurance measures, property control systems, technical equipment, facilities, and past performance (refer to FAR 9.104). Other requirements and clearances conducted at the contract level by GSA may include:

- EEO clearance (refer to FAR 22.805)
- Pre-Award Audit (refer to FAR 15.404-2(a))
- Central Contractor Registration (CCR), now a part of SAM.gov

GSA evaluates the Schedule offerings in accordance with procedures in FAR Parts 12 and 15 and the General Services Acquisition Manual (GSAM). Prior to the award of a Schedule contract, the GSA Contracting Officer negotiates fair and reasonable pricing. The prices or discounts offered to GSA are compared with the prices or discounts offered by the company to its own commercial customers.

In addition, the offeror's discount practices are examined, evaluated, and used to identify the offeror's "Most Favored Customer" (MFC) pricing. A price analysis is then performed and negotiation strategies are developed based on historical sales data and other market research techniques (e.g., https://calc.gsa.gov/).

Note: *Contracts awarded under the GSA Schedules program are in compliance with Public Law 95-507, Section 211, Subcontracting: Agency Coordination with the Small Business Administration Resident Procurement Center Representatives.*

Prospective offerors representing themselves as large firms must submit a subcontracting plan to GSA that identifies percentage goals for subcontracts with small-business firms and describes how the planned goals will be achieved. In turn, GSA reviews, negotiates, and approves the proposed subcontracting goals. Based upon subcontracting plans, agreed percentages enable federal government business to "flow down" to small-business concerns. The GSA Contracting Officer complies with the EEO clearance procedures of FAR 22.805. As a result, a separate EEO clearance is not required at the order level.

NUTS-AND-BOLTS TIP

Subcontracting Plans

Ordering agencies need not establish or review subcontracting plans at the task-order level.

Step 4. Negotiations

At the conclusion of contract negotiations, the prospective Schedule contractor submits final proposal revisions. Upon receipt, the Contracting Officer will either reject unacceptable offers or determine that prices are fair and reasonable. When the offeror is a small-business concern and a nonresponsibility determination has been made, a Certificate of Competency (COC) is requested from the Small Business Administration (SBA). SBA is authorized by Congress to certify a small company's "capability, competency, credit, integrity, perseverance and tenacity" for performing a specific government contract (refer to FAR 19.6).

Step 5. Contract Award

Award is made to acceptable offerors considering price and other factors.

NUTS-AND-BOLTS TIP

GSA Schedule Period of Performance

Most GSA Schedule contracts have a base period of five years, with the potential opportunity of three additional five-year option periods. Options are exercised in accordance with FAR 17.207. The GSA contract number will indicate what year the MAS contract was awarded as shown here: https://interact.gsa.gov/discussion/ever-wonder-when-fss-contract-was-awarded-so-you-know-how-many-options-are-left.

Step 6. Award Notification and Posting

Schedule contract information, including pricing and terms and conditions of the contract, is available via GSA eLibrary at www.gsaelibrary.gsa.gov. New awardees have six months to place their pricing data onto GSA*Advantage!*® (www.gsaadvantage.gov).

Awarding Overlapping FSS Contracts

An existing Schedule contractor can submit an offer for a new contract for the same Schedule at any time during the existing contract's period of performance, pursuant to updated Clause A-FSS-11 Consideration of Offers under Standing Solicitation. Submission of this new offer may or may not result in the award of an overlapping Schedule contract. However, when an existing contractor has one or more active BPAs or orders under its existing contract (or has submitted quotes and is awaiting an award decision), the contractor is eligible for the award of a new contract that overlaps the existing contract.

Holding overlapping contracts allows existing contractors to complete work under existing BPAs and orders under the existing contract, and to pursue future opportunities under the new contract.

See further discussion on periods of performance for orders and BPAs in Sections 3 and 9 below.

Economic Price Adjustments (EPA)

GSA Schedule contractors are allowed to renegotiate or modify prices in accordance with their commercial practices.

- Price decreases may be requested by the contractor at any time during the contract period.
- Price increases will occur in accordance with the EPA clauses negotiated with each contractor. Common techniques include commercial price lists, fixed escalations, and market indices (e.g., then-current rate of inflation).

Raising the Bar

In an effort to raise standards under the MAS Program, the following requirements have been highlighted in all solicitations and are relevant to all Schedule offers and subsequent contracts, as applicable:

(1) AbilityOne Program Products

The AbilityOne Program is a federal procurement program that generates jobs for individuals who are blind or have another significant disability. In order to distribute AbilityOne products, a vendor must be an authorized AbilityOne Program distributor as designated by the U.S. AbilityOne Commission.

Certain commercial products are considered "essentially the same" (ETS) as AbilityOne products. Because AbilityOne products are mandatory purchases for federal customers, the offeror is required to remove any ETS items from its MAS proposal. This applies only to the following Schedules: GSA MAS 73, Food Service, Hospitality, Cleaning Equipment and Supplies, Chemicals and Services; GSA MAS 75, Office Products/Supplies and Services and New Products/Technology; GSA MAS 51V, Hardware Superstore; and IT Schedule 70, General-Purpose Commercial Information Technology Equipment, Software, and Services.

For more information on the AbilityOne Program, ETS products, and becoming an authorized AbilityOne distributor, please visit www.abilityone.gov or contact Mr. Eric Beale at ebeale@abilityone.gov or (703) 603-2119.

(2) Manufacturer Part Number and Universal Product Code Data

Manufacturer part number (MPN) data must be submitted for all products. The offeror must ensure that the MPN for each proposed product reflects the actual number assigned. Universal Product Code Type A (UPC-A) data must also be submitted for all products for which this information is commercially available. If MPN (and UPC-A data, if commercially available) is submitted incorrectly or not submitted, the associated product may not be awarded.

(3) Frustrated Freight (applicable only to overseas delivery)

The offeror must maintain an order-tracking system that permits ordering agencies to track the location of an order at any time, from the moment the order is shipped to the point of delivery and acceptance.

The offeror must also demonstrate understanding of orders bound for an international endpoint delivery by providing a sample electronic version of a label appropriately marked in accordance with the FED-STD-123 and MIL-STD-129 edition in effect as of the date of solicitation issuance. An offer for OCONUS delivery will not be accepted if the offer does not demonstrate a proper tracking system and provide a sample packaging label for international delivery.

(4) Full-Product and Broad-Service Offerings

The offeror must provide a full and broad array of proposed products/services. An offer will not be accepted with limited product/service offerings unless it represents a total solution for the proposed SINs.

(5) Fair and Reasonable Pricing

To determine fair and reasonable pricing, the GSA Contracting Officer may consider many factors, including pricing on competitor contracts, historical pricing, and currently available pricing in other venues. Offers that propose Most Favored Customer pricing but are not highly competitive will not be determined fair and reasonable and will not be accepted.

Section 3: Ordering Procedures

Ordering Procedures

The GSA Schedules program is designed to assist government customers in meeting their procurement requirements. An "ordering activity" is an activity that is authorized to place orders or establish Blanket Purchase Agreements (BPAs) against the GSA Multiple Award Schedule contracts.

GSA has streamlined ordering procedures, allowing an ordering activity to direct its focus on the requirement rather than on a lengthy acquisition process. The ordering procedures described below are applicable to all agencies throughout the federal government.

The FAR provides the primary regulatory guidance for the GSA Schedules program. FAR Subpart 8.4, *Federal Supply Schedules*, prescribes procedures that ordering activities must follow when issuing orders against Schedules. By placing an order against a Schedule contract, the ordering activity has concluded that the order represents the best value (as defined in FAR 2.101, Definitions) and results in the lowest overall cost alternative to meet the government's need.

NUTS-AND-BOLTS TIP

Applicability of the FAR

When agency requirements are to be satisfied using Schedule contracts, the following Parts of the FAR do not apply:

- Part 13, *Simplified Acquisition Procedures* (except 13.303-2(c)(3))
- Part 14, *Sealed Bidding*
- Part 15, *Contracting by Negotiation*
- Part 19, *Small Business Programs* (except 19.202-1(e)(1)(iii))

Orders placed against a Schedule contract:

- Are not exempt from acquisition planning as required by FAR Part 7 and agency supplements
- Must follow the ordering procedures set forth in FAR 8.405-1 or -2
- May be set aside for small businesses at the discretion of the ordering activity's Contracting Officer
- Are not exempt from an information-technology acquisition strategy as required by FAR Part 39
- Are not exempt from the requirements for a bundled contract when the order meets the definition of "bundled contract" (refer to FAR 2.101 and 13.303-2(c)(3))

Orders against a Schedule contract must be placed during the contract's effective period. Orders placed during the effective period but not completed within that period "shall be completed by the Contractor within the time specified in the order. The Schedule contract shall govern the Contractor's and Government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period, provided that the Contractor shall not be required to make any deliveries under the contract after the completion of the customer order, including options, 60 months following the expiration of the Schedule contract ordering period."

Note that options on orders are not exercised beyond the ordering period of the Schedule contract, including Schedule contract option year periods, unless the Schedule contracts includes clause 52.216-22 (Oct 1995) with fill-in language which provides for orders to extend up to 60 months beyond contract expiration. Before placing an order, it is advisable to verify that the FSS Schedule contract has FAR 52.216-22 (Oct 1995) fill-in language to allow for the exercise of options on orders beyond the contract period. However, no orders or options on orders may extend more than 60 months after the expiration of the FSS Schedule contract.

BPAs or orders awarded under a GSA Schedule contract cannot be transferred to another GSA Schedule contract.

The terms and conditions, including all clauses, are available for viewing for each Schedule through GSA eLibrary at www.gsaelibrary.gsa.gov. On the contractor detail page, click on "View the specifics for this contract" under "Contract Clauses/Exceptions" to view all the clauses for that contract. While GSA will not alter the terms and conditions of a Schedule contract in violation of CICA or alter the scope of a contract to meet an individual ordering activity's unique needs, an ordering activity may add terms and conditions to an order that do not conflict with the Schedule contract terms and conditions. Use caution when adding terms and conditions to a Schedules order to ensure that no violation of CICA occurs.

NUTS-AND-BOLTS TIP

Accessing Schedule Contracts Terms and Conditions

The best and easiest way to review Schedule terms and conditions is to access the current Schedule solicitation for the respective Schedule through FedBizOpps. Go to www.gsa.gov/schedulesolicitations, click the link for the appropriate Schedule; this will link to GSA eLibrary. From eLibrary, click the box linking to FBO.

At the FedBizOpps page, click on the document in the right-hand column entitled "02 – Solicitation."

NUTS-AND-BOLTS TIP

Maximum Order Limitations

Each Schedule contract has a maximum order threshold (MOT), or maximum order limit, which varies by Special Item Number (SIN). The maximum order limit does NOT limit the value of any task order or contract awarded against the SIN. The maximum order threshold simply represents the point where, given the dollar value of the potential order, the Schedule contractor can decline the order. See 52.216-19 ORDER LIMITATIONS (OCT 1995) (DEVIATION II – FEB 2007) for further information on maximum order limitations.

NUTS-AND-BOLTS TIP

DOD One Offer Rule

DOD agencies must follow DOD policy (DFARS 208.404 and 208.405–70) when only one quotation is received under a Schedules solicitation. If less than 30 days for quotation submission was allowed and the order value exceeds $150,000, the Contracting Officer must consider promoting competition by revising the requirements document to eliminate any barriers and by permitting more time for receipt of quotations.

Ordering procedures for Schedule contracts vary, based on:

- Whether or not a Statement of Work (SOW) is used
- The dollar amount of the order

Ordering Procedures Without an SOW

Ordering Procedures – FAR 8.405-1

When ordering **supplies** or **fixed-price services without an SOW**

Exceeds SAT
- Develop RFQ
- Receive ≥ three quotes - use of eBuy meets fair notice
- Limited Sources Justification if applicable
- Seek price reduction
- May not place orders orally
- "Best value" determination

Micro – SAT
- Survey ≥ three contractors
- Limited Sources Justification if applicable
- Determine if a price reduction should be sought
- "Best value" determination

Below Micro
- Place order with contractor
- Distribute orders among contractors

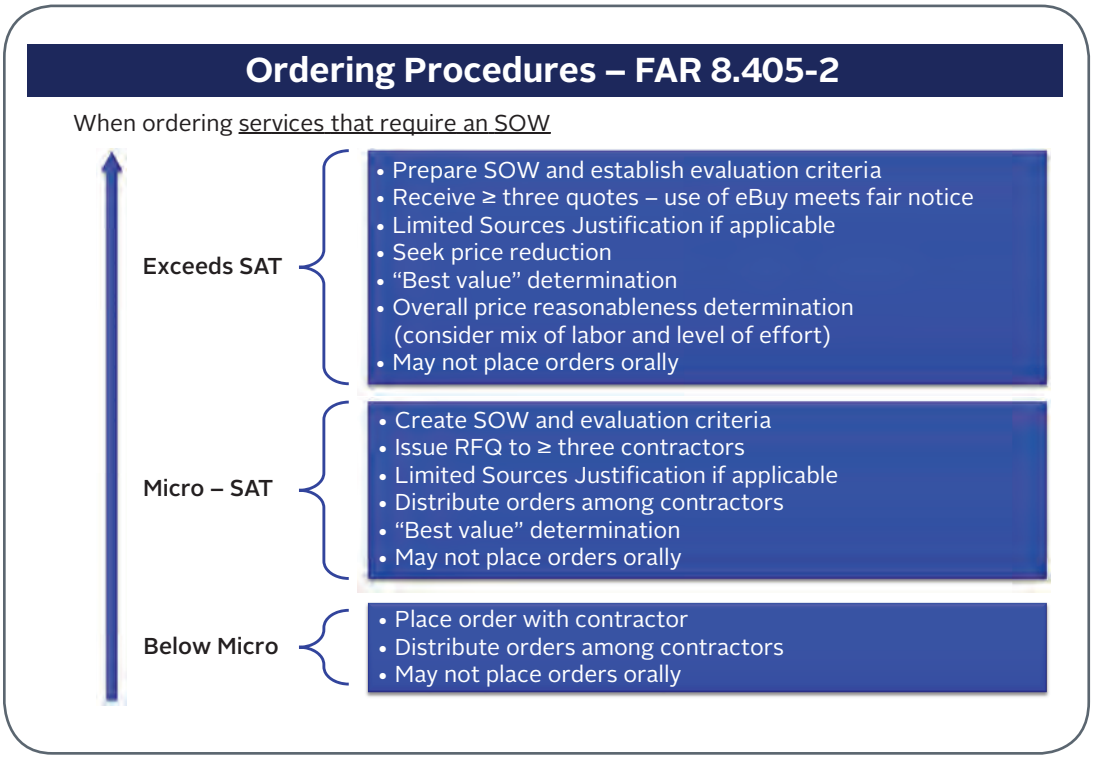
For Orders without an SOW, you may not place orders orally for any Brand Name Specification over $25,000. See FAR 8.406-1(a)(3).

For orders at or below the micro-purchase threshold, the ordering activity can place the order directly with any GSA Schedule contractor that can meet their needs. Orders should, however, be distributed among various contractors.

For orders that exceed the micro-purchase threshold, but not the simplified acquisition threshold, consider reasonably available information about the supply or service offered on GSA*Advantage!*®. Review at least three Schedule contractors' price lists, or obtain quotations from at least three GSA Schedule contractors. Evaluate, and then make a "best value" determination. Ordering activities should give preference to the items of small-business concerns when two or more items at the same delivered price will satisfy the requirement.

For orders that exceed the simplified acquisition threshold or when establishing a BPA, prepare an RFQ and post it on eBuy to afford all Schedule contractors the opportunity to respond, or provide the RFQ to as many Schedule contractors as practicable to reasonably ensure that at least three quotes are received. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, or small disadvantaged business Schedule contractor. Seek price reductions. Evaluate all responses and place the order, or establish the BPA with the GSA Schedule contractor that represents the best value (refer to FAR 8.405-2(d)).

Ordering Procedures When an SOW Is Required



For orders at or below the micro-purchase threshold, the ordering activity can place the order directly with any GSA Schedule contractor that can meet their needs. Orders should be distributed among various contractors.

For orders that exceed the micro-purchase threshold, but not the simplified acquisition threshold, prepare an SOW or PWS in accordance with FAR 8.405-2(b). Send the RFQ (including the SOW and evaluation criteria) to at least three GSA Schedule contractors. The ordering activity should request GSA Schedule contractors to submit Firm Fixed Price (FFP) priced orders to the maximum extent possible and must document the rationale when awarding an order that is other than FFP. Evaluate and then make a "best value" determination.

For orders that exceed the simplified acquisition threshold or when establishing a BPA, prepare an SOW or a PWS in accordance with FAR 8.405-2(b). Prepare an RFQ (including the SOW and evaluation criteria) and post it on eBuy to afford all Schedule contractors the opportunity to respond, or provide the RFQ to as many Schedule contractors as practicable to reasonably ensure that quotes are received from at least three contractors. At a minimum, ordering activities should consider, if available, at least one small-business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, or small disadvantaged business Schedule contractor. The ordering activity should request GSA Schedule contractors to submit FFP orders to the maximum extent possible and must document the rationale in accordance with FAR 8.404(h) when awarding an order that is other than FFP. Seek price reductions. Evaluate all responses and place the order or establish the BPA with the GSA Schedule contractor that represents the best value (refer to FAR 8.405-2(d)).

See Section 9 for procedures on establishing MAS BPAs and placing orders against them.

Order Documentation for the Contract File

Order Award Documentation

Document your awards in accordance with regulations and local policy.

Schedule order documentation includes:

Documentation – Orders without SOW (8.405-1)	
Schedule contracts considered	✓
Contractor chosen	✓
Description of the supply or service purchased	✓
Amount paid	✓
Evidence of compliance with the ordering procedures when exceeding the SAT	✓
Basis for the award decision	✓
Determination that interagency vehicle (Schedule) constitutes best approach (when exceeding $500,000)	✓

Documentation – Orders with SOW (8.405-2)	
Schedule contracts considered	✓
Contractor chosen	✓
Description of the service purchased	✓
Amount paid	✓
The evaluation methodology used in selecting the contractor to receive the order	✓
The rationale for any tradeoffs in making the selection	✓
Overall price reasonable determination	✓
Rationale for using other FFP or performance based	✓
Evidence of compliance with the ordering procedures when exceeding the SAT	✓
Determination that interagency vehicle (Schedule) constitutes best approach (exceeding $500,000)	✓

NUTS-AND-BOLTS TIP

Discretionary Set-asides

At the discretion of the ordering activity's Contracting Officer, orders and BPAs based on GSA Schedule contracts can be set aside for the types of small businesses listed in FAR 19.000(a)(3). The competitive processes in FAR 8.405-1, -2, and -3 must be followed. The FAR 17.502-1(a)(2) determination of best procurement approach does not mean a FAR 1.7 "Determination and Findings." For DOD, this fact is clarified on page 2 of DPAP Memo "Proper Use of GSA Federal Supply Schedule Contracts-A Reminder" dated July 31, 2015.

Order Placement

Ordering activities may place orders orally, except for:

- Supplies and services not requiring a Statement of Work (SOW) exceeding the simplified acquisition threshold
- Services requiring an SOW
- Orders containing brand-name specifications that exceed $25,000

Prior to the placement of an order, the ordering activity must ensure that the regulatory and statutory requirements of the requiring agency have been applied. Orders must include the following information in addition to any information required by the Schedule contract:

- Complete shipping and billing addresses
- Contract number, agency order number, and date
- F.O.B. delivery points, e.g., origin or destination
- Discount terms
- Delivery time or Period of Performance
- SIN or National Stock Number (NSN)
- SOW, when required, or a brief, complete description of each item

(Ordering by model number, features, and options such as color, finish, and electrical characteristics, if available, must be specified.)

- Quantity
- Number of units
- Unit price
- Total price of order
- Points of inspection and acceptance
- Other pertinent data, e.g., delivery instructions or receiving hours and size-of-truck limitation
- Marking requirements
- Level of preservation, packaging, and packing

Best Procurement Approach Determination

FAR 17.500 prescribes policies and procedures applicable to all interagency acquisitions and specifically addresses in part ordering under GSA Schedules contracts. IAW FAR 17.502-1(a)(2), prior to placing an order with a value greater than $550,000, the ordering activity shall make a determination that use of GSA Schedule contracts constitutes the best procurement approach that fulfills the ordering activity's needs. This determination, at a minimum, must include an analysis using the following factors:

- The suitability of the GSA Schedules program as the contract vehicle
- The value of using the contract vehicle, including:
  - The administrative cost savings from using an existing contract
  - Lower prices, greater number of vendors, and reasonable vehicle access fees
- The expertise of the requesting agency to place orders and administer them against the selected contract vehicle throughout the acquisition life cycle

In short, this determination shows that the use of the GSA Schedule contract is the most advantageous method of acquisition for the ordering activity. Remember, this determination is not a FAR 1.7 "Determination and Findings."

NUTS-AND-BOLTS TIP

Best Procurement Approach Determination

The FAR 17.502-1(a)(2) determination of best procurement approach does not mean a FAR 1.7 "Determination and Findings." For DOD, this fact is clarified on page 2 of DPAP Memo, Subject: Proper Use of GSA Federal Supply Schedule Contracts-A Reminder, dated July 31, 2015.

See http://www.acq.osd.mil/dpap/policy/policyvault/USA004263-15-DPAP.pdf.

Market Research – GSA Schedules

Market research is defined as collecting and analyzing information on the market for a government requirement (refer to FAR 2.101). It is an essential element in acquiring commercial items and provides information to the ordering activity in understanding the requirement and what is available in the commercial marketplace.

Acquisitions begin with a description of the ordering activity's needs, stated in terms sufficient to conduct market research. The type, extent, and use of market research is determined by the availability of a commercial supply or service, the complexity of the order, its nature (whether the order is to fulfill a new or recurring requirement, an enhancement, etc.), the dollar value of the order, and the industry sector involved (refer to FAR 10.002). Both the ordering Contracting Officer and requiring activity are responsible for market research.

To perform effective market research, the ordering activity must collect and analyze information about the capabilities within the market to satisfy the agency's need. The results of market research will determine if Schedule contracts have items/services available to meet an ordering activity's needs. At the same time, market research will also indicate whether commercial sources exist that are capable of satisfying the activity's requirement, as well as the customary commercial terms and conditions (e.g., practices of firms engaged in producing, distributing, and supporting commercial items in terms of warranty, buyer financing, maintenance, and packaging and the market environment). In addition, market research helps identify the most advantageous ("best") procurement vehicle consistent with FAR 8.404 and 17.502-1(a)(2). If the value of an order exceeds $550,000, a best procurement approach determination must be prepared by the ordering agency to ensure that use of the GSA Schedules is the best procurement approach. This includes such factors as the suitability of the vehicle, the value including potential cost savings, and the expertise to place and administer the order.

Other factors ordering activities will want to include during market research are performance standards, industry trends, price, delivery times, payment methods, trade-offs, whether there are enough small businesses that can satisfy agency requirements to allow setting aside of the requirement, quality-control methods, surveillance methods, etc. Using GSA eTools, ordering activities may perform market research, review the terms and conditions of capable Schedule contractors, and perform price comparisons. Refer to Section 11, eTools.

Effective market research will ensure that sustainability and environmental efficiency is considered.

Market research may be facilitated through the use of eBuy to distribute a Request for Information (RFI) to Schedule contractors. Using an RFI via eBuy may produce valuable feedback from potential Schedule contractors on how to best to tailor the acquisition and how to best utilize Schedule sources.

Market research is the cornerstone for developing acquisition strategies. Contracting Officers must identify which Schedule contractors are capable of performing the required work, as well as verify how many Schedule contractors are interested in the opportunity. Based on this research, they may be able to determine how many are likely to respond in order to ensure that at least three quotes are received. The Contracting Officer must, at a minimum, review the Schedule contracts to determine which Schedule contractors are capable of performing the required work.

- Market research is especially important for task orders exceeding the simplified acquisition threshold. The Contracting Officer and the requiring agency personnel must conduct market research as described below. Use GSA eLibrary (www.gsaelibrary.gsa.gov) to learn which Schedule vendors are capable of providing the products and/or services needed to fulfill the ordering agency's requirements. Pursuant to FAR Part 10, vendors may be contacted in an attempt to learn as much about the commercial marketplace as possible, including performance or industry standards, warranty, maintenance requirements, risks and advantages of various potential solutions, etc.
- If market research reveals that the number of capable and interested vendors is low, the use of eBuy will serve to notify all vendors on the Schedule about the requirement and satisfy the competition requirements of FAR 8.405-1 and -2 even if fewer than three quotes are received.
- Once the Contracting Officer and the requiring office representatives have gathered the information they need to become educated consumers, they can then finalize their SOW/PWS/SOO and develop appropriate evaluation criteria.

Best Value

Ordering activities have considerable latitude in structuring their procurement and can consider both price and other factors (e.g., past performance, technical capabilities and qualifications of key personnel) in selecting Schedule contractors.

When determining "best value," an ordering activity may take advantage of the full spectrum of "best value" techniques as defined in FAR 2.101, from lowest-priced technically acceptable through a full trade-off process. When determining which nonprice evaluation factors to include in an RFQ, ordering activities should decide how factors will be considered and their relative importance to other nonprice factors.

Ordering activities should consider:

- **Item characteristics:**
  - Which commercial services/supplies match most closely with the identified activity requirement?
  - Is there an apparent trade-off between service/supply features and price?
- **Past performance:**
  - Does available information indicate that Schedule contractors or other available sources have significantly different past-performance records?
  - Does available information indicate that specialized performance experience will significantly improve a contractor's chance of success in meeting the requirement?
- **Warranty:**
  - Do Schedule contractors or other suppliers offer warranties?
  - Do available warranties protect customers from significant risk?
  - Are the warranties offered by Schedule contractors comparable to those offered by other sources in the market?
  - If warranties are offered, does the activity have the administrative tracking and logistics capabilities necessary to take advantage of them?
- **Ownership costs:**
  - What installation costs are associated with the various supplies that meet identified requirements?
  - What is the reliability of the various supplies that meet identified requirements (e.g., average time between failures)?
  - What are the historical repair costs for the various supplies?
  - What are the historical routine-maintenance costs for the various supplies?
  - What are the disposal costs associated with the various supplies?

- **Maintenance availability:**
  - Is continuing maintenance required for the supply to meet activity requirements?
  - Do Schedule contractors or the suppliers provide maintenance for the identified supply?
  - Do Schedule contractors or other suppliers provide maintenance in the area(s) where the supply is most likely to be used?
  - If the Schedule contractor is not the Original Equipment Manufacturer (OEM), is there an agreement in place that will ensure services provided by the Schedule contractor will not void the warranty?
- **Useful life:**
  - How long are available supplies expected to remain useful?
  - Are there any significant differences in useful life between supplies?
- **Environmental and energy efficiency:**
  - Are the products to be supplied or used designated green products, as listed in the Green Procurement Compilation?
  - Do the products to be supplied or used meet the agency's strategic sustainability performance plan goals or the agency toxic and hazardous chemical management plan?
  - Do the products to be supplied or used generate hazardous waste, or can they be disposed as solid waste or recycled at the end of their useful life?
  - Does the contractor offer a take-back program for products?
  - Do the products to be supplied or used meet applicable government-required energy-efficiency standards, water-efficiency standards, recycled or biobased content standards, or other energy or environmental requirements?
  - Does the contractor offer opportunities for waste prevention, such as reduced packaging or packaging take-back programs?
- **Technical qualifications:**
  - Are there significant differences in provider/supplier technical qualifications?
  - If for services, is the proposed labor mix likely to result in successful performance?
  - If the requirement is performance-based, has the contractor proposed appropriate performance standards and a quality control plan that measure the right things in order to ensure success?
  - Are there unique or specialized qualifications required to meet the activity requirement?
  - Are there any significant differences between the technical qualifications of Schedule contractors and other firms in the industry?
  - Training and customer support issues:
    - Is training or other customer support important to the user of the supply or service?
    - Do Schedule contractors or other suppliers offer customers significantly different levels of training or other customer support?

- **Transportation costs:**
  - If items are priced other than FOB destination, will the transportation cost be significantly different for shipments from different sellers?
- **Administrative costs:**
  - Will the administrative costs of contracting with one prospective contractor likely be different from contracting with another? In other words, will it cost more in time and/or money to contract with one seller than it will to contract with another?
- **Delivery and performance terms:**
  - Can Schedule contractors meet activity delivery or performance requirements?

The benefits of making a "best value" selection decision can result in improved mission performance and lower life-cycle costs, while encouraging Schedule contractors to provide their best supplies and services to the government.

The fundamental goal of GSA in managing the Schedules program is to provide an array of procurement choices that provides sufficient flexibility to satisfy customers in terms of choice, price, quality, and timeliness of delivery.

NUTS-AND-BOLTS TIP

Best Value Factor – Socioeconomic Factors

GSA, through the MAS program, is committed to increasing contracting opportunities for small business and assisting ordering activities in achieving or exceeding their socioeconomic goals.

To support this effort, ordering activities may, in their "best value" determination, consider the Schedule contractor's socioeconomic status when:

(a) The order is estimated to exceed the micro-purchase threshold, ordering activities seeking to use the MAS program to achieve their agency's small-business goals may make socioeconomic status a primary evaluation factor when making a "best value" determination (see FAR 8.405-2 (d) and 8.405-5 (b)).

(b) A Request for Quotation (RFQ) is issued, it can reflect that one of the primary evaluation factors is achieving the agency's socioeconomic goals.

(c) Accepting work from a requiring activity, the ordering activity must ask and receive confirmation in writing that the requiring activity desires to achieve one of its socioeconomic goals and specify which goal.

and

(d) Place a copy of the requirements document with the applicable confirmation in the contract or order file. The Acquisition Plan should indicate which socioeconomic objective is to be achieved through the respective acquisition.

or

Pursuant to FAR Subpart 8.405-5, ordering activities may, at their discretion, set aside orders or BPAs for small businesses, as defined in FAR Part 19.000(a)(3).

NUTS-AND-BOLTS TIP

Competition

If the response to any of the following questions is "yes," competition may be unnecessarily limited:

- Is the SOW narrowly defined with overly restrictive specifications or performance standards?
- Is the order written in such a way as to create a continuous arrangement with the same contractor?
- Was the requirement obtained through the use of restricted competition not in accordance with the procedures in FAR 8.405-6? Is it a brand-name-only requirement? Refer to "For Customers – Ordering from Schedules, Use of Brand Name Specifications," located at **www.gsa.gov/schedules**.

Ordering Activity – A Matter of Choice

Ordering activities have the primary responsibility to meet their agency missions. By using Schedules, ordering activities may access a wide variety of contractors. Ordering activities may place orders in a competitive environment to contractors offering the best value.

Ordering activities are encouraged to explore and understand the features available under the Schedules program and to use them to optimize their purchasing experience. This includes consideration of a small-business set-aside to help agencies meet their small-business goals. As with any purchase, the ordering activity is responsible for applying the regulatory and statutory requirements for which the order is placed or the BPA is established. The requiring agency shall provide the information on the applicable regulatory and statutory requirements to the Contracting Officer responsible for placing the order.

Performance-Based Acquisitions (PBAs), in which requirements are stated in terms of results or outcomes, allow an ordering activity to focus on the agency mission and are the preferred method of acquisition (FAR Subpart 37.6). The Performance Work Statement (PWS) or Statement of Objectives (SOO) states what is to be accomplished and allows Schedule contractors to propose various solutions to accomplish the objective. When ordering activities state the results requested, Schedule contractors are better able to offer more creative, cost-effective solutions. Refer to Section 8 where this topic is discussed in more detail.

Describing Agency Needs and Alternatives to Brand-Name Constraints

It is important to strive to maintain vendor and technology neutrality to the maximum extent feasible when creating requirements and writing contract specifications. It is just as important to use performance specifications whenever possible to encourage offerors to propose innovative solutions. However, there are two significantly different circumstances recognized in the FAR where the government's need cannot be adequately and completely described without some reference to a particular brand-name product or feature of a product.

1. **Brand Name or Equal** Using a "brand name or equal" purchase description is recognized as permissive of competition because it allows offerors to propose alternatives with supporting information that demonstrates their solution's equality. While the "brand name or equal" approach is accepted as being adequately permissive of firms' opportunity to compete for award (e.g., FAR 6.302(c)), it is, nonetheless, severely limiting with respect to innovative solutions:

   FAR 11.104 states, *"… the use of brand name or equal purchase descriptions may be advantageous under certain circumstances" and "… (b)rand name or equal purchase descriptions must include, in addition to the brand name, a general description of those salient physical, functional, or performance characteristics of the brand name item that an 'equal' item must meet to be acceptable for award. Use brand name or equal descriptions when the salient characteristics are firm requirements."*

2. **Brand Name** This is not the preferred approach because it is the most restrictive to industry in terms of competitive opportunities for innovative solutions. Thus, use of this approach is severely limited and requires the support of an approved Limited Sources Justification:

   FAR 11.105 states, *"agency requirements shall not be written so as to require a particular brand name, product, or feature of a product, peculiar to one manufacturer, thereby precluding consideration of a product manufactured by another company, unless … (t)he particular brand name, product, or feature is essential to the government's requirements, and market research indicates other companies' similar products, or products lacking the particular feature, do not meet, or cannot be modified to meet, the agency's needs."*

However, both of these approaches limit offerors' flexibility in proposing innovative solutions to meet agency needs. Moreover, use of each of these approaches to describing agency needs entails mandated additional requirements for the description's contents to comply with the FAR requirements about the use of such specification constraints.

For example, if an agency needs a microprocessor, rather than issue brand-name specifications for microprocessors associated with a single manufacturer, the agency should articulate a benchmark for performance or specify the requirements for applications and interoperability. Benchmarks for microprocessors can be specific for functions such as Internet content creation, office applications, or mail servers. Benchmarks may also measure the overall performance of computers.

NUTS-AND-BOLTS TIP

Limited Sources Justifications

When applicable, a Limited Source Justification (LSJ) applies only to the portion of the order that requires a brand name. Therefore, ordering activities should only prepare and post LSJs for the brand-name items on the order and not the entire order. Note that an LSJ is not required for "brand name or equal" buys.

Limited Sources Justification and Approval

When the estimated values exceed the simplified acquisition threshold and when establishing BPAs, limiting sources must be justified in writing and approved at the required levels (refer to FAR 8.405-6).

Although orders or BPAs placed under Schedules are exempt from the requirements in FAR Part 6, an ordering activity must justify its actions when (1) restricting consideration of Schedule contractors to fewer than the number required by FAR 8.405-1, 8.405-2, or 8.405-3 or (2) restricting consideration to a brand-name item peculiar to one manufacturer.

When an ordering activity restricts consideration of Schedule contractors to fewer than that required in FAR 8.405-1, 8.405-2, or 8.405-3, the ordering activity shall procure only if the need to do so is justified in writing and approved at the levels specified in FAR 8.405-6(d).

NUTS-AND-BOLTS TIP

Posting the RFQ

Posting the RFQ on eBuy is automatically considered to be adequate justification that "reasonable efforts" were made to identify contractors who can fulfill the requirement in the event that fewer than three quotes are received. (www.ebuy.gsa.gov) Reference: FAR 8.405-1(d)(3)(i) and 8.405-2(c)(iii)(A).

Orders or BPAs Exceeding the Micro-Purchase Threshold, but Not Exceeding the Simplified Acquisition Threshold

For proposed orders or BPAs exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold, the ordering activity's Contracting Officer shall document the circumstances when restricting consideration of Schedule contractors to fewer than required in FAR 8.405-1, 8.405-2, or 8.405-3. The only circumstances that may justify the action are found in FAR 8.405-6(a)(1) and FAR 8.405-6(b). (See NUTS-AND-BOLTS TIP on page 42.)

Orders or BPAs Exceeding the Simplified Acquisition Threshold

- For proposed orders or BPAs exceeding the simplified acquisition threshold, the requiring activity shall assist the ordering activity Contracting Officer in the preparation of the justification. The justification shall cite that the procurement is conducted under the authority of the GSA Multiple Award Schedules program (refer to FAR 8.401).
- As a minimum, each justification shall include the following information:
  - Identification of the agency and the contracting activity, and specific identification of the document as a "Limited Source Justification"
  - Nature and/or description of the action being approved
  - A description of the supplies or services required to meet the agency's needs (including the estimated value)
  - Identification of the justification rationale (refer to FAR 8.405-6(g)(2)(iv)) and, if applicable, a demonstration of the proposed contractor's unique qualifications to provide the required supply or service
  - A determination by the ordering activity's Contracting Officer that the order represents the best value consistent with FAR 8.404(d)
  - A description of the market research conducted among Schedule holders and the results or a statement of the reason market research was not conducted
  - Any other facts supporting the justification
  - A statement of the actions, if any, the agency may take to remove or overcome any barriers that led to the restricted consideration before any subsequent acquisition for the supplies or services is made
  - The ordering-activity Contracting Officer's certification that the justification is accurate and complete to the best of the Contracting Officer's knowledge and belief
  - Evidence that any supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the government's minimum needs or requirements or other rationale for limited sources) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel

Limited Source Order/BPA (8.405-6(a)) (Sole Source)

Threshold	LSJ Required	Posting Required
Exceeds SAT	Yes	Yes
Micro – SAT	Document Circumstances – not a full-blown LSJ	No
Below Micro Purchase	No	No

Posting requirements: Within 14 days after placing an order or establishing a BPA exceeding the simplified acquisition threshold that is supported by a Limited Sources Justification the ordering activity shall:

- ❑ Publish a notice in accordance with FAR Subpart 5.301 and
- ❑ Post the justification:
  - At www.fedbizopps.gov and
  - On the website of the ordering activity agency, which may provide access to the justification by linking to FedBizOpps and
  - For a minimum of 30 days.

Limited Source Order/BPA (8.405-6(b)) (Brand Name)

Threshold	LSJ Required	Posting Required
Exceeds SAT	Yes	Yes – eBuy
$25k – SAT	Document Circumstances – not a full-blown LSJ	Yes – eBuy
Micro – $25k	Document Circumstances – not a full-blown LSJ	No
Below Micro-purchase	No	No

Posting requirements: The ordering activity shall post the following information along with the Request for Quotation (RFQ) to eBuy:

- ❑ For proposed orders or BPAs with an estimated value exceeding $25,000, but not exceeding the simplified acquisition threshold, contracting officer shall document the file.
- ❑ For proposed orders or BPAs with an estimated value exceeding the simplified acquisition threshold, Limited Sources Justification.

Posting Requirements for Limited Source Orders and BPAs Exceeding the Simplified Acquisition Threshold

Within 14 days after placing an order or establishing a BPA supported by a Limited Sources Justification based on the circumstances in FAR 8.405-6(a)(1), the ordering activity must publish a notice in FedBizOpps and provide a link to the supporting justification in accordance with FAR 8.405-6(a)(2). The ordering activity must provide access to the link for a minimum of 30 days. This posting requirement does not apply to orders or BPAs that limited sources in accordance with FAR 8.405-6(b).

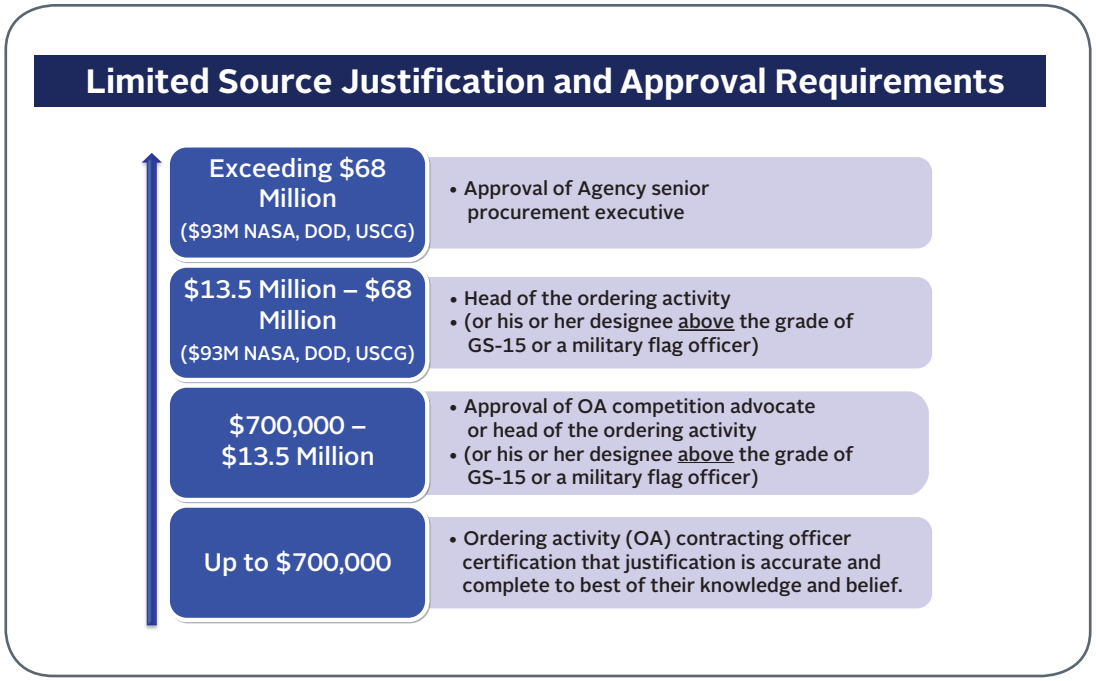
NUTS-AND-BOLTS TIP

Limited Sources Justification – When can I limit sources?

Circumstances that may justify restriction include:

- Only one source is capable of responding because of the unique or specialized nature of the work.
- The new work is a logical continuation of an original Schedule order, provided that the original order was placed in accordance with the applicable Schedule ordering procedures. The original order must not have been previously issued under sole-source or limited-source procedures.
- An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.
- The item is peculiar to one manufacturer.

Justification Approvals



- For proposed orders exceeding the simplified acquisition threshold, but not exceeding $700,000, the ordering-activity Contracting Officer's certification that the justification is accurate and complete to the best of the ordering-activity Contracting Officer's knowledge and belief will serve as approval, unless a higher approval level is established in accordance with agency procedures.
- For a proposed order exceeding $700,000, but not exceeding $13.5 million, the justification must be approved by the competition advocate of the activity placing the order, or by an official named in paragraph (h)(3) or (h)(4) of FAR 8.405-6. This authority is not delegable.
- For a proposed order exceeding $13.5 million, but not exceeding $68 million (or, for DOD, NASA, and the Coast Guard, not exceeding $93 million), the justification must be approved by the head of the procuring activity placing the order, or a designee who, if a member of the armed forces, is a general or flag officer, or if a civilian, is serving in a position in a grade above GS-15 under the General Schedule (or in a comparable or higher position under another Schedule) or an official named in paragraph (h)(4) of FAR 8.405-6.
- For a proposed order exceeding $68 million (or, for DOD, NASA and the Coast Guard, over $93 million), the justification must be approved by the senior procurement executive of the agency placing the order. This authority is not delegable, except in the case of the Under Secretary of Defense for Acquisition, Technology and Logistics, acting as the senior procurement executive for the Department of Defense.

Options on Orders Placed against Schedule Contracts and BPAs

Options may be included on orders placed against GSA MAS contracts, provided that the options are clearly stated in the requirement and are evaluated as part of the ordering activity's "best value" determination. Such options may be exercised on GSA Schedule contract orders, provided that:

- Funds are available;
- The requirement covered by the option fulfills an existing government need;
- Prior to exercising an option, the ordering activity ensures that it is still in the government's best interest, i.e., the option is the most advantageous method of fulfilling the government's need, price, and other factors considered;
- The term for each order placed under the Schedule contract is specified in the order. Under no circumstances may an order be placed under the Schedule contract if the Schedule contract has expired or has been terminated or cancelled by the government;
- Pricing on an order, including options, does not exceed pricing on the Schedule contract. Pricing for any order, including options, must be in place prior to the award of any order including those extending beyond the Schedule contract ordering period; and
- Options on orders are not exercised beyond the ordering period of the Schedule contract, including Schedule contract option year periods, unless the Schedule contracts includes clause 52.216-22 (Oct 1995) which provides in the fill-in for orders to extend up to 60 months beyond contract expiration. Before placing an order, it is advisable to verify that the FSS Schedule contract has FAR 52.216-22 (Oct 1995) to allow for the exercise of options on orders beyond the contract period. However, no orders or options on orders may extend more than 60 months after the expiration of the FSS Schedule contract.

The length of the order and the risk to the ordering activity could be considered as part of the overall evaluation of "best value."

NUTS-AND-BOLTS TIP

Options on BPAs

Options need not be included in multiple-award BPAs (FAR 8.405-3 does not require them). However, the BPAs must be reviewed on an annual basis as described in FAR 8.405-3(d). Multiple-award BPAs generally do not exceed five years, but may do so to meet program requirements. There is little value added for including options on multiple-award BPAs at the cost of Option Determination documentation. If a five-year BPA is contemplated, simply make the BPA ordering period for a straight five years because BPAs do not require funding or guaranteed minimums, or have a dollar value ceiling. If leverage for poor performance is a concern, simply add cancellation language to the BPA terms and conditions.

Single-award BPAs can be awarded for only one year and may include up to four one-year options periods.

Notification of Award and Feedback to Unsuccessful Quoters

After award, when using the ordering procedures for services requiring an SOW, the ordering activity shall provide timely notification to unsuccessful quoters. If an unsuccessful quoter requests information on an award that was based on factors other than price alone, a brief explanation of the basis for the award decision must be provided (refer to FAR 8.405-2(d)). This is **not** a "debriefing" as described in FAR 15.5.

Contract Administration Functions

Contract administration focuses on obtaining quality supplies and services on time and within budget. Contract administration involves actions performed by ordering activities after an order has been placed, to ensure the Schedule contractor performs in accordance with the order requirements and complies with the terms and conditions of the Schedule contract. See FAR 8.406-7 and 42.1502(c).

Trade Agreements Act

The Trade Agreements Act (TAA) (19 U.S.C. 2501, et seq.) provides the authority for the president to waive the Buy American Act and other discriminatory provisions for eligible products from countries that have signed an international trade agreement with the United States, or that meet certain other criteria, such as being a least developed country.

The Trade Agreements Act (TAA) **applies to all GSA Schedule orders**, regardless of dollar amount. GSA applies the TAA at the Schedule contract level, and, as a result, it applies to all Schedule orders, regardless of the dollar value. This means that all Schedule products and services must come from the United States or a designated country.

Sometimes an item consists of components from various countries, and the components are assembled in yet another country. It can be difficult to determine which country is the "country of origin." The trade agreements test to determine country of origin is "substantial transformation" (e.g., transforming an article into a new and different article of commerce, with a name, character, or use distinct from the original article) (refer to FAR 25.001(c)).

Section 4: Ordering Activity Responsibilities

When using Schedule contracts, ordering activities are encouraged to take on the role of "smart buyers." In other words, ordering activities do not need to know how to produce the product or service required; instead, they need to be able to:

- Specify requirements
- Follow the ordering procedures
- Determine "best value"
- Select the right contractor
- Administer the order
- Perform closeout activities

Past Performance

Ordering agencies should evaluate whether their contracting partners are reliable by examining their past performance. Past performance is a key indicator for predicting future performance. Elements of past performance may include the ability to meet contract requirements, good workmanship, quality, timeliness, responsiveness to customers, and maintaining business relations, as well as a firm's ability to manage and document contract performance, costs, and delivery schedules.

Ordering activities should be aware of the distinction between experience and past performance. In the evaluation of these two factors, ordering activities must be reasonable and consistent with the RFQ's evaluation criteria.

"Experience" is an objective evaluation criterion based on whether the Schedule contractor previously performed the requisite work.

"Past performance" is defined as a measure of the degree to which a Schedule contractor has satisfied its customers in the past and complied with applicable laws and regulations. Past performance is considerably more open to interpretation.

NUTS-AND-BOLTS TIP

Past Performance

Both experience and past performance may be evaluated in terms of relevance to the scope of the procurement under consideration. If past performance is not needed for evaluation (e.g., an order under a multiple-award BPA where past performance was already evaluated to establish the BPA), there is no FAR 15.304(c)(3) requirement to justify that decision as FAR 15 is not applicable to orders/BPAs under the Schedules program.

Additional Resources

Past Performance Information Retrieval System (www.ppirs.gov)

The Past Performance Information Retrieval System (PPIRS) is a Web-enabled application that allows the retrieval of contractor past-performance information. This system is available to all source selection officials across the entire federal government. PPIRS is sponsored by the DOD eBusiness Office and is administered by the Naval Sea Logistics Center Detachment Portsmouth. It is also a central warehouse used to retrieve performance-assessment reports previously received from multiple federal report-card collection systems. However, the government determined that the Contractor Performance Assessment Reporting System (CPARS) used by the Navy, USMC, Air Force, DLA, and other defense agencies will become the single past-performance reporting system used by the federal government to collect and transmit performance evaluations to PPIRS.

Order Placement in the Case of a Contractor Debarred, Suspended, or Proposed for Debarment

Although Schedule contractors have already been determined responsible in accordance with FAR 9.1 (one of the time-saving benefits of using Schedules), ordering agencies must check the System for Award Management (SAM), which consolidates records from a number of previous systems, including the Excluded Parties Listing System (EPLS), prior to placing a Schedule order (refer to www.sam.gov). Status is also displayed on the contractor's information page in GSA eLibrary (www.gsaelibrary.gsa.gov). FAR 9.405-1, Debarment, Suspension and Ineligibility, prohibits agencies from: placing orders exceeding the guaranteed minimum against existing contracts; placing orders against GSA Schedule contracts; adding new work; exercising options; and otherwise extending the duration of contracts with contractors that are debarred, suspended, or proposed for debarment unless the agency head makes a determination that there are compelling reasons for doing so. This also applies to BPAs and Basic Ordering Agreements (BOAs).

Federal Awardee Performance and Integrity Information System (FAPIIS)

The Federal Awardee Performance and Integrity Information System (FAPIIS), established by Section 872 of the Duncan Hunter National Defense Act of 2009, contains specific information on the integrity and performance of covered federal-agency contractors and grantees. FAPIIS is available for use in award decisions at www.fapiis.gov and via a link on www.ppirs.gov. FAPIIS is intended to significantly enhance the scope of information available to Contracting Officers as they evaluate the integrity and performance of prospective contractors competing for federal contracts and to protect taxpayers from doing business with contractors that are not responsible sources.

The GSA Contracting Officer has made the responsibility determination at the contract level in accordance with FAR Subpart 9.1. While further determinations are not required at the order level, FAPIIS information may be used at the discretion of the ordering agency Contracting Officer in accordance with local policy.

NUTS-AND-BOLTS TIP

Service Contract Labor Standards (SCLS), formerly the Service Contract Act

The Service Contract Labor Standards (SCLS), formerly the Service Contract Act (SCA), is applicable to Multiple Award Schedule contracts that offer services. Labor categories and fixed priced services marked with two asterisks (**) in Schedule vendor price lists may be subject to SCLS. Under FAR 22.1006, the Task Order Contracting Office (TCO) must identify if the task order falls under SCLS. The TCO is responsible for determining the place of performance, obtaining the most recent applicable wage determination(s), utilizing Department of Labor prescribed procedures, and incorporating the wage determination(s) into the task order. TCOs may also add additional nonconflicting SCLS clauses as needed.

Section 5: Small Business

Small Business

GSA strongly supports the participation of small-business concerns in the GSA Schedules program. Small Business Administration (SBA) policy allows agencies to include in their procurement base and goals the dollar value of orders expected to be placed against Schedule contracts, and to report actual Schedule procurements as accomplishments against these goals. Currently, orders to Schedule 8(a) contractors do not receive 8(a) credit. However, since 8(a) contractors are, by definition, small disadvantaged businesses, ordering activities may count awards to such companies against their small-business goals.

"Set-asides," as described in FAR 8.405-5, are allowed under the GSA Schedules program at the discretion of the ordering activity's Contracting Officer. Ordering activities may also consider socioeconomic status when identifying contractor(s) for set-aside competition for award of an order or BPA. In addition to set-asides, the ordering activity may use small business (including socioeconomic status) as an evaluation factor. At a minimum, ordering activities should consider, if available, at least one small-business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, or small disadvantaged business Schedule contractor.

NUTS-AND-BOLTS TIP

Set-asides

Set-asides at the Order level

"Set-asides at the order level" means competition. Section 1331 of the Small Business Jobs Act of 2010 did not allow for sole-source authority based on socioeconomic status (e.g, a sole-source 8(a) direct order). Additionally, Section 1331 did not relieve FAR 8.4 competition requirements for receiving three quotes or posting the RFQ on eBuy (e.g., orders exceeding the SAT). Because FAR 19 – except for the requirement at 19.202-1(e)(1)(iii) – is not applicable to the Schedules program, the "Rule of Two" in FAR 19 does not apply to Schedule orders/BPAs.

Set-asides at the Schedule Level

GSA has set aside some Schedules and SINs at the contract level under FAR Part 19. Visit www.gsaelibrary.gsa.gov and search using the term "set-aside" for a complete listing of Schedules and SINs that have been set aside.

Schedule contractors' catalogs/price lists, GSA*Advantage!*® and GSA eLibrary contain information on a broad array of supplies and services offered by small-business concerns. This information should be used as a tool to assist agencies in providing the maximum practicable opportunities for small-business concerns, including set-asides, in order to meet or exceed established small-business goals. The information should also be used as a tool to assist in identifying small-business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, and small disadvantaged business Schedule contractors when making a "best value" determination. For orders exceeding the micro-purchase threshold, ordering activities should give preference to the items of small-business concerns whenever two or more items at the same delivered price will satisfy the requirement (refer to FAR 8.405-5). In accordance with FAR 8.405-5(b), ordering activities should rely on the small-business representations made by Schedule contractors at the contract level.

NUTS-AND-BOLTS TIP

Socioeconomic Status as an Evaluation Factor

It is important to remember that socioeconomic status can be utilized as a primary evaluation factor in source selection.

NUTS-AND-BOLTS TIP

Socioeconomic Credit

Ordering activities may count orders with small-business firms toward their socioeconomic goals. Small-business Schedule contractors are identified in GSA eLibrary and GSA*Advantage!*® by socioeconomic indicators (e.g., s = small business).

Small-Business Process

GSA is committed to supporting small business and helping agencies achieve their small-business goals. The following information will assist the federal buyer in understanding how to use Schedules to enhance small-business utilization in the procurement process.

Conduct Market Research

Ordering activities should utilize GSA*Advantage!*® and GSA eLibrary to identify small businesses capable of meeting the requirement. Through GSA*Advantage!*®, ordering activities can find all contractors who provide the supply/product required and view the socioeconomic status of each contractor. Through GSA eLibrary, ordering activities can find all contractors under the Special Item Number (SIN) associated with the required supply or service; ordering activities can then go one step further and filter the list of contractors by any specific socioeconomic category desired.

If searches on GSA*Advantage!*® and GSA eLibrary do not result in any possible small-business sources, ordering activities may also consider issuing a Request for Information (RFI) on eBuy to determine the capabilities of small businesses in the relevant SINs and to identify small businesses capable of doing the work. An RFI is especially helpful in determining whether there are small businesses capable of doing the work under a set-aside, where there is a limitation on subcontracting, and the nonmanufacturer rule applies.

After conducting market research, ordering activities should be able to answer the question, "Is a small business capable of doing the work?"

A Small Business is Capable of Doing the Work in Its Entirety

If the ordering activity has determined that small businesses can meet the whole requirement alone, it has three options:

- In the acquisition of supplies or services not requiring a Statement of Work (SOW) and under the SAT, ordering activities simply have to review the catalog or price list (available on GSA*Advantage!*® and GSA eLibrary) of at least three Schedule contractors who are small businesses and place an order with the Schedule contractor that represents the best value. If the value of the acquisition exceeds the SAT, the ordering activity must issue the RFQ to enough Schedule contractors to receive three quotes or post the RFQ on eBuy.
- In the acquisition of services requiring an SOW, ordering activities can designate socioeconomic status as a primary evaluation factor in the Request for Quotation (RFQ) (for orders under the SAT, must issue the RFQ to at least three Schedule contractors; if over the SAT, the ordering activity must issue the RFQ to enough Schedule contractors to receive three quotes or post the RFQ on eBuy). For additional guidance on how to use socioeconomic status as an evaluation factor, see the sample RFQ language posted on www.gsa.gov/schedulesandsbgoals.
- If there are enough firms that can provide the solutions agencies seek, set aside the requirement for small business or one of the small-business subcategories, as defined in FAR Part 19.000(a)(3). This is not mandatory; it is the Contracting Officer's discretion whether to use a set-aside. If the Schedule contract does not include them, the RFQ issued must include the requisite clauses and language regarding the set-aside.

A Small Business is Capable of Only Doing Part of the Work on Its Own

If market research reveals that there are no small businesses that can meet the requirement as a whole but there are small businesses that can each cover portions of the entire requirement, ordering activities can designate socioeconomic status as a primary evaluation factor and also encourage Contractor Team Arrangements (CTAs) in the RFQ. The RFQ can then be posted on eBuy, which will result in all Schedule contractors awarded the relevant SIN(s) to be able to view the document. While posting on eBuy will result in the RFQ being viewable by large businesses awarded the relevant SIN(s), designation of socioeconomic status as an evaluation factor and the CTA language in the RFQ will prompt them to find a small business (or businesses) to partner with in responding to the requirement. Posting on eBuy will also ensure that a sufficient number of small businesses (i.e., all those awarded the relevant SIN[s]) have access to the RFQ so that there is a greater probability of receiving responses from CTAs made up solely of small businesses. For sample RFQ language on evaluating CTAs for the socioeconomic status factor, visit www.gsa.gov/schedulesandsbgoals.

A Small Business is Not Capable of Doing Any Part of the Work

If market research reveals that the requirement can only be met by an "other than small business," ordering activities can still utilize small business by designating subcontracting to small businesses as a primary evaluation factor. Ordering activities can then post the RFQ to eBuy. Caution: If utilizing this method, do not require a separate subcontracting plan for the order because this would conflict with the subcontracting plan already established in the Schedule contract. Having more than one subcontracting plan under a contract is prohibited by FAR 19-705-2(e). However, establishing subcontracting "goals" for an order is not prohibited provided those "goals" do not result in a new "subcontracting plan."

Section 6: Making the Most of the GSA Schedules Program

Environmental Identification

www.gsa.gov/gogreen

Federal agencies are required by statutes and executive orders to purchase certain products with specific environmental or energy attributes. E.O. 13423, Strengthening Federal Environmental, Energy, and Transportation Management, set acquisition-related goals for purchasing green products, alternative-fuel vehicles, sustainable buildings, and green IT. E.O. 13514, Federal Leadership in Environmental, Energy, and Economic Performance, set a goal that 95 percent of contract actions must require green products.

GSA's goal is to become the preferred source for environmental products and services in the federal government. A variety of environmental products and services are available to Schedule users to assist them in their efforts to comply with procurement responsibilities outlined in federal environmental laws and regulations.

Environmental products and services are categorized as:

- Comprehensive procurement guideline products and other recycled products
- ENERGY STAR® products and other energy-efficient products
- Biobased products
- Environmentally-preferable products (refer to www.gsa.gov/greenproductscompilation)
- Alternative-fuel vehicles (refer to www.gsa.gov/afv)
- Nonozone-depleting substances
- Priority chemicals
- Safer paints, cleaning, and other chemical products
- Environmental services (refer to www.gsa.gov/environmentalservices)
- Energy services (refer to www.gsa.gov/energyservices)

Schedule contractors are required to properly identify products that have environmental attributes to assist ordering activities seeking to comply with environmental laws and supporting regulations and executive orders (refer to GSAM 552.238-72). Schedule contractors are required to make their identifications in following mediums: (1) the offer itself; (2) printed commercial catalogs, brochures, and price lists; (3) online products website; (4) electronic data submission for GSA*Advantage!*® via GSA's Schedules Input Program (SIP) software or the Electronic Data Interchange (EDI). Ordering activities desiring to utilize service contracts that assist them with preparing environmental impact statements, compliance requirements, environmental/occupational training, remediation, and other needs should refer to www.gsa.gov/environmentalservices.

Energy Services (refer to www.gsa.gov/energyservices).

Note: *Customers should review Schedule contractor literature and contact the Schedule contractor directly to obtain complete information regarding environmental claims.*

Agencies are required to purchase green products designated by the U.S. Environmental Protection Agency, Department of Energy, and Department of Agriculture. Rather than reviewing multiple websites, you can find the designated products listed in the Green Procurement Compilation at www.gsa.gov/greenproductscompilation. The products are listed by category (e.g., office products, office electronics). GSA updates the compilation quarterly.

Applicable guidance can also be found in FAR 23, DFARS 223 and on the GSA Environmental Products website at www.gsa.gov/enviroprograms.

Price Reductions

Ordering activities may request additional pricing discounts or concessions from Schedule contractors at any time before placing an order or establishing a BPA. Price reductions may also be requested in conjunction with the annual BPA review. Also, note that ordering activities should seek a price reduction whenever the supply or service is available elsewhere at a lower price. Ordering activities are required to seek a discount during the annual review when estimated quantities/amounts under a BPA have been exceeded (reference FAR 8.405-3(e)(1)(iii)).

Additionally, ordering activities **must** seek a price reduction whenever placing an order or establishing a BPA that exceeds the simplified acquisition threshold.

In response, a Schedule contractor can give an ordering activity a discount without passing the discount on to other authorized ordering activities (refer to FAR Subpart 8.4). The provision, in essence, allows the Schedule contractor to offer and the government to accept spot-pricing available in the commercial market.

This mechanism enhances competition and allows Schedule contractors to react more immediately to the commercial marketplace, move inventory, and increase sales through promotional marketing.

Discounting to the federal government does not invoke the Price Reduction Clause contained in the Schedule contract.

POWER-BUYING TIP

On-the-Spot Discounts

"On-the-Spot Discounting" allows the Schedule contractor to reduce the GSA price at any time, regardless of the dollar amount.

POWER-BUYING TIP

Price Reductions

Ordering activities are required to ask for a price reduction for orders against Schedules and BPAs above the SAT.

Performance Incentives

Performance incentives may be agreed upon between the contractor and the ordering office on individual orders or in a BPA.

To the maximum extent practicable, ordering activities may consider establishing incentives when performance is critical to the agency's mission and incentives are likely to motivate the contractor. Any incentive clause that the Schedule user includes should be:

- Designed to relate results achieved to specified targets
- Based on contractor achievement of measurable performance objectives

For example, in a service contract, the Quality Assurance Surveillance Plan (QASP) might identify an Acceptable Quality Level (AQL) of 97 percent on-time performance. The order could also provide a priced incentive if the contractor performs on time 99 percent of the time.

The RFQ should identify any performance incentive clause that the ordering office intends to include in the resulting order or BPA.

The ordering office must establish a maximum performance incentive price for the services and/or total solutions on individual orders or a BPA utilizing performance incentives. Additionally, when an order is placed, incentive funding must appear on the order as a separate line item (e.g., "Incentive Fund Pool – not to exceed $10,000").

Trade-Ins

Ordering activities should consider trade-ins against the purchase of new equipment when determining the "best value" purchase or at the lowest overall cost, e.g., the price of the item plus administrative costs such as removal (labor), transportation costs, storage costs, etc. If equipment was traded in as part of the purchase arrangement, the file should show the type, brand, and value of the equipment exchanged. Trade-ins must comply with provisions of the Federal Property Management Regulations refer to 41 CFR 102.39 (refer to www.gsa.gov/exchangesale).

POWER-BUYING TIP

Trade-ins

Trade-ins are allowable and can be applied directly to orders placed against GSA Schedule contracts.

Government-wide Commercial Purchase Card – GSA SmartPay® 2

A government-wide commercial purchase card is issued by government agencies and allows federal employees to make official purchases. Schedule contractors are required to accept the government-wide commercial purchase card for orders up to the micro-purchase threshold and are encouraged to accept the purchase card for purchases above this threshold.

POWER-BUYING TIP

Using the GPC for Payment

Ordering activities may make payments for oral or written orders using the government-wide commercial purchase card (refer to FAR 8.405-7). Whenever the purchase card is used as a payment method for a contract action, the contract action may be applied toward the ordering agency's goals based upon the socioeconomic characteristics of the GSA Schedule contractor.

The purchase card enables day-to-day business purchases and allows ordering activities to manage the information contained in the management information reports in order to negotiate better discounts from contractors.

Benefits of the GSA SmartPay® 2 Program

The GSA SmartPay® 2 program provides the federal government and its contractors with numerous benefits including:

- A streamlined purchasing process that eliminates the use of purchase orders and reduces administrative costs
- An improved payment process that allows fully automated invoicing and payment processing
- Performance-based refunds for agencies based on net charge volume
- Electronic access systems that allow for streamlined financial operations and allocation methods

Remember to identify your ordering activity as a Schedule customer whenever placing an order and ask Schedule contractors for their Schedule contract numbers and Schedule pricing.

The GSA SmartPay® 2 website, available at www.smartpay.gsa.gov, provides a copy of the master contract, contractor guides, performance summaries, a list of agency representatives for questions and answers, agency information, and points of contact. Web-based training for agency/program coordinators is available at https://smartpay.gsa.gov/program-coordinators/training.

A self-paced tutorial is also available at https://smartpay.gsa.gov/program-coordinators/training to instruct new cardholders on how to use the purchase card responsibly.

FAR 51 Deviation

Purpose

FAR Subpart 51.1, Contractor Use of Government Supply Sources, prescribes policies and procedures under which contractors may use government supply sources. Currently, Contracting Officers may authorize contractors to use GSA sources of supply in the performance of cost-reimbursement contracts and under other limited scenarios when determined to be in the best interest of the government.

In order to better meet the needs of GSA's customer agencies, a deviation to FAR Subpart 51.1 has been approved to expand the authority of contractors to use GSA sources of supply. Specifically, federal government Contracting Officers are now authorized to give all GSA contractors access to the Federal Supply Schedule (FSS) and GSA Global Supply™ programs when deemed appropriate for fulfillment of their agency requirements. Please note that the FSS program is inclusive of those Schedules managed by the Department of Veterans Affairs. This authority is limited to contracts/orders:

- Placed on a time-and-materials (T&M)/labor-hour (LH) basis, a contract awarded or an order placed by the federal government to the buying contractor can be partially fixed-price, but the portion of the contract/order for the items to be procured using the FAR 51 deviation must be T&M/LH
- For ancillary supplies/services that are in support of the overall contract/order such that the items are not the primary purpose of the work ordered, but are an integral part of the total solution offered
- Issued in accordance with the procedures in FAR 8.405-1, Ordering Procedures for supplies, and services not requiring a Statement of Work (applicable only to orders placed against Schedule contracts)
- Placed by the federal government. The authorization is **not** available to state and local governments.

Benefits

The ability for GSA contractors to purchase from the FSS and GSA Global Supply™ programs benefits our customers and contractor community in the following ways:

- Allows GSA contractors to provide a total contract solution to meet customers' needs
- Expands upon existing benefits of GSA vehicles, such as streamlining of procurements, ease of ordering, leveraged pricing, time savings, and responsible contractors
- Meets customer needs expeditiously because the ancillary supplies and services are readily available from the FSS Program or GSA Global Supply™ programs
- Reduces agency procurement and contract administration costs
- Provides agencies opportunities to increase utilization of small businesses
- Reduces the necessity for Government Furnished Equipment (GFE), which is labor intensive to administer properly
- Simplifies market research via existing GSA eTools
- Encourages competition among contractors to seek the best solution, resulting in cost savings to the government
- Enables use of supply funds by contractors, which is the preferred payment method for some agencies

Definitions

- Federal Government: The eligible user of the FAR Part 51 deviation.
- Buying Contractor: The contractor who receives the primary contract/order from the federal government and subsequently acts as the federal government's agent when placing an order with the selling Schedule contractor or GSA Global Supply™. The buying contractor can be any GSA contractor (Schedule contractor, GSA Global Supply™ vendor, PBS contractor, etc.).
- Selling Contractor: The contractor who receives the secondary order placed under the FAR Part 51 deviation authority from the buying contractor. The selling contractor must be a Schedule contractor or GSA Global Supply™ vendor.
- Authorization: Written approval from the federal government for a contractor to use a government supply source.

Criteria for Use

When the authority granted under the FAR Part 51 deviation is utilized, all of the following criteria must be met.

Primary Awards/Orders Are Issued on a Time-and-Materials (T&M)/ Labor-Hour (LH) Basis

Items on the contract/order issued to the buying contractor from the federal government must be T&M/LH. The overall contract/order can be fixed-price, but the items to be purchased under the FAR Part 51 authority must be structured on a T&M/LH basis. Commonly, this is accomplished by including an optional line item in the Request for Quotation (RFQ)/proposal and a corresponding line item on the subsequent contract/order.

When GSA contractors place orders with MAS and GSA Global Supply™ under the FAR Part 51 deviation authority, the buying contractor who is purchasing the items is not permitted to add a fee or markup to the items. Items must be invoiced at the price for which they were procured from the selling contractor.

Supplies and/or Services are Ancillary to the Primary Purpose of the Contract/Order

Supplies and/or services procured under the FAR Part 51 deviation authority must be ancillary in nature. The supplies and services shall not be the primary purpose of the work ordered, but an integral part of the total solution that is offered. Please note that there are different and additional requirements associated with Special Item Numbers (SINs) on numerous Schedules that contain ancillary Repair and Alterations (R&A).

For Orders Placed against Schedule Contracts, Orders are Limited to FAR 8.405-1, Ordering Procedures for Supplies, and Services Not Requiring a Statement of Work (SOW)

Buying contractors must follow the procedures outlined in FAR 8.405-1 when purchasing items from a Schedule contract. The procedures are used when ordering supplies and services that are listed in the Schedule contract at a fixed price for the performance of a specific task, where an SOW is not required (e.g., installation, maintenance, and repair).

Use of Deviation is Not Available to State and Local Governments

The authority does not extend to state and local ordering activities and is intended for use only by federal government Contracting Officers.

Responsibilities

Federal Government

The federal government must:

- Use the FAR Part 51 deviation appropriately and in accordance with applicable FAR Parts, including FAR Part 51 and the guidance contained in this ordering guide.
- Include Clause 52.251-1, Government Supply Sources, in RFQs/solicitations. The RFQ/solicitation should also specifically state that items offered that may be procured using the FAR Part 51 deviation authority must be proposed on a T&M/LH basis. However, the federal government should not mandate that the quote/proposal include such items.
- Issue a written authorization to the buying contractor in accordance with FAR 51.102. An authorization template that contains additional information specific to the FAR Part 51 deviation is provided in Section 6.0.
- Ensure that the buying contractor is in compliance with the written authorization. If utilizing the GSA Schedules program, ensure that the buying contractor has followed the ordering procedures in FAR 8.405-1 to promote competition. Compliance with FAR 8.405-1 can be verified by requesting evidence from the buying contractor that competition has been conducted, e.g., RFQ, quotations received, etc.
- Include the supplies and services ordered by the buying contractor in the dollar amount reported to Federal Procurement Data System (FPDS-NG) in accordance with FAR 4.606. Orders from the GSA Global Supply™ program do not need to be reported in FPDS-NG because they are automatically reported by GSA systems.
- If the buying contractor is using the GSA Global Supply™, ensure that the sponsoring agency's authorized point of contact (POC) requests assignment of an Activity Address Code (AAC) or Department of Defense Activity Address Code (DoDAAC) from GSA or DOD.

Buying Contractor

Contractors Placing Orders Must:

- Identify and separate those ancillary items that are proposed to be purchased under the FAR Part 51 deviation authority on the quotation/proposal submitted to the federal government and on the subsequent invoice.
- When purchasing from a Schedule contract, purchase items at the Schedule contract price (or lower) with no fee, surcharge, or markup. If items are provided by the selling contractor at lower than the contract price, the buying contractor must pass on the savings by invoicing the federal government accordingly.
- Ensure that the items procured under FAR 51 deviation authority are ancillary to the overall order/contract.
- Provide a copy of the written authorization from the federal government with each applicable order to the selling contractor. When purchasing from GSA Global Supply™, the written authorization needs to be submitted only with the request for assignment of the AAC or DoDACC and not with each order.
- If the buying contractor is a Schedule contractor, ensure that the buying contractor's Schedule contract number is on each order issued to the selling contractor.
- Remit full payment to the selling contractor.
- Submit documentation of the transmittal of full payment to the selling contractor when invoicing the federal government.
- Follow applicable Schedule (FAR 8.405-1) or GSA Global Supply™ program ordering procedures. For more information on placing orders with GSA Global Supply™, please visit www.gsaglobalsupply.gsa.gov.

Selling Contractor

Contractors Accepting Orders Must:

- Have the ability to accept or reject orders from the buying contractor
- Ensure that a copy of the written authorization from the federal government is included in the order issued by the buying contractor
- If the buying contractor is a Schedule contractor, ensure that the buying contractor's contract number is shown on each order
- For Schedule orders, sell to the buying contractor at the MAS contract price or lower pursuant to FAR 8.4
- For Schedule orders, understand that a purchase made under the authority of FAR Part 51 deviation does not trigger a price reduction under GSAR clause 552.238-75, Price Reductions
- Include on each invoice the language "in care of '[name of government agency]' under written authorization from [name of government agency]"
- Assume the financial risk and other risks of selling directly to another contractor. Any dispute involving the distribution of payment between the buying and selling contractor will be resolved without any involvement by the federal government. Since each contractor has a Schedule or GSA Global Supply™ contract, each contractor is held accountable under the terms and conditions of its contract for any problems, such as warranty or performance issues.
- For Schedule orders, track and report sales as Schedules contract sales, and remit the Industrial Funding Fee (IFF) accordingly

GSA Global Supply™

GSA Global Supply™ will:

- Accept all orders from buying contractors, provided the contractor has been assigned an AAC or DoDACC. The buying contractor will provide evidence of proper authorization to GSA or DOD at time of request for AAC/DoDAAC.
- Charge the standard price
- Follow normal requisition processes using assigned AAC or DoDAAC

Refer to www.gsa.gov/far51deviation for additional information.

Section 7: Inspection/Acceptance and Terminations

Inspection and Acceptance

- **Services**
  The ordering activity has a right to inspect all services in accordance with the contract requirements and as called for by the order. The ordering activity must perform inspections and tests as specified in the order's Quality Assurance Surveillance Plan (QASP) or the Inspection of Services clause.
- **Supplies**
  The ordering activity (or designated representative) must inspect supplies at destination except when there is mandatory source inspection required by the Schedule contracting agency or the Schedule item is covered by a supply description, and the ordering activity determines that the Schedule contracting agency's inspection assistance is needed. For additional information, refer to FAR 8.406-2 (a) at www.acquisition.gov/far/index.html.

Termination for Cause

Nonconformance of Supplies/Services (Refer to FAR 8.406-3)

If a contractor delivers a supply or service, but it does not conform to the order requirements, the ordering activity shall take appropriate action in accordance with the inspection and acceptance clause of the contract, as supplemented by the order.

If the contractor fails to perform an order or take appropriate corrective action, the ordering activity may terminate the order for cause or modify the order to establish a new delivery date (after obtaining consideration, as appropriate). Ordering activities shall follow the procedures in FAR 8.406-4 when terminating an order for cause.

The Contracting Officer must send a cure notice prior to terminating an order for a reason other than late delivery. A cure notice is not needed when the reason for termination is late delivery.

If the time remaining in the order delivery schedule is not sufficient to permit a realistic cure period of 10 days or more, the cure notice should not be issued and the performance period should be allowed to expire. The cure notice should:

- Specify the failure(s) endangering performance of the order;
- Allow a period of at least 10 days for the contractor to cure the failure(s);
- Notify the contractor that unless the situation is cured, the ordering activity may terminate the order; and
- Identify the GSA Schedule clause authorizing order termination for cause.

Once the contractor receives the cure notice, he or she has the opportunity to remedy the problem.

An ordering activity Contracting Officer may terminate individual orders for cause. The ordering activity shall notify the Schedule Contracting Officer of all instances of termination for cause of individual orders or if fraud is suspected. If the contractor asserts that the failure was excusable, the ordering activity's Contracting Officer shall follow the procedures in FAR 8.406-6, as appropriate.

The ordering activity's Contracting Officer must report any terminations for cause to FAPIIS. See FAR 8.406-4(e) and 42.1503(f).

NUTS-AND-BOLTS TIP

Termination for Cause at the Schedule Contract Level

Only the Schedule Contracting Officer may modify the Schedule contract to terminate for cause any or all supplies or services covered by the Schedule contract (refer to FAR 8.406-4(d)).

Government's Best Interest

The Contracting Officer should exercise the ordering activity's right to terminate an order for cause only when such a termination would be in the best interest of the government. The ordering activity's Contracting Officer should consult with legal counsel prior to terminating for cause.

When a termination for cause is appropriate, the ordering activity's Contracting Officer must send the contractor a written notification regarding the termination. The ordering activity sends a Notice of Termination for Cause to the Schedule contractor. The Schedule contractor must immediately stop work.

If the Schedule contractor asserts that the failure that led to the Schedule order termination for cause was excusable, the ordering activity's Contracting Officer must follow the appropriate procedures for dispute resolution.

If a repurchase order is placed, the ordering activity sends copies of the order to both new and terminated contractors and, if appropriate, collects excess repurchase costs from the terminated Schedule contractor.

Termination for Cause Notification to GSA

The ordering activity must notify the GSA Schedule Contracting Officer in all instances where an ordering activity Contracting Officer has terminated a GSA Schedule order for cause or suspected fraud. The GSA Contracting Officer information is located at www.gsaelibrary.gsa.gov, where a search can be conducted for the contractor by name or contract number and a link can be followed to the contractor information page.

FAR 8.406-4, Termination for Cause

Termination for cause shall comply with FAR 12.403 and may include charging the Schedule contractor with excess costs resulting from repurchase.

If the contractor is charged excess costs, the following apply:

- Any repurchase shall be made at as low a price as reasonable, considering the quality required by the government, delivery requirement, and administrative expenses. Copies of all repurchase orders, except the copy furnished to the contractor or any other commercial concern, shall include the notation: "Repurchase against the account of [insert contractor's name] under Order [insert number] under Contract [insert number]."
- When excess costs are anticipated, the ordering activity may withhold funds due the contractor as offset security. Ordering activities shall minimize excess costs to be charged against the contractor and collect or set-off any excess costs owed.
- If an ordering activity is unable to collect excess repurchase costs, it shall notify the Schedule Contracting Officer after final payment to the contractor.

The notice shall include the following information about the terminated order:

- Name and address of the contractor
- Schedule, contract, and order numbers
- National stock number(s), if applicable, or Special Item Number(s) and a brief description of the item(s)
- Cost of Schedule items involved
- Excess costs to be collected
- Other pertinent data

The notice shall also include the following information about the purchase contract:

- Name and address of the contractor
- Item repurchase cost
- Repurchase order number and date of payment
- Contract number, if any
- Other pertinent data

Only the Schedule Contracting Officer may modify the contract to terminate for cause any or all supplies or services covered by the Schedule contract. If the Schedule Contracting Officer has terminated any supplies or services covered by the Schedule contract, no further orders may be placed for those items. Orders placed prior to termination for cause shall be fulfilled by the contractor, unless terminated for the convenience of the government by the ordering activity's Contracting Officer.

Termination for the Government's Convenience

FAR 8.406-5 permits the ordering activity's Contracting Officer to terminate individual orders for the convenience of the government when it is in the government's best interest. Terminations for convenience must comply with FAR 12.403.

Before terminating orders for the government's convenience, the ordering activity's Contracting Officer shall endeavor to enter into a "no-cost" settlement agreement with the contractor. Only the Schedule Contracting Officer has the authority to modify the Schedule contract to terminate any or all supplies or services covered by the Schedule contract for the government's convenience. Ordering agencies have authority to terminate individual orders. In disputes (refer to FAR 8.406-6) pertaining to the performance of orders under a Schedule contract, the ordering activity's Contracting Officer may:

- Issue final decisions on disputes arising from performance of the order
- Refer the dispute to the Schedule Contracting Officer

NUTS-AND-BOLTS TIP

Termination for Convenience

FAR 52.212-4(l), Contract Terms and Conditions – Commercial Items, Termination for the Government's Convenience. In the event of such termination, the contractor shall immediately stop all work hereunder and immediately cause all of its suppliers and subcontractors to cease work.

The ordering activity's Contracting Officer shall notify the Schedule Contracting Officer promptly of a final decision. If the dispute pertains to the terms and conditions of the Schedules contract, the ordering activity's Contracting Officer shall refer the dispute to the Schedule Contracting Officer for resolution under the "Disputes" clause of the contract and notify the Schedule contractor of the referral.

- Appeals: Contractors may appeal final decisions to either the Board of Contract Appeals servicing the agency that issued the final decision or the U.S. Court of Federal Claims
- Alternative dispute resolution: The Contracting Officer should use the alternative dispute resolution (ADR) procedures, to the maximum extent practicable (refer to 33.204 and 33.214)

Section 8: Statement of Work (SOW) and Request for Quotation (RFQ)

Note: *Generally, ordering activities use these procedures when ordering services priced at hourly rates as established by Schedule contracts. The applicable services will be identified in the GSA Schedules and the contractor's price list.*

When acquiring a service that does not rely on the Schedule contractor's commercial description to define the requirements (e.g., program management services), an SOW, or if performance-based, a Performance Work Statement (PWS) or Statement of Objectives (SOO), is necessary. Using the example for program management services, the SOW would describe the requirements for a management process improvement program that must be met – the tasks, deliverables, and specific delivery dates.

To the maximum extent practicable, agency requirements shall be performance-based (refer to FAR 37.6, *Performance-Based Acquisition*).

Understanding an SOW

An SOW is essential when purchasing commercial services. Be aware that SOWs are read and interpreted by government and industry personnel who have diverse backgrounds such as engineering, science, accounting, law, contracting, and other business fields. The SOW must be clear, precise, complete, and concise. It should contain the following elements per FAR 8.405-2:

- Work to be performed
- Location of work
- Period of Performance
- Deliverable schedule
- Inspection and acceptance requirements
- Special requirements, such as security clearances, travel, special knowledge

Background

- Describe the project in general terms
- Discuss the purpose of the project – in other words, why the project is being pursued and how it relates to other projects
- Include, as necessary, a summary of statutory authority or applicable regulations
- Provide copies of pertinent background materials, and include them in a reference or attachment

NUTS-AND-BOLTS TIP

SOWs

There are some general preparation guidelines to consider when preparing an SOW:

- Preparation responsibility. Normally, the person responsible for preparing the purchase request may also be responsible for preparing the SOW. If so, the person may seek advice and assistance from others involved in the procurement process.
- The person responsible for issuing the delivery/task order must ensure that the SOW is adequate for the procurement. If the functions are not completed by the same person, it is important for the preparer of the purchase request and the preparer of the SOW to work together to ensure that the services required are clearly described.
- Consider reviewing the SOW Library tool, available at https://hallways.cap.gsa.gov/login-information.
- Remember to define requirements within the scope of commercial items or services.
- All services ordered must be within the scope of the GSA Schedule contract.

Objectives

- Provide a concise overview of the project and how the results or end products will be used; include goals

Scope

- Cover the general scope of the work the Schedule contractor will perform and what the government expects to be accomplished

Tasks or Requirements

- Describe detailed work and management requirements

Deliverables or Delivery Schedule

- Describe what the Schedule contractor shall provide
- Identify the Schedule contractor's responsibilities
- Specify any specialized expertise, services, training, and documentation, as applicable
- Clearly state the deliverables required, schedule for delivery, quantities, and to whom they will be delivered
- Describe the delivery schedule in terms of calendar days from the date of award
- Identify the type of documentation (printed and/or electronic) to be provided, as well as the quality indicators desired by the government

Government Property and Information

Government property and information requirements should be addressed in the requirements documentation and administered through the Schedule order.

"Government property" means all property owned or leased by the government. Government property includes both government-furnished property and contractor-acquired property. Government property includes material, equipment, special tooling, special test equipment, and real property. Government property does not include intellectual property and software.

"Government-furnished property" means property in the possession of, or directly acquired by, the government and subsequently furnished to the contractor for performance of a contract. Government-furnished property includes, but is not limited to, spares and property furnished for repair, maintenance, overhaul, or modification. Government-furnished property also includes contractor-acquired property if the contractor-acquired property is a deliverable under a cost contract when accepted by the government for continued use under the contract.

"Government-furnished information" includes, but is not limited to, manuals, drawings, and test data, to be provided to prospective offerors and contractors that require additional controls to monitor access and distribution (e.g., technical specifications, maps, building designs, schedules, etc.), as determined by the agency.

Refer to FAR 45.101 for more information.

Security Provisions

- State any security requirements, as necessary, for the work to be performed

Place of Performance

- Specify whether the work is to be performed at a government site or the contractor's site

Period of Performance

- Specify the Period of Performance, e.g., hours, days, weeks, or months

Performance-Based Acquisitions (PBA)

Performance-based contracting (refer to FAR Subpart 37.6) methods are intended to ensure that required performance quality or service levels are achieved and that total payment is related to the degree that services performed or outcomes achieved meet contract standards.

PBAs requiring an SOW (per FAR 8.405-2) will have either a PWS or SOO describing agency requirements for potential quoters.

To the maximum extent practicable, agency requirements shall be performance-based (refer to FAR Subpart 37.6). Visit www.acquisition.gov/comp/seven_steps/home.html to review "Seven Steps to Performance-Based Acquisition." This is the official government-wide guide for PBAs.

Understanding the PWS and the SOO

Two types of requirements documents express the agency's needs when an order will be performance-based: either a Performance Work Statement (PWS) or a Statement of Objectives (SOO). The choice depends upon how flexible the ordering agency is on how the requirements are expressed to the vendors. The PWS imposes more restrictions on solutions that can be offered, while the SOO is a very high-level statement of needs that leaves room for a good deal of innovation. Both approaches require some of the same information as the SOW, in terms of security issues, GFI or GFE, deliverables and due dates, etc. The SOW tells the vendors what to do and how to do it. The awardee must comply. In PBAs, we look for results and measure performance to ensure the results are in fact accomplished.

NUTS-AND-BOLTS TIP

Performance-Based Acquisition

Regardless of the type of requirements document chosen, the following points hold true:

- The procurement should support and be linked to the agency's mission
- Focus on the outcomes or results, not the "how-tos"
- Decide what constitutes success
- Establish a baseline to measure current and future performance

PWS

The suggested format for a PWS is similar in content to an SOW, but contains no "how-tos."

The "how" is left up to the quoter. The following bullet points provide an example of a PWS format.

- Provide background
- Describe the purpose of the contract
- Describe the government objective(s), e.g., goals, needs, etc., and put it into context ("How does it relate to mission and enterprise?")
- Check for regulatory budget guidance
- List all government-furnished property, equipment, and/or information
- Describe security requirements (both information and personnel)
- List/attach applicable documents (policies, procedures, templates, etc.)
- List constraints, e.g., must fit with existing interfaces, must utilize existing space, must be compatible with computer protocols, or existing equipment must be used

SOO

The SOO approach is the least restrictive of all the requirements documents. Needs are expressed in terms of outcomes or results, and quoters may propose the solution they think will offer the best value and least risk. There is no mandatory format for the SOO, but FAR 37.602(c) suggests the following:

- Purpose
- Scope or mission
- Period and place of performance
- Background
- Performance objectives, i.e., required results
- Any operating constraints

RFQ

As required by FAR 8.405-2, ordering activities must provide an RFQ, including the evaluation criteria or the basis upon which the selection will be made, to Schedule contractors that offer supplies or services that will meet the agency's needs. When an ordering activity issues an RFQ, the request should include the SOW, and it shall ask Schedule contractors to submit a price quote to provide the services as outlined in the SOW. The price shall be based on the prices in the Schedule contracts and shall consider the mix of labor categories and level of effort required to perform the services described in the SOW. A Firm Fixed Price (FFP) order shall be requested, unless the ordering activity makes a determination that it is not possible at the time of placing the order to estimate accurately the extent or duration of the work or to anticipate cost with any reasonable degree of confidence. When such a determination is made, a labor-hour (LH) or time-and-materials (T&M) quotation may be requested. The FFP of the order should also include any travel costs or Other Direct Costs (ODCs) related to performance of the services ordered, unless the order provides for reimbursement of travel costs at the rates provided in the Federal Travel or Joint Travel Regulations. A ceiling price must be established for LH and T&M orders, along with a not-to-exceed line item for ODCs or travel reimbursement.

An RFQ should ensure the following information is included:

- RFQ identification number
- Issuing organization and point-of-contact
- RFQ closing date and time
- Notification that only Schedule contractors will be considered
- If applicable, the intention to award a single- or multiple-award BPA
- If applicable, a statement that the requirement is set aside for small businesses or a subcategory of small business. Recommended language can be found at www.gsa.gov/schedulesandsbgoals.
- Instructions to quoters as necessary (e.g., page limits)
- Other pertinent information – such as agency-specific provisions and clauses that do not conflict with Schedule contract clauses
- Other information may be included in the SOW part of the RFQ

Evaluation/Selection Criteria

This section of the RFQ identifies the selection criteria; e.g., technical excellence, management capability, prior experience, personnel qualifications, delivery or performance schedule compliance, and/or past performance refer to "best value."

Note: *Ordering activities must treat all Schedule contractors fairly and inform them of the requirements of the potential order. The ordering activity must evaluate competitive quotes solely on the factors specified in the RFQ evaluation criteria.*

"Providing" an RFQ to Schedule contractors includes posting the RFQ on eBuy and is required under the following circumstances:

- A services requirement for which an SOW is needed that exceeds the micro-purchase threshold, or
- Any requirement for supplies or for services, whether or not an SOW is required, that exceeds the simplified acquisition threshold.

NUTS-AND-BOLTS TIP

Overall Price Reasonableness Determination

A determination of reasonable pricing for services offered should be based on the following three variables:

- Hourly rates
- Labor categories proposed to fulfill the task
- Number of hours proposed for each category

The ordering agency must analyze the mix of categories, hours, and rates to determine if the total price for the task is reasonable.

Remember: GSA has already determined that the hourly labor rates are fair and reasonable.

Remember to require in the RFQ that the quoted prices conform to the Schedule contract prices (equal to or lower than) and to seek additional price reductions where appropriate.

Note: *Items/services not on the Schedule contract may be considered "open market."*

Open Market Items

In accordance with FAR 8.402(f), for administrative convenience, an ordering activity's Contracting Officer may add items not on the GSA Schedule contract – e.g., Open Market Items – to a GSA Schedule BPA or an individual task or delivery order only if:

- All applicable acquisition regulations pertaining to the purchase of the items not on the Schedule contract have been followed (e.g., publicizing (FAR Part 5), competition requirements (FAR Part 6), acquisition of commercial items (FAR Part 12), contracting methods (FAR Parts 13, 14, and 15), and small-business programs (FAR Part 19)).
- The ordering activity's Contracting Officer has determined the prices for the items not on the Schedule contract are fair and reasonable.
- The items are clearly labeled on the order as items not on the Schedule contract.
- All clauses applicable to items not on the Schedule contract are included in the order.
- The ordering Contracting Officer has determined that the items are within the scope of the Schedule contract.

It is important to recognize that GSA has negotiated prices or determined prices to be fair and reasonable only for those supplies and services that are awarded to Schedule contracts. **Therefore, the ordering activity must comply with the requirements for full and open competition by following all applicable acquisition regulations and determining price reasonableness for Open Market Items.**

NUTS-AND-BOLTS TIP

Open Market Items

The terms and conditions of the Schedule contract do not apply to Open Market Items, and all contract clauses applicable to such items must be included in the order. Be mindful of following FAR 8.402(f) for any Open Market Items.

See attachment 1 for a cadre of cases involving Open Market Items.

See attachment 2 for a real-world example of implementing FAR 8.402(f) compliance under a multiple-award BPA.

NUTS-AND-BOLTS TIP

Cost-Reimbursement Orders

Orders with cost-type pricing arrangements as described per FAR Subpart 16.3 are not allowed under Schedules.

Use of Oral Presentations

Note: *Oral presentations are not typically used under a GSA Schedules procurement environment, but may be used at the discretion of the ordering activity's Contracting Officer. It is important that the ordering activity's Contracting Officer use proper procedures and not mix FAR Part 15 ordering procedures with FAR Subpart 8.4 procedures for placing orders against GSA Schedules. However, the ordering activity's Contracting Officer may consult FAR 15.102 for processes and techniques for the use of oral presentations and tailor them to fit the requirements in FAR Subpart 8.4. These procedures are outlined on the following page.*

Ordering agencies may utilize oral presentations at their discretion. The purpose of oral presentations is to give the requirements personnel an opportunity to discuss and totally understand the solution the quoter will deliver if selected. Oral presentations also allow for greater face-to-face interaction and are especially important in those procurements where the quoter's key personnel are critical to the success of the procurement.

Oral presentations by quoters, as requested by the government, supplement written information submitted. Oral presentations occur after quotations have been screened and reviewed, and they are subject to the same restrictions as written information. Oral presentations provide an excellent opportunity for dialogue between the government and the prospective contractors.

Pre-recorded videotaped presentations that lack real-time interactive dialogue are not considered oral presentations for the purposes of this section, although they may be included in quoter submissions, when appropriate.

The SOW may require each quoter to submit part of its quote through oral presentations. However, a signed quote sheet (including any exceptions to the government's terms and conditions) shall be submitted in writing.

Information pertaining to areas such as a quoter's capability, past performance, work plans, or approaches, staffing resources, transition plans, or sample tasks (or other types of tests) may be suitable for oral presentations. In deciding what information to obtain through an oral presentation, consider the following:

- The government's ability to adequately evaluate the information
- The need to incorporate any information into the resultant contract
- The impact on the efficiency of the procurement
- The impact (including cost) on small businesses. In considering the costs of oral presentations, Contracting Officers should also consider alternatives to on-site oral presentations (such as teleconferencing, video teleconferencing)

When oral presentations are required, the SOW, PWS, or SOO shall provide quoters with sufficient information to prepare them. Accordingly, the SOW, PWS, or SOO may describe:

- The types of information to be presented orally and the associated evaluation factors that will be used
- The qualifications for personnel that will be required to provide the oral presentation(s)
- The requirements for, and any limitations and/or prohibitions on, the use of written material or other media to supplement the oral presentations
- The location, date, and time for the oral presentations
- The restrictions governing the time permitted for each oral presentation
- If space is limited, the government may limit the number of vendor attendees

Limited communications with Schedule contractors to seek additional or clarifying information is allowed and is not considered formal "exchanges."

The Contracting Officer shall maintain a record of oral presentations to document what the government relied upon in making the source selection decision. The method and level of detail of the record (such as videotaping, audio tape recording, written record, government notes, and copies of briefing slides or presentation notes) shall be at the discretion of the source selection authority. A copy of the record placed in the file may be provided to the quoter.

When an oral presentation includes information that the parties intend to include in the contract as material terms or conditions, the information shall be put in writing. Incorporation by reference of oral statements is not permitted.

Additional Resources

Refer to the following websites for more information:

Guidelines for the Use of Oral Presentations

https://acc.dau.mil/CommunityBrowser.aspx?id=24971

Defense Acquisition Guidebook

https://dag.dau.mil/Pages/Default.aspx

Section 9: Schedule Blanket Purchase Agreements (BPAs)

A Schedule BPA is established by an ordering activity with a Schedule contract to fill repetitive needs for supplies or services (refer to FAR 8.405-3). BPAs leverage an ordering activity's buying power in taking advantage of quantity discounts, saving administrative time, and reducing paperwork. BPAs may be established with one or more Schedule contractors. However, consistent with FAR 8.405-3, ordering activities must give preference to establishing multiple-award BPAs, rather than awarding a single BPA.

BPAs are considered to be issued using full and open competition when using the procedures in FAR Subpart 8.4 (refer to FAR 6.102(d)(3)) at https://www.acquisition.gov/?q=/browse/far/6/1). Ordering activities shall not seek competition outside of the Schedules or synopsize the requirement.

BPAs are an excellent method for an ordering activity to fulfill recurring requirements, including establishing a BPA rather than an agency IDIQ contract. BPAs can be used for simple recurring requirements or complex services requirements, such as buying systems engineering support. Schedule BPAs have been used for complex service requirements exceeding $1 billion annually.

Multiple award BPAs have added benefits that multiple-award IDIQs do not:

- No guaranteed minimum, thus no funding required
- BPAs have "estimated" values, no ceiling
- Unlike an IDIQ, a BPA can exceed the estimate with no need for Justification and Approval (J&A) documentation
- The only requirement for exceeding the estimate is to seek additional discounts during annual BPA review (reference FAR 8.405-3(e)(1)(iii)

MAS Blanket Purchase Agreement (BPA) Basics

A **Blanket Purchase Agreement (BPA)** is a vehicle or acquisition strategy that an ordering activity can use to simplify the acquisition of recurring needs for Schedule services or supplies. The benefits of using BPAs include leveraging buying power, saving administrative time, and reducing paperwork. Ordering activities that have a continuing need for identical or similar items available on a GSA Schedule can establish a Schedule BPA. BPAs simplify the ordering process and should be used for negotiating better pricing for large, recurring requirements. BPAs specify the frequency of orders, invoices, discounts, requirements (e.g., estimated quantities, work to be performed), delivery locations, time, and procedures for placing orders under the BPA.

Both "traditional" BPAs and MAS (or "Schedule") BPAs can be used to fill anticipated repetitive needs for supplies and services. While traditional BPAs are subject to the requirements of FAR Part 13, *Simplified Acquisition Procedures*, FAR Part 13 does not apply to GSA Schedule BPAs.

In accordance with FAR 6.102(d)(3), use of the MAS BPA is considered a "competitive procedure" under the Competition in Contracting Act (CICA) when the GSA Schedule ordering procedures are followed. FAR 8.405-3 clarifies the conditions under which BPAs may be established with one or more Schedule contractors. The ordering activity should, to the maximum extent practicable, give preference to establishing multiple-award BPAs, rather than establishing a single-award BPA. However, the number of BPAs to be established is under the discretion of the ordering activity establishing the

BPAs and should utilize a strategy that is expected to maximize the effectiveness of the BPA(s).

GSA has established that the prices contained within the contractor's Schedule price list are fair and reasonable. However, the ordering activity is responsible for considering the level of effort and mix of labor proposed to perform the required work and for making a determination that the price specific to the task order is fair and reasonable.

There is no monetary limitation on a BPA unless an ordering office implements a limitation. The FAR requires the government to provide a Good Faith Estimate. The same ordering procedures outlined in FAR 8.405 apply to the establishment of a GSA Schedule BPA (see FAR 8.405-3(b)). Based on the potential volume of all orders under the BPA, ordering activities may be able to obtain greater discounts, regardless of the size of individual orders.

Ordering activities can only order against an existing BPA. Unlike an order, a BPA does not survive the expiration of the Schedule contract from which it was issued. Once the Schedule contract expires (regardless of the BPA ordering period), the BPA automatically expires and no new orders can be issued against it from that point forward. A Schedule contractor may be awarded a BPA that extends beyond the current term of its GSA Schedule contract as long as there are option periods in the GSA Schedule contract that, if exercised, will cover the BPA's Period of Performance (reference FAR 8.405-3(d)(3)**. All terms and conditions of the Schedule contract apply to the BPA. Any order issued (including its order options) against an existing BPA before the BPA expires will have its own Period of Performance (including order options) and shall be completed (including any order options) in accordance with the Schedule Contract FAR clause 52.216-22(d) which states, "Any order issued during the effective period of this contract and not completed within that period shall be completed by the contractor within the time specified in the order. The contract shall govern the contractor's and government's rights and obligations with respect to that order to the same extent as if the order were completed during the contract's effective period, provided that the contractor shall not be required to make any deliveries under this contract after the completion of customer order, including options, 60 months following the expiration of the basic contract ordering period."

BPAs or orders awarded under a GSA Schedule contract cannot be transferred to another GSA Schedule contract. However, pursuant to updated Clause A-FSS-11Consideration of Offers under Standing Solicitation, existing Schedule contractors can submit offers for new Schedule contracts at any time during the existing contract's period of performance and as soon as a contractor identifies a business need to complete for future BPAs. Additionally, GSA has streamlined its process for evaluating offers from existing Schedule contractors in order to facilitate the award of new contracts to qualified contractors that have BPAs issued under expiring schedule contracts.

NUTS-AND-BOLTS TIP

BPA Period of Performance

**To maximize competition and still be in compliance with FAR 8.405-(d)(3), an RFQ can specify the following (example is for a five-year multiple-award BPA)

BPA Period of Performance
The duration of the BPA is from the date of award to five years thereafter unless the BPA is cancelled or expires. A BPA expires when the contractor's GSA MAS contract, which the BPA is predicated upon, expires."

The above language is in compliance with FAR 8.405-3(d)(3) *"Contractors may be awarded BPAs that extend beyond the current term of their GSA Schedule contract, so long as there are option periods in their GSA Schedule contract that, if exercised, will cover the BPA's Period of Performance."*

The reason the sample language is in compliance is that the BPA Period of Performance is five years (*or less*) and thus any Schedule contractor can comply regardless of the number of option periods remaining in its Schedule contract.

Agencies may join together to create a multi-agency MAS BPA if the multi-agency BPA identifies the participating agencies and their estimated requirements at the time the BPA is established.

Each year, the ordering activity must document the review of the GSA Schedule BPA to determine that:

- The underlying Schedule contract is still in effect.
- The BPA continues to represents the best value.
- Estimated quantities/amounts have been exceeded and additional price reductions can be obtained.

The same acquisition procedures that DOD requires for Schedule orders apply to Schedule BPAs purchased either by or on behalf of DOD organizations.

Benefits of a Schedule BPA

Contractual terms and conditions are contained in Schedule contracts and are not to be renegotiated when establishing GSA Schedule BPAs. As a purchasing option, Schedule BPAs eliminate such contracting and open-market costs as the search for sources, the need to prepare solicitations, and the requirement to synopsize the acquisition.

BPAs also:

- Provide an opportunity to negotiate improved discounts
- Satisfy recurring requirements
- Reduce administrative efforts by eliminating repetitive, individual orders and payments
- Let customers obtain better value by leveraging buying power through volume purchasing
- Enable an ordering activity to use streamlined ordering procedures
- Permit an ordering activity to incorporate Contractor Team Arrangements (CTAs)
- Allow for quicker turnarounds on orders
- Permit an ordering office to incorporate terms and conditions not in conflict with the underlying contract
- Aid agencies in requiring contractors to report the green products supplied, helping agencies to track and report their green product purchases
- Provide "on/off ramps" for contractors when using multiple-award BPAs

A Schedule BPA can be set up for an agency's field offices across the nation, thus allowing them to participate in the Schedule BPA and place orders directly with Schedule contractors. In doing so, the entire agency reaps the benefits of additional discounts negotiated into the Schedule BPA.

A multi-agency Schedule BPA is also permitted if the Schedule BPA identifies the participating agencies and their estimated requirements at the time the Schedule BPA is established.

Setting up a GSA Schedule BPA

MAS BPA Establishment Procedures – FAR 8.405-3(b)(1)

When ordering **supplies** or **fixed-price services without an SOW**

Exceeds SAT

- Develop RFQ, including basis of award
- Post to eBuy or provide to as many as is practicable to ensure at least three quotes
- Limited Sources Justification if applicable
- "Best value" determination

Below SAT

- Survey ≥ three contractors (GSA*Advantage!*®, catalogs, etc.)
- Limited Sources Justification if applicable
- Determine if a price reduction should be sought
- "Best value" determination

MAS BPA Establishment Procedures – FAR 8.405-3(b)(2)

When ordering **services requiring an SOW**

Exceeds SAT

- Prepare SOW/PWS and establish evaluation criteria
- Specify type of order preference (FFP, T&M, LH)
- Limited Sources Justification if applicable
- Post to eBuy or provide to as many as is practicable to ensure at least three quotes
- "Best value" determination

Below SAT

- Prepare SOW/PWS and establish evaluation criteria
- Specify type of order preference (FFP, T&M, LH)
- Issue RFQ to ≥ three contractors
- Limited Sources Justification if applicable
- "Best value" determination

Schedule BPAs under the GSA Schedule program are established using ordering procedures outlined in FAR 8.405-3. An ordering activity shall request a price reduction when establishing a Schedule BPA with an estimated value exceeding the SAT, regardless of the size of individual orders.

Ordering activities may consider socioeconomic status when identifying contractors for consideration or competition for award of an order or Schedule BPA. At a minimum, ordering activities should consider, if available, at least one small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, women-owned small business, economically disadvantaged women-owned small business, or small disadvantaged business Schedule contractor (refer to FAR 8.405-5). GSA*Advantage!*® and GSA eLibrary contain information on small-business representations of Schedule contractors. If enough small businesses can deliver the required results, the BPA can be set aside. This is at the discretion of the ordering activity's Contracting Officer.

Schedule BPAs shall address the frequency of ordering, invoicing, discounts, requirements (e.g., estimated quantities, work to be performed), delivery locations, and time.

Multiple-award vs. Single-award BPAs and Documentation Requirements

To encourage and facilitate competition when placing orders under BPAs, the FAR establishes a preference for multiple-award BPAs, rather than single-award BPAs. The number of BPAs to be established is within the discretion of the ordering activity establishing the BPAs and should be based on a strategy that is expected to maximize the effectiveness of the BPA(s). In determining how many multiple-award BPAs to establish or that a single-award BPA is appropriate, the Contracting Officer should consider the following factors and document the decision in the acquisition plan and BPA file:

- The scope and complexity of the requirement(s)
- The benefits of ongoing competition and the need to periodically compare multiple technical approaches or prices
- The administrative costs of multiple BPAs
- The technical qualifications of the Schedule contractor(s)

No **single-award** BPA with an estimated value exceeding $112 million (including any options), may be awarded unless the head of the agency determines in writing that:

- The orders expected under the BPA are so integrally related that only a single source can reasonably perform the work
- The BPA provides only for Firm Fixed Price orders for:
  - Products with unit prices
  - Services with prices established in the BPA for specific tasks to be performed
- Only one source is qualified and capable of performing the work at a reasonable price to the government
- It is necessary in the public interest to award the BPA to a single source for exceptional circumstances

If limiting the potential sources that will be considered for award of a single-award BPA, the above requirement for a determination to establish a single-award BPA greater than $112 million is **in addition** to the requirement of FAR 8.405-6 for a Limited Sources Justification. However, the two documents may be combined into one document, which must then be approved by the agency head.

NUTS-AND-BOLTS TIP

BPAs

If the BPA is for hourly rate services, the ordering activity shall develop a Statement of Work (SOW) for requirements covered by the BPA. All orders under the BPA should specify a price for the performance of the tasks identified in the SOW.

Only contractors holding current GSA Schedule contracts may participate in the establishment of a BPA based on GSA Schedules.

Multiple-award BPAs

If the ordering activity establishes Multiple BPAs, before placing an order exceeding the micro-purchase threshold, the ordering activity shall provide each BPA holder fair opportunity to be considered for each requirement when the value is less than the simplified acquisition threshold and provide a RFQ to all BPA holders if the value exceeds that amount.

Evaluate all responses received, make a "best value" determination (IAW FAR 8.404(d)) and place the order with the Schedule BPA holder that represents the best value.

Single-award BPAs

A single-award BPA should rarely be used in conformance with the FAR preference for multiple-award BPAs. When establishing a single-award BPA, the ordering activity should address the following:

- The frequency of ordering, invoicing, discounts, requirements (or estimated quantities, work to be performed), delivery locations, and time
- Supplies or services to be ordered and type of pricing, such as hourly rate services
- A Firm Fixed Price (FFP), labor-hour (LH), or time-and-materials (T&M) pricing arrangement for individual tasks or orders as allowed in the GSA Schedule contract
- Whether a single BPA contractor can meet all of the estimated requirements
- Whether the government will obtain the best value from a single Schedule contractor, via the likely quantity discounts, administrative savings, and other benefits related to reduced procurement lead time vs. the ongoing need to price and perform competitively in a multiple-award BPA, task/delivery order-level competition environment
- Authorized users of the BPA and their collective requirements

For example, you have a recurring requirement for a wide variety of common-use electronic components for "in-house" maintenance of the agency's information technology equipment. Using GSA eLibrary, you find that IT support equipment is listed under IT Schedule 70 Special Item Number (SIN) 132 8, and that there are numerous IT dealers whose Schedule contract price lists include the wide range of supplies that you require. Several of the dealers are small.

You issue an RFQ for a single-award Schedule BPA encompassing the indefinite quantities of items in the generic categories of the types of supplies you require, e.g., microchips, hard drives, flash memories, etc. You establish evaluation factors such as business size, past performance, delivery and price.

Ordering Procedures for BPAs

The Schedule BPA should identify all personnel authorized to order using the BPA by position title or individual name and organizational component.

If the ordering activity establishes one Schedule BPA, authorized users may place the order directly under the established BPA when the need for the supply or service arises.

If the ordering activity establishes multiple Schedule BPAs, which is preferable IAW the FAR, each BPA should include procedures for providing BPA holders a fair opportunity to provide the services and/or supplies identified in the BPA. The BPA should specify the ordering procedures at various dollar thresholds, as discussed below.

BPAs or orders awarded under a GSA Schedule contract cannot be transferred to another GSA Schedule contract.

When ordering from Schedule BPAs, ordering activities must conform to the following requirements:

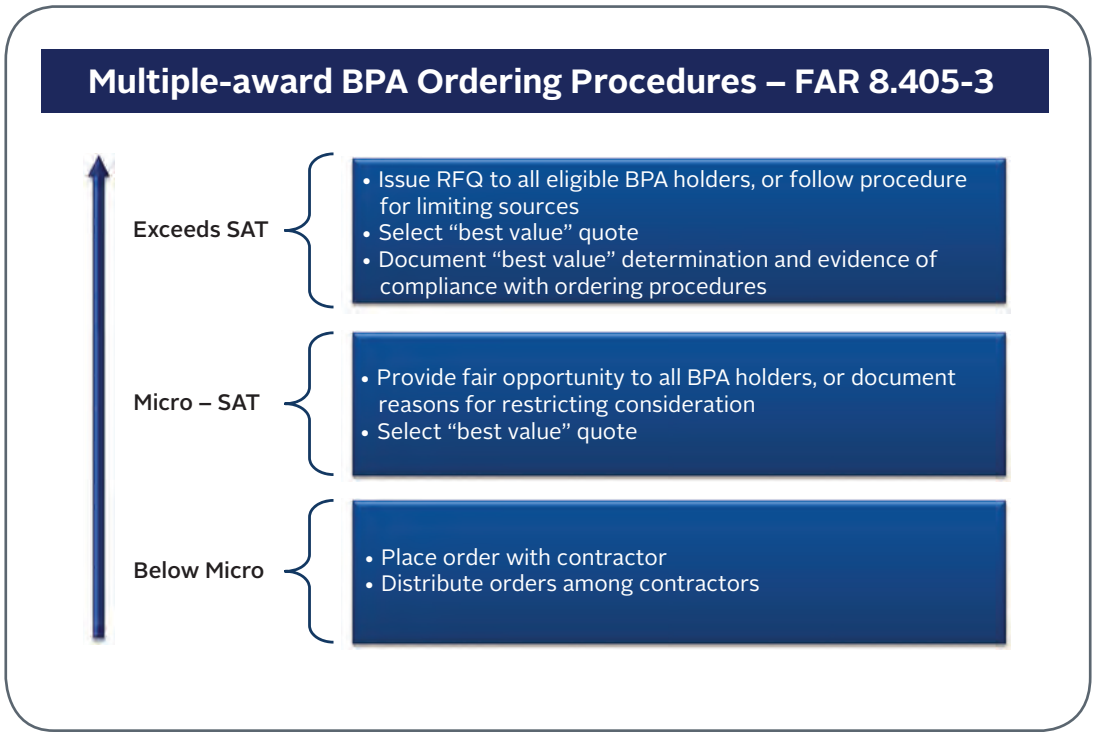
- **Single-award BPA**: If the ordering activity establishes one BPA, authorized users may place the order directly under the established BPA when the need for the supply or service arises. A single-award BPA might be appropriate if there is only one qualified source or if it is in the public interest in exceptional circumstances.
- **Multiple-award BPAs**:
  - Orders at or below the micro-purchase threshold
    - The ordering activity may place orders at or below the micro-purchase threshold with any BPA holder that can meet the agency needs. The ordering activity should attempt to distribute any such orders among the BPA holders.
  - Orders exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold
    - The ordering activity must provide each multiple-award BPA holder a fair opportunity to be *considered* for each order exceeding the micro-purchase threshold, but not exceeding the simplified acquisition threshold unless one of the exceptions at 8.405-6(a)(1)(i) applies.
    - The ordering activity does not need to contact each of the multiple-award BPA holders before placing an order if information is available to ensure that each BPA holder is provided a fair opportunity to be *considered* for each order.
    - The ordering activity's Contracting Officer shall document the circumstances when restricting consideration to less than all multiple-award BPA holders offering the required supplies and services.

- Orders exceeding the simplified acquisition threshold
  - Provide an RFQ to all BPA holders offering the required supplies or services under the multiple-award BPAs, to include a description of the supplies to be delivered or the services to be performed and the basis upon which the selection will be made.
  - Afford all BPA holders responding to the RFQ an opportunity to submit a quote.
  - Fairly consider all responses received and make award in accordance with the selection procedures.
  - The ordering activity shall document evidence of compliance with these procedures and the basis for the award decision.
  - Prepare a Limited Sources Justification IAW FAR 8.405-6 if applicable.

- **BPAs for hourly-rate services**. If the BPA is for hourly rate services, the ordering activity must develop an SOW/PWS/SOO for requirements covered by the BPA. All orders under the BPA shall specify a price for the performance of the tasks identified in the SOW/PWS/SOO.

  Additional Procedures for Hourly Rate Services – FAR 8.405-3(c)(3)

  - Ordering activity shall develop a Statement of Work for each order. The ordering activity needs to develop a SOW for requirements covered by the BPA. Orders should be solicited and awarded on a Firm Fixed Price basis to the maximum extent practicable.
  - Ordering activities should place these orders on a Firm Fixed Price basis. If Firm Fixed Price is not achievable, orders may be placed on either a labor-hour or time-and-materials basis.
  - For T&M and LH orders, the Contracting Officer shall follow the procedures at FAR 8.404(h) (Requires D&F). In addition, the order must contain a ceiling amount that the contractor exceeds at their own risk.
  - All orders under the BPA shall specify a price for the performance of the tasks identified in the SOW
  - The ordering activity Contracting Officer is also required to perform an order-level price reasonableness determination as required by FAR Subpart 8.405-2(d). The ordering activity is responsible for considering the level of effort and the mix of labor proposed to perform, and for determining that the proposed price is reasonable.



NUTS-AND-BOLTS TIP

Overall Price-Reasonableness Determination

GSA has determined that the prices contained within the contractor's Schedule price list are fair and reasonable. However, the ordering activity is responsible for considering the level of effort and mix of labor proposed to perform a specific task being ordered, and for making a determination that the total price is fair and reasonable.

Duration of Schedule BPAs

Multiple-award BPAs generally should not exceed five years in length, but may do so to meet program requirements. See FAR 8.405-3(d)(1).

A single-award BPA shall not exceed one year, although it may include up to four one-year options. See FAR 8.405-3(d)(2).

Contractors may be awarded Schedule BPAs that extend beyond the current term of their Schedule contract, if there are option periods in their Schedule contract that, if exercised, will cover the Schedule BPA's Period of Performance. See FAR 8.405-3(d)(3).

Annual Review of Schedule BPAs

The ordering activity's Contracting Officer shall review each BPA and determine in writing, at least once a year, whether:

- The Schedule contract, upon which the BPA was established, is still in effect
- The BPA still represents the best value (see 8.404(d))
- Estimated quantities/amounts have been exceeded and additional price reductions can be obtained

The determination shall be included in the BPA file documentation. See FAR 8.405-3(e).

BPA Documentation
When establishing Blanket Purchase Agreements under the GSA Schedules program, the ordering activity shall document: ❖ The Schedule contracts considered, noting the contractors with which BPAs have been established ❖ A description of the requirements (e.g., estimated quantities, work to be performed) ❖ The results of negotiations including agreed upon pricing and the estimated value ❖ If applicable, the circumstances and rationale for restricting consideration of Schedule contractors to fewer than required in the Schedule ordering procedures. (The FAR 8.405-6 requirement for written justifications applies when establishing limited-sources BPAs, since such BPAs restrict the number of contractors to fewer than those prescribed by the Schedule ordering procedures.) ❖ Justification for award of single BPA including agency head determination required by FAR 8.405-3(a)(3)(ii) as necessary ❖ The evaluation methodology used in selecting the contractor to receive the BPA(s) ❖ The rationale for any trade-offs in making the selection ❖ The fair and reasonable price determination required by FAR 8.405-2(d) for BPAs with hourly rate services ❖ If applicable, the rationale for placing other than Firm Fixed Price or performance-based orders ❖ The results of the annual review ❖ Evidence of compliance with competition requirements in FAR 8.405-3(b) **When ordering from BPAs, the ordering activity shall document:** ❖ The BPA holder from which the supply or service was purchased ❖ A description of the supply or service purchased ❖ The amount paid ❖ BPAs for hourly rate services: That the total price for any orders are reasonable by performing a price reasonableness determination as required by FAR 8.405-3(c)(3) considering the level of effort and mix of labor ❖ If applicable, the rationale for using other than a Firm Fixed Price order or a performance-based order **If ordering from multiple-award BPAs,** *in addition to the above*, **the ordering activity shall document:** ❖ The BPAs considered ❖ The evaluation methodology used in selecting the BPA holder to receive the order ❖ The rationale for any trade-offs in making the selection

NUTS-AND-BOLTS TIP

Single-award or Multiple-award BPA Notification

The RFQ must inform the Schedule contractors if you intend to establish a single- or multiple-award BPA. It also must tell them the evaluation criteria you will use for the award and the relative importance of those evaluation factors.

NUTS-AND-BOLTS TIP

BPAs Extending Beyond the Term of the GSA Schedule Contract

"Contractors may be awarded BPAs that extend beyond the current term of their GSA Schedule contract, so long as there are option periods in their GSA Schedule contract that, if exercised, will cover the BPA's period of performance." Any existing BPAs would expire with the expiration of the underlying GSA Schedule contract. No new orders could be awarded against the expired BPA and GSA Schedule contract. See FAR 8.405-3(d)(3).

Obligation of Funds

A Schedule BPA does not require the obligation of funds. Funds are obligated when orders are placed against the BPA. Since the government is not obligated to make any purchases under the BPA, this can be stated as:

> This BPA does not obligate funds. The government is obligated only to the extent of authorized orders actually issued against the BPA. The government estimates, but does not guarantee, that the volume of purchases through these agreements will be (estimated value) over the life of these BPAs. This is not a ceiling amount and the accumulated value of task orders issued under these BPAs may exceed this amount without modification to the BPA.

Pricing Arrangements

Orders for supplies or services not requiring an SOW must be Firm Fixed Price (FFP). (See FAR 8.405-1(a).) Orders for services requiring an SOW/PWS (e.g., hourly rate services) may use one or a combination of the following pricing arrangements:

- Firm Fixed Price (FFP)
- Labor hour (LH)
- Time and materials (T&M)

FFP is the preferred pricing structure and documentation is required as to the rationale for issuing orders as other than FFP. (See FAR 8.405-2(e)(7).)

For BPAs for hourly-rate services, the ordering activity must develop an SOW/PWS for the requirements covered by the BPA.

When issuing a T&M or LH order:

- A Determination and Findings form must be approved in accordance with FAR 8.404(h) to justify other than a Firm Fixed Price order.
- The GSA Schedule order must include a ceiling price.
- All payments must conform to the requirements of the appropriate payments clause for commercial T&M/LH requirements in the GSA Schedule contract (FAR 52.212-4 Alt I (i) payments).

Sample Schedule BPA

A sample BPA format is available to help capture the necessary elements. To download a copy of a sample BPA, visit www.gsa.gov/bpa and click on the "Blanket Purchase Agreement Format" link.

NUTS-AND-BOLTS TIP

Adding Nonconflicting Terms and Conditions

Additional clauses, terms, and conditions that conflict with the terms and conditions of the GSA Schedule contract cannot be added to Schedule BPAs. However, agency-specific clauses, terms, and conditions that do not conflict with the terms and conditions of the Schedule contract may be added to an individual GSA Schedule BPA, such as security requirements or DFAR clauses. It is always wise to review the Schedule contract terms and conditions to ensure that any additional agency-added clauses, terms, and conditions do not conflict with the Schedule contract. Here is sample BPA language regarding the order of precedence for terms and conditions: "In the event of any conflict between the Schedule contract and the BPA, the terms and conditions of the Contractor's Schedules shall prevail over the BPAs and Task Orders, except to the extent that any discounts established in the BPA or its orders take precedence over any Schedule contract higher prices.

Section 10: Contractor Team Arrangements (CTAs)

A Schedule Contractor Team Arrangement (CTA) is an arrangement between two or more Schedule contractors to work together to meet agency requirements. The CTA document is a written agreement between team members detailing the responsibilities of each team member. The CTA allows the contractor to meet the government agency needs by providing a total solution that combines the supplies and/or services from the team members' separate Schedule contracts. It permits contractors to complement each other's capabilities in order to compete for orders for which they may not independently qualify. A customer benefits from a CTA by buying a solution, rather than making separate buys from various contractors.

NUTS-AND-BOLTS TIP

FPDS Reporting for CTAs

Updated Guidance on Reporting CTA Contractor Information in the Federal Procurement Data System (FPDS)

The Federal Procurement Data System (FPDS) is presently the central repository of information on federal contracting and is used to collect detailed information on contract actions exceeding the micro-purchase threshold. Currently, the system will accept information for only one contractor per order. Therefore, if there are multiple contractors working on a project, the ordering activity must report information for the appropriate (single) contractor.

The CTA is one example of a situation in which this applies. GSA has recently issued updated guidance on the reporting of CTA contractor information in FPDS.

How was information for CTA contractors reported in FPDS previously?

Previously, if an order was placed under a CTA, the ordering activity reported information for the team lead contractor in FPDS. However, this reporting process has changed with the issuance of this new guidance.

Continued on next page

NUTS-AND-BOLTS TIP *(continued)*

What is the updated guidance?

This guidance takes the form of interim and future guidance.

1. Interim Guidance: Ordering activities are responsible for accurately achieving and reporting on their small-business goals, including accurate reporting to the Federal Procurement Data System (FPDS). Under CTAs, each contractor has privity of contract with the ordering activity. When a MAS order is awarded with a CTA, small-business achievement in contractual terms is based upon the dollar amount of the work the small-business contractors perform under the order. FPDS currently will accept information relating to only one contractor per order. The ordering activity must determine which CTA member is realizing the preponderance of the revenue on an order and report that contractor's information to FPDS.
2. Future Guidance: GSA is working with the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA) to provide further clarity around the use of CTAs and anticipates issuing final guidance in the future.

What does this mean for reporting CTA contractor information in FPDS?

Under the updated interim guidance, the ordering activity must determine which CTA member is realizing the preponderance of the revenue on an order. (This is not necessarily the lead contractor.) The ordering activity must report information for that contractor to FPDS. This guidance has been issued on an interim basis and will remain in effect until final guidance is issued.

Does the new guidance have any impact on reporting for prime contractor-subcontractor arrangements?

No, reporting for prime-subcontractor relationships remains the same. For a prime-subcontractor relationship, the ordering activity should enter information for the prime contractor. FPDS does not collect information on subcontractors. The updated guidance impacts only CTA relationships. A CTA member is not a subcontractor. GSA Schedule CTAs are not FAR 9.6 CTAs.

What are the impacts to small business reporting in FPDS?

This guidance may have an impact the reporting of an ordering activity's small-business accomplishments in FPDS. Under the new guidance, reporting revenue toward small-business goals occurs only when a CTA small-business contractor is the contractor who is realizing the preponderance of the revenue on a CTA order.

When will final guidance be issued?

As indicated in the future guidance, GSA is working with the Office of Federal Procurement Policy (OFPP) and the Small Business Administration (SBA) to provide further clarity on the use of CTAs. The group anticipates issuing final guidance in the future.

Benefits of a CTA

- Satisfies the customer with a single solution
- Increases competitive edge
- Increases visibility
- Focuses on core capabilities
- Obtains complementary capabilities
- Integrates different skills
- Offers additional opportunities with customers
- Builds direct relationships with customers
- Maximizes use of one or more Schedule solutions
- Shares risks and rewards
- Allows more opportunities for small businesses and small disadvantaged businesses
- Reduces the number of items Schedule contractors need to carry on their Schedule contracts, thus reducing inventory and tracking cost

NUTS-AND-BOLTS TIP

CTAs

Do not confuse Schedule Contractor Team Arrangements with the definition of contractor teaming arrangements found in FAR 9.6. None of the definitions (the partnership/joint venture, or the prime/sub relationship) outlined in FAR 9.6 apply to Schedule CTAs.

In prime/sub arrangements, the relationship is defined and controlled by the prime contractor, whereas in CTAs, the roles and responsibilities are defined by the team, as accepted by the government ordering activity. A Schedule CTA member may utilize a subcontractor. The same requirements apply. The subcontractor (whether a GSA Schedule holder or not) must always utilize the items/labor categories/prices/rates of the GSA Schedule prime they are subcontracting under. The following chart summarizes key differences.

Contractor Team Arrangement (CTA)	Prime/Sub Arrangement
Each team member must have a Schedule contract.	Only the prime contractor must have a Schedule contract.
Each team member is responsible for duties addressed in the CTA document. These duties fall within the scope of their individual Schedule contracts.	The prime contractor cannot delegate responsibility for performance to subcontractors. The prime contractor can provide only what is on its Schedule contract; it cannot subcontract to offer items/services for which it does not hold a Schedule contract.
Each team member has privity of contract with the government and can interact directly with the government.	Only the prime contractor has privity of contract with the government and can interact with the government. The prime contractor is responsible for its subcontracting activities. (Ordering activities are permitted to specify in the RFQ that the use of subcontractors requires prior approval by the ordering activities.)
The ordering activity is invoiced at each team member's unit prices or hourly rates as agreed in the task or delivery order or Schedule BPA.	The ordering activity is invoiced in accordance with the prime contractor's Schedule contract.

A contractor holding multiple Schedule contracts may offer a solution that crosses those contracts. Such a solution would not be considered a CTA because there is only one contractor.

To ensure that the responses received from Request for Quotations (RFQ) are, in fact, CTAs, GSA strongly recommends that an ordering activity's RFQ indicates that all CTAs must be specifically identified as such and that the CTA document be submitted to the government as part of the quotation in response to the RFQ. Do not be confused, for example, by a "Team ABC" response; the response should clearly identify that the Schedule contractors are proposing a "Contractor Team Arrangement as evidenced by the CTA document." The CTA document should designate all team members and their corresponding Schedule contract numbers and describe the tasks to be performed by each team member, along with the associated proposed prices (e.g., unit prices, labor categories, and hourly rates). If applicable, the team lead should also be identified, as should the individual team members responsible for delivery, warranty and other issues. The ordering activity should then be able to verify that any proposed unit prices or hourly rates do not exceed the prices awarded under each team member's Schedule contract and avoid any misunderstandings regarding each team member's responsibilities and prices.

Schedule contractors may establish a CTA in advance of any known requirement or after requirements are defined and the RFQ issued. Having an on-the-shelf team arrangement for noncomplex buys will allow the contractors to respond quickly and easily when requirements emerge. For highly complex buys, a customized CTA may be required. In either case, the CTA document should include the names of the team members, their respective Schedule contract numbers, and a description of the responsibilities of each team member. Agencies should review CTA documents to ensure that the documents clearly delineate team member responsibilities and provide for coordination and cooperation between team members, thus diminishing the risk for all parties involved.

In providing a total solution to an agency's requirement under a CTA, the supplies and services (for services, the labor categories under each Schedule contract need to be segregated) proposed should be identified under each team member's Schedule contract. Any proposed supplies and services that are not part of a Schedule contract (e.g., open-market items) may be included only after all applicable acquisition regulations have been followed (refer to FAR 8.402(f)) and must be clearly labeled as such. GSA does not approve the CTA document. CTA documents are developed by the team members themselves and will vary from one CTA document to another. While not all-inclusive, GSA has developed elements of a Contractor Team Arrangement document (www.gsa.gov/cta), which identifies areas that are typically of interest to the government. GSA strongly encourages the submission of the CTA document in response to an RFQ.

The CTA is solely between the team members and cannot conflict with the underlying terms and conditions of each team member's Schedule contract. As part of the ordering agency's review of quotations, however, ordering activities may identify deficiencies in the CTA in order to enhance the probability of successful performance. While the government is not a party to the CTA, it is a beneficiary of the arrangement and has a vested interest in the successful performance of the CTA.

Invoicing

The CTA document should designate who is responsible for invoicing and payment. While the team lead may submit an invoice on behalf of all team members, GSA recommends that payment be made to each team member. GSA recognizes, however, that there may be instances where it is advantageous to craft the CTA document so that payment is made to the team lead who, in turn, pays each team member. Under such circumstances, the CTA document should clearly indicate that all team members agree to this payment arrangement. The CTA document should also acknowledge that any dispute involving the distribution of payment between the team lead and the team members will be resolved by the team members, without any involvement by the government. Another strategy when establishing a multiple-award BPA is to allow any team member of the team to be a lead on a task order who may not be the lead CTA member for the BPA. In order to allow this flexibility, each member of the CTA must be awarded a BPA number in FPDS to enable an order they lead to be issued to them in FPDS. Otherwise, all orders will need to be issued to the BPA-level CTA lead.

Problems/Issues

Since each team member in a Schedule CTA has a Schedule contract, each team member is held accountable under the terms and conditions of their contract for any problems such as warranty or performance issues. The CTA document should spell out which team member is responsible at each phase of the project. When evaluating team-member performance, the ordering activity's Contracting Officer should evaluate each team member accordingly. Disputes between CTA members involve them as parties to the CTA. The government is not a party to such disputes.

Fees/Charges

There could be a cost involved for contractors to participate in a Schedule Contractor Team Arrangement. The use of a CTA should not increase the price of the order to the government. The CTA document should spell out any costs associated with the arrangement and how they will be allocated among team members. The benefits of a CTA may more than compensate for a contractor's costs by expanding the firm's capabilities and broadening its customer base.

Pricing

Please keep in mind that each team member's firm is governed by its own Schedule contract, and that the CTA price quotation cannot exceed the awarded unit prices or hourly rates under its Schedule contract.

Communication

The teaming agreement specifies communication in a CTA. Points of contact should be spelled out in the CTA document for the team lead and for each member. In a CTA, the ordering activity communicates directly with the Schedule contractors. The parties may agree that all communication with the ordering activity will be through the team lead.

Use of Subcontractors

Schedule team members may still use subcontractors as allowed by their GSA Schedule contracts and as may be addressed in the CTA. Those subcontractors, however, would not be considered members of the "team," and the responsibility for the subcontractors would rest with the applicable team member who employs them.

Use of Blanket Purchase Agreements (BPAs)

CTAs can also be the basis for a Schedule BPA utilizing the underlying Schedule contracts of the CTA members. The Schedule BPA should address the details, arrangements, or administration of the CTA. For additional information, visit the FAQ at www.gsa.gov/cta.

Section 11: eTools

GSA eLibrary

GSA eLibrary is the official online source for complete GSA and VA Schedules information. It provides a centralized source for researching Schedules that includes basic ordering guidelines, complete Schedules listings, and a powerful search engine.

Search which suppliers have a contract and what's available by using various search options, e.g., Schedule contractor's name, contract number, SIN, Schedule number, or keyword.

Key features of GSA eLibrary include:

- Access to information on millions of supplies and services
- The latest news about the Schedules program
- Direct link to the GSA*Advantage!*® online shopping
- An improved design for easier browsing and navigation
- New "preview" pages allowing users to jump directly to the areas needed without unnecessary paging
- The ability to download Schedules information by Schedule or SIN
- Access to contractor websites and email addresses

www.gsaelibrary.gsa.gov

GSA*Advantage!*®

GSA*Advantage!*® is an online shopping service through which ordering activities may place orders against Schedules. This online catalog, information, and ordering system creates a direct customer/Schedule-contractor relationship. It is designed to make the federal buying process more efficient by providing ordering activities the abilities to search, identify, compare, and order items that offer the best value.

By using GSA*Advantage!*®, ordering activities have access to millions of supplies and services, and many supplies are available for delivery within a few days.

GSA*Advantage!*® allows ordering agencies to:

- Search for items using keywords, part numbers, National Stock Numbers (NSNs), supplier names, contract numbers, etc.
- Compare features, prices, and delivery options
- Configure supplies and add accessories
- Review delivery options
- Select a convenient payment method
- Place orders directly online
- View order history to track status, reorder, or cancel

To shop GSA*Advantage!*® ordering activities will need either a government-wide commercial purchase card or a GSA Activity Address Code (AAC).

GSA*Advantage!*® is a great tool for ordering-agency Contracting Officers to use when conducting market research.

For additional information, a tutorial is available online and can be downloaded at www.gsaadvantage.gov.

GSA eBuy

GSA eBuy is an online RFQ system that allows ordering activities to post requirements, obtain quotes, and issue orders electronically. Posting on eBuy satisfies all requirements for fair notice to potential quoters, even if fewer than three quotes have been received.

GSA eBuy streamlines the ordering process with point-and-click functionality by allowing RFQs and responses to be exchanged electronically between federal agencies and Schedule contractors. Ordering activities can maximize their buying power through eBuy to increase Schedule contractor participation, and save money and time.

By providing a transparent buying mechanism, eBuy allows Schedule contractors greater opportunities to offer quotes and increase business volume for supplies and services provided under their Schedule contracts.

The benefits eBuy offers to ordering activities include:

- Ordering activities can maximize their buying power through eBuy to obtain quotes that will result in a "best value" purchase decision
- Ordering agencies have a great RFQ-management tool that will result in saving time and money
- The system is efficient, streamlining the acquisition process
- Use of the system fulfills the requirements of "notification to all" under FAR 8.405 and thus no further justification is needed if receiving fewer than three quotes
- The system is easy to use
- The system can be a key component of market research on potential Schedule contractors through the use of its RFI functionality

For more information or assistance, contact GSA at gsa.advantage@gsa.gov.

How does eBuy Work?

When using the eBuy system, ordering activities simply prepare and post an RFQ (with or without an SOW) for specific supplies and services for a designated period of time.

While an ordering activity may choose to notify a select population of Schedule contractors of their requirement (who receive an email notice of the posting), it is available for review by all Schedule contractors awarded the identified SIN(s). For set-aside orders, only those companies who have the socioeconomic status for which the procurement has been set-aside (e.g., service disabled veteran-owned small-business set-aside) can see and review the RFQ.

Schedule contractors not notified of the posting by email may still submit a quote for any RFQ placed under their awarded SIN. Schedule contractors are encouraged to check the eBuy site daily for RFQ opportunities. Only Schedule contractors with electronic price lists loaded to GSA*Advantage!*® have access to eBuy and the opportunity to review and receive notifications of postings.

Schedule contractors post their quotes directly to eBuy. Once an RFQ has closed, the ordering activity may then evaluate and accept the quote that represents the best value. Access to this source selection sensitive information is limited to the ordering activity's Contracting Officer and cannot be seen by anyone else unless authorized by the Contracting Officer (who can forward the RFQ with a password for access to another member of their acquisition team).

www.ebuy.gsa.gov

CALC

GSA recently launched the Contract-Awarded Labor Category (CALC) tool, which allows federal buyers to conduct research and price analysis for professional labor categories across a database of contract-awarded prices for 48,000 labor categories from more than 5,000 GSA Schedule contracts.

CALC allows a Contracting Officer to conduct market research by searching a database of labor categories in seconds and returning up to hundreds of comparables, providing a comparison of fair and reasonable pricing awarded at the GSA-contract level.

The CALC tool shows actual ceiling prices awarded to various vendors at the master-contract level. These are not prices paid at the task-order level, which may be slightly different (e.g., to reflect a discount).

- Rates in CALC are:
  - Fully burdened hourly rates
  - Ceiling prices (awarded at the master-contract level)
  - For the current fiscal year

https://calc.gsa.gov/

Section 12: GSA State and Local Programs

Definitions

40 U.S.C § 502 (c) offers the following definition of state or local government:

"The term 'state or local government' includes any state, local, regional, or tribal government, or any instrumentality thereof (including any local educational agency or institution of higher education)."

The term does not include contractors or grantees of state or local governments.

If there is a question on whether an entity falls under this definition, the entity may submit an eligibility request to GSA.

For the most current updates and enhancements to the programs GSA offers to state and local governments, please go to www.gsa.gov/stateandlocal.

Cooperative Purchasing Program Overview

Authority for State and Local Government Access to Schedules under Cooperative Purchasing

- Section 211 of the E-Government Act of 2002 authorized GSA sales of IT Schedule 70's products and services to state and local governments through the introduction of the Cooperative Purchasing Program. Cooperative purchasing authorizes state- and local-government entities to purchase from IT Schedule 70 contracts and the Consolidated Schedule (formerly Corporate Contracts Schedule) with associated IT Special Item Numbers (SINs).
- The Local Preparedness Acquisition Act, which authorized state and local governments to purchase alarm and signal systems, facility management systems, firefighting and rescue equipment, law-enforcement and security equipment, marine craft, and related equipment, special-purpose clothing, and related services (as contained in Federal Supply Classification Code Group 84 or any amended or subsequent version of that Federal Supply Classification Group).

Scope

Eligible state and local governments may purchase from IT Schedule 70, GSA MAS 84, and the IT Special Item Numbers on the Professional Services Schedule. These purchases may be made at any time, for any reason, using any funds available. Participation in the Cooperative Purchasing Program is voluntary for Schedule contractors and state- and local-government entities.

Use of GSA Schedules by state and local governments is voluntary. Agreement of a Schedule contractor to offer cooperative purchasing under the contract and acceptance of any order for cooperative purchasing from a state or local government is voluntary.

For additional information and program updates, please visit www.gsa.gov/cooperativepurchasing.

Disaster Purchasing Program Overview

Authority for State and Local Government Access to Schedules under Disaster Purchasing Program

- Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (Public Law 109-364) authorized the Administrator of General Services to provide state and local governments the use of GSA Schedules for the purchase of products and services to be used to facilitate recovery from a major disaster declared by the president under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) or to facilitate recovery from terrorism or nuclear, biological, chemical, or radiological attack.
- Federal Supply Schedules Usage Act of 2010 (Public Law 111-263) authorized use of Federal Supply Schedules to facilitate disaster preparedness or response, in addition to the recovery from major disasters declared by the president, as well as recovery from terrorism or nuclear, biological, chemical, or radiological attack.

Scope

State and local governments may purchases from all Federal Supply Schedules in preparation or response to all disasters, as well as recovery from major disaster declared by the president, or recovery from terrorism or nuclear, biological, chemical, or radiological attack.

State and local governments that want to use the GSA and VA Schedules in support of disaster recovery are responsible for ensuring that only authorized representatives of their government entity place orders against Schedules and that procured the products and services are used only for the purposes authorized by Public Law 109-364 and Public Law 111-263. Participation in the Disaster Purchasing Program is voluntary for Schedule contractors and state- and local-government entities.

If a state or local entity wants to receive reimbursement from FEMA public-assistance grants, it needs to ensure that it is following the Stafford Act and FEMA public-assistance program preferences and procedures. To access FEMA's fact sheet on the GSA Disaster Recovery Purchasing Program, visit https://www.fema.gov/media-library/assets/documents/25418 and scroll down to "*9580 Job Aids and Fact Sheets*."

For additional information and any program updates, please visit www.gsa.gov/disasterpurchasing.

Cooperative Purchasing and Disaster Purchasing Program Information

Program Use

As a condition of using these Schedule contracts, eligible ordering activities agree to abide by all terms and conditions of the GSA Schedule contract, with the exception of those terms and conditions identified below under "Contract Formation." Eligible ordering activities may include terms and conditions required by statute, ordinance, regulation, or order to the extent that these terms and conditions do not conflict with Schedule-contract terms and conditions.

Schedule contractors must decline orders within five days of receipt or 24 hours for credit card orders or the order is considered accepted.

Ordering Procedures

State and local government entities are encouraged to use existing Schedule ordering procedures (refer to FAR Subpart 8.4), but are not required to do so. State and local governments must meet their own state or local purchasing and competitive requirements when purchasing via Schedules. State and local preference programs are not waived or otherwise affected by these regulations.

The "Cooperative Purchasing" icon (COOP PURCH) and "Disaster Recovery" icon (DISAST RECOV) appear in both GSA eLibrary and GSA*Advantage!*® and indicate that authorized state- and local-government entities may purchase items from these contracts according to the scope of the programs.

Contract Formation

State and local governments placing orders against Schedule should include the Schedule contract number on the order. When purchasing under the Disaster Purchasing Program, state and local governments should utilize the mandatory order language outlined on the Disaster Purchasing Program page. Whenever a Schedule contractor accepts an order from a state or local government, a new contract is formed.

The terms and conditions of the underlying Schedule contract will be incorporated, by reference, into the new contract between the state- or local-government and the Schedule contractor.

The following clauses are excluded from orders placed by state and local governments: the disputes clause, the patent indemnity clause, and the portion of the Commercial Item Contract Terms and Conditions that specifies "compliance with laws unique to government contracts" (which applies only to contracts with the executive branch of the U.S. government).

Payment

The terms and conditions of a state's prompt-payment law apply to orders placed by eligible nonfederal ordering activities. If the ordering activity is not subject to a state prompt-payment law, the Federal Prompt Payment Act will cover the activity in the same manner as federal ordering activity.

Disputes

The federal government will not be liable for the performance or nonperformance of contracts established between Schedule contractors and state or local government entities. Disputes may be litigated between the state or local entity and the Schedule contractor in any state or federal court with jurisdiction over the parties, using the principles of federal procurement law and the Uniform Commercial Code, as applicable and appropriate.

1122 Program

Authority for State and Local Government Access to Schedules under the 1122 Program

- Section 1122 of the Fiscal Year 1994 National Defense Authorization Act established the authority for state and local governments to purchase law-enforcement equipment through federal procurement channels, provided that the equipment is used in the performance of counter-drug activities.
- The Duncan Hunter National Defense Authorization Act for Fiscal Year 2009 amended 10 U.S.C. 381 to expand the procurement authority under the 1122 Program beyond counter-drug activities, to include equipment for homeland-security and emergency-response activities.

The ultimate authority for the 1122 Program resides with the Department of Defense (DOD). The U.S. Army is the executive agent of the program. In addition to available GSA sources under this program, DOD and the Defense Logistics Agency (DLA) also provide equipment available to state and local units of government. The Army currently defines the requirements for the expansion of the program and the certification of the State Points of Contact (SPOCs).

Each state participating in the 1122 Program designates a SPOC, appointed by the governor, to administer the state's activities under the program. Each SPOC participating in the program must be trained and certified by the Army prior to placing any orders. Each SPOC is responsible for validating the counter-drug, emergency-response, or homeland-security mission of each procurement request and ensuring the availability of funds.

Definitions

The statute defines the terms "state" and "units of local government" as follows:

The term "state" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and any territory or possession of the United States.

The term "unit of local government" means any city, county, township, town, borough, parish, village, or other general-purpose political subdivision of a state; an Indian tribe that performs law enforcement functions as determined by the Secretary of the Interior; or any agency of the District of Columbia government or the U.S. government performing law-enforcement functions in and for the District of Columbia or the Trust Territory of the Pacific Islands.

Scope

Access to Schedules is limited to equipment purchases made in support of counter-drug, homeland-security, and emergency-response efforts. Available Schedules and Special Item Numbers available for use under the program are outlined in the program catalog listed on the 1122 Program page.

Ordering Procedures

With the approval of the Executive Agent, GSA has approved certain equipment included in GSA Schedules and the purchase of certain motor vehicles under the program. The SPOCs are responsible for receiving all orders from state and local units of government and for determining that the items will be used for the allowable scope of activities. For items under Schedules, the SPOCs will send all orders directly to the Schedule contractor, and payment will be made directly to the Schedule contractor. Orders for the purchase of vehicles (except for the command centers

on GSA MAS 23 V, which can be placed directly with the contractor or forwarded to GSA) must be forwarded by the SPOC through GSA. The 1122 Program is nonmandatory for both the SPOCs and the Schedule contractors, e.g., the contractors have the option to either accept or reject an order from the SPOC.

For information and all program updates, please visit: www.gsa.gov/1122program.

Federal Grantee Access to Schedules in Response to Public Health Emergencies

When a Public Health Emergency (PHE) is declared, FSS contractors are available and ready to support. State, local, tribal, and territorial governments can now benefit from the speed, savings, and ease of use of FSS when supporting declared PHEs.

State and local governments are authorized to access all Federal Supply Schedules for the purchase of products and services when expending federal grants funds in response to PHEs declared by the Secretary of Health and Human Services under section 319 of the Public Health Services Act, codified at 42 U.S.C. § 247d.

Scope

Access to the Schedules under this program is limited to state, local, tribal, and territorial governments receiving grant funds in direct response to the PHE.

Ordering Procedures

- Participation is voluntary for state, local, tribal, and territorial governments, as well as for Schedule contractors.
- While GSA recommends that eligible purchasing officials follow the Schedule ordering procedures outlined in FAR Subpart 8.4, to ensure receiving the best value from Schedule contractors, use of these procedures is not mandated under this program.
- When purchasing from Schedules, state, local, tribal and territorial governments should follow the ordering and competitive procedures that meet their own procurement regulations and any requirements stipulated in the grant funding.
- Orders may be placed directly with participating Schedule contractors.
- The following language should be included on all task or delivery orders placed by state, local, tribal, and territorial governments under this program:
  - "This order is placed under Federal Supply Schedule number pursuant to GSA policy that authorizes state, local, territorial, and tribal government entities, as authorized users for purchasing goods and services, when expending federal grant funds in response to Public Health Emergencies (PHEs) declared by the Secretary of Health and Human Services under section 319 of the Public Health Services Act, codified at 42 U.S.C. § 247d."

For additional information please visit: www.gsa.gov/stateandlocal.

Section 13: Customer Assistance

Customers needing additional information or assistance may contact:

Centralized Mailing List Service (CMLS)

For your convenience, GSA offers a Centralized Mailing List Service (CMLS), which stores and mails printed copies of various GSA publications, including product catalogs, Schedules brochures, fact sheets, and more. Just let us know which publications you are interested in and we will mail them to you free of charge. You can also download PDF files for your convenience.

Customer Assistance
Telephone: (800) 488-3111
Email: cmls@gsa.gov
www.gsa.gov/cmls

Customer Service Directors (CSDs)

GSA offers a worldwide network of knowledgeable Customer Service Directors (CSDs). Wherever you're located, there is a CSD in your region to assist you with problem resolution and who can answer any and all questions relating to GSA and its procurement solutions. CSDs also offer seminars on a variety of topics to educate customers on purchasing procedures and inform them of offerings and solutions available from GSA.

www.gsa.gov/csd

National Customer Service Center (NCSC)

Customers are encouraged to call GSA's National Customer Service Center (NCSC) at (800) 488-3111 or DSN number 465-1416 with general or specific questions about GSA. The NCSC's customer-service representatives are knowledgeable about GSA's business lines and their associated products and services and will direct you to a source that will best address your needs. The NCSC can also help verify your order's status, track shipments, resolve order discrepancies or deficiencies, and provide information on merchandise returns and exchanges, as well as address billing inquiries, merchandise quality concerns, and current price quotes.

GSA's NCSC is now available to you 24 hours a day, five days a week. From Sunday nights at 8 p.m. (CT) until Friday nights at 8:30 p.m. (CT), the NCSC will be ready to assist you.

Customer Assistance
Telephone: (800) 488-3111
DSN Number: 465-1416
Email: NCSCcustomer.service@gsa.gov
www.gsa.gov/ncsc

National Account Managers (NAMs)

The National Account Managers (NAM) program was implemented in order to better support our customers' missions. Specifically, NAMs can provide information and assistance on the complete range of acquisition vehicles and solutions that FAS offers.

Some of the major functions of a NAM are to:

- Develop and manage FAS Strategic Account Plans across GSA portfolios
- Meet with customers for assigned strategic accounts
- Execute strategic account plans and manage agency contacts
- Gather customer intelligence and identify opportunities for GSA to assist other government agencies in the procurement of products and services
- Build relationships with senior-level agency officials
- Serve as a liaison between internal FAS program offices and the customers

www.gsa.gov/fasnam

Acquisition Centers

The following GSA Acquisition Centers manage GSA Schedules contracts.

Facilities Maintenance and Hardware Acquisition Center

The GSA Facilities Maintenance and Hardware Acquisition Center (FMHAC) provides federal agencies with a streamlined procurement tool to acquire all the services necessary to maintain and manage a facility, or a marine vessel. FMHAC is one of the world's largest suppliers (buy or rent) of quality products such as tools, appliances, lawn and garden equipment, paints, sealant's, and adhesives to government customers on a worldwide basis.

GSA MAS 03FAC – Facilities Maintenance and Management
GSA MAS 51V – Hardware Superstore

Customer Assistance
Telephone: (800) 488-3111
Email: mashelpdesk@gsa.gov
http://www.gsa.gov/portal/content/104666

Travel, Motor Vehicles, and Card Services (TMVCS)

The Travel, Motor Vehicle, and Card Services (TMVCS) portfolio is responsible for establishing, managing, and delivering efficient and customer-centric travel, transportation, charge-card, and motor-vehicle products and services to the federal government.

GSA MAS 23 V – Automotive solutions
GSA MAS 48 – Transportation, delivery, and relocation solutions

Customer Assistance
Telephone: (800) 488-3111
Email: mashelpdesk@gsa.gov
www.gsa.gov/tmvcs

Greater Southwest Acquisition Center

GSA's Southwest Supply and Acquisition Center (SSAC) provides a variety of products and services, from the simplest products to complex total solutions requiring products and services. Schedule contractors can provide standalone services such as professional security services; guard services; security-system design and integration; mechanical, chemical, electrical and geophysical testing services; and many other services designed to support our various product lines. SSAC currently manages four distinct schedules with product lines that include:

GSA MAS 84 – Security, facilities management, marine craft, and emergency/disaster response
GSA MAS 66 – Test and measurement equipment, unmanned scientific vehicles, geographical environmental analysis equipment
GSA MAS 56 – Building materials/supplies, alternative-energy solutions
GSA MAS 73 – Hospitality, cleaning equipment, sanitizers, and toiletries

Customer Assistance
Telephone: (800) 488-3111
Email: mashelpdesk@gsa.gov
www.gsa.gov/gsac

Integrated Workplace Acquisition Center

GSA's Integrated Workplace Acquisition Center provides industry knowledge and contracting expertise for furniture and furnishings products and services. Managed print services, copiers, and office equipment, which includes mail and document management, can be found on GSA MAS 36. GSA MAS 58 I includes telecommunications equipment and services, as well as security-container solutions. Sports, recreational, and promotional items can be found on GSA MAS 78.

GSA MAS 36 – Office, imaging, and document solutions
GSA MAS 58 I – Professional audio/visual, telecommunications, and security solutions
GSA MAS 71 – Furniture
GSA MAS 71 II K – Comprehensive furniture-management services
GSA MAS 72 – Furnishings and floor coverings
GSA MAS 78 – Sports, promotional, outdoor, recreation, trophies, and signs (SPORTS)

Customer Assistance
Telephone: (800) 488-3111
Email: mashelpdesk@gsa.gov
www.gsa.gov/iwac

Center for IT Schedule Programs

Access the largest federal technology contracts. GSA offers a full suite of information technology (IT) and telecommunications products, services, and solutions from highly qualified industry partners. Our pre-competed contracts enable faster acquisition, Federal Acquisition Regulation (FAR) compliance, and lower prices that provide you with savings.

IT Schedule 70 – Information Technology

Customer Assistance
Telephone: (855) ITaid4U (482-4348)
Email: ITCSC@gsa.gov
www.gsa.gov/itcenter

Professional Services Category

GSA's Professional Services Category provides civilian and military agencies with a range of professional services related expertise and solutions including business management, improvement, and consulting; language interpretation and translation; environmental issues; worldwide logistics; engineering services; and advertising and marketing services. The Professional Services Category has contracted with a broad range of leading industry partners to address a comprehensive suite of professional-services requirements through the Professional Services Schedule, One Acquisition Solution for Integrated Services (OASIS), and related Blanket Purchase Agreements.

GSA MAS 00CORP – Professional Services Schedule

Customer Assistance
Telephone: (800) 488-3111
Email: professionalservices@gsa.gov
www.gsa.gov/professionalservices

Northeast and Caribbean Supply and Acquisition Center

GSA's Northeast and Caribbean Supply and Acquisition Center supports civilian, and military agencies with products and services to meet their office needs. In addition to providing a wide range of office, photographic, and shipping and packing supplies, this acquisition center also offers human resources, and Equal Employment Opportunity (EEO) services, Social Services, Professional Counseling, and Veterans' Adjustment and Behavioral Health Services.

The center manages and awards contracts for the following Schedules:

GSA MAS 67 – Cameras, photographic printers, and related supplies and services
GSA MAS 75 – Office products/supplies and services and new products
GSA MAS 76 – Publication media
GSA MAS 738 X – Human resources and equal employment opportunity services
GSA MAS 81 I B – Shipping, packaging, and packing supplies and services
GSA MAS 736 – Temporary and administrative professional staffing

Customer Assistance
Telephone: (800) 488-3111
Email: mashelpdesk@gsa.gov
www.gsa.gov/osas

Appendix A

A Cadre of Cases for Open Market Items

The acquisition of non-FSS items, known as Open Market Items, under Federal Supply Schedules orders has frequently triggered GAO protects and judicial review by the Court of Federal Claims (COFC). A summary of key decisions is provided below ViOn Corporation (GAO, B-275063.2 et al – February 4, 1997). (Note this case allows OMIs, but all other cases after this one do not.)

Agency properly ordered items incidental to and necessary for the operation of a computer system ordered under FSS contract, which provided for the provision of such incidental items not specifically listed in the FSS contract: An agency may procure FSS items and non-FSS items that are incidental to the FSS items under a single FSS procurement, if they meet the needs of the ordering agency and offer the lowest aggregate price, and if the cost of the non-FSS items is small compared to the total cost of the procurement.

1. ATA Defense Industries v. United States

(COFC – June 97-382C 27, 1997)

It is fundamentally inconsistent with Congress' unambiguous statutory mandate in CICA to allow a Contracting Officer, when purchasing products against the FSS, to include in the purchase order "incidental" products that are competitively available, unless the prices charged for these "incidental" products are the product of full and open competition. Unless a product or service falls within an exception contained in Section 2304 or can be classified as de minimis, Section 2304 mandates that the product be purchased on a competitive basis using a competitive procedure as defined in [10 U.S.C. §2302). There is no exception covering "incidentals."

2. Pyxis Corporation

(GAO, B-282469 et al – July 15, 1999)

An agency may no longer rely on the "incidentals" test to justify the purchase of non-FSS items in connection with an FSS buy; where an agency buys non-FSS items, it must follow applicable acquisition regulations. It was improper for the agency to include non-FSS items in the delivery orders without ensuring that it had complied with the regulations governing purchases of those non-FSS items. In this case, for each delivery order, it is clear that the agency did not follow applicable acquisition regulations, as the non-FSS items ordered exceeded the $2,500 micro-purchase threshold.

3. SMS Systems Maintenance Services, Inc.

(GAO, B.284550.2 – August 4, 2000)

Protester's quote of services, some of which were not contained in its FSS contract, could not be selected for award in an acquisition conducted under the FSS program, where the total price of the services not included in its F8S contract, considering both the base and option periods, exceeded the micro-purchase threshold.

4. T-L-C Systems

(GAO, B-285687.2 – September 29, 2000)

After receiving quotes in response to a Request for Quotation (RFQ) for a fire alarm system, an agency improperly placed an order under an FSS contract including items integral to the system, but not listed in the contract (where non-FSS items exceeded the micro-purchase threshold). The agency's proposed corrective action of simply deleting the items from the order and otherwise procuring them, presumably on a noncompetitive basis from the awardee, does not render the protest academic because the remaining FSS order does not meet the agency's need for a complete system, and the agency received and evaluated a significantly lower-priced, acceptable quote from a non-FSS vendor (the protester) to supply such a system.

5. The CDM Group, Inc.

(GAO, B-291304.2 – December 23, 2002)

Where an agency solicited a requirement under the FSS program, it properly rejected a quote from a vendor that did not possess a FSS contract covering the solicited requirement.

6. Symplicity Corporation

(GAO, B-291902 – April 29, 2003)

Contracting agency's award of a task order to a firm pursuant to the firm's FSS contract is improper where the agency failed to consider whether the services offered by the firm are covered by its FSS contract, and the record establishes that the firm's quotation was based on providing personnel under labor categories not contained in its FSS contract.

7. CourtSmart Digital Systems, Inc.

(GAO, B-292995.2 et al – February 13, 2004)

Issuance of order that included non-FSS item under a competition among FSS vendors was improper.

8. Firearms Training Systems, Inc.

(GAO, B-292819-2 et al – April 26, 2004)

Where competition under an RFQ is not limited to FSS vendors, there is no requirement that all items be included on the awardee's FSS contract.

9. Altos Federal Group, Inc.

(GAO, B-294120 – July 28, 2004)

Where request for quotations for nursing services announced agency's intention to select an FSS contractor, vendors were effectively placed on notice that agency intended to acquire all services using FSS procedures and hence that all services were required to be within the scope of the vendor's (or its subcontractors') FSS contract(s). Where protester failed to specify in its quotation that it would be using a subcontractor to provide services not included in its own FSS contract, agency properly rejected quotation on the basis that protester's FSS contract did not include all requested services.

10. Tarheel Specialties, Inc.

(GAO, B-298197 et al – July 17, 2006)

Protest of issuance of a task order to a vendor for support services pursuant to its FSS contract is sustained where the contracting agency improperly determined that the services called for under the task order were within the scope of the vendor's FSS contract.

11. Seaborn Health Care, Inc.

(GAO, B-400429 – October 27, 2008)

Protest is sustained in FSS acquisition where RFQ requires that competing vendors offer non-FSS services (specific on-site supervisory personnel) as part of their quotations, since non-FSS products and services may not be purchased using FSS procedures.

12. American Security Programs, Inc.

(GAO, B-402069 et al – January 15, 2010)

Protest that vendor is ineligible to receive a task order under FSS procurement is sustained where certain required services are outside the scope of the vendor's FSS contract.

13. Perot Systems Government Services, Inc.

(GAO, B-402138 – January 21, 2010)

Protest that agency improperly rejected quotation in FSS acquisition conducted under FAR Subpart 8.4 is denied where protester submitted prices that were unpublished rates and not approved as fair and reasonable by GSA, as required under FAR 8.402(b) and 8.404(d).

14. American Warehouse Systems

(GAO, B-402292 – January 28, 2010)

Protest that agency placed order for "construction" services that were not on vendor's GSA MAS 56 contract is denied, where GSA reasonably determined that the solicitation did not require construction services and all of the services purchased were on the vendor's or its subcontractors' FSS contracts.

15. Rapiscan Systems, Inc.

(GAO, B-401773 et al – March 15, 2010)

Where solicitation limited competition to vendors holding FSS contract for required items, and successful vendor's FSS contract did not include all required items, the issuance of purchase order was improper. While non-FSS micro-purchase ($3,000) items properly may be purchased under an FSS solicitation, that was not the case here because, while non-FSS items were priced at $0, the quotation stated that price of non-FSS items was included in FSS item prices.

From GAO's 1999 Pyxis decision onward, existing case law repeatedly and consistently states that "non-FSS items" can be included on an FSS order only via a separate acquisition that complies with all applicable procurement laws and regulations, including those requiring the use of competitive procedures. Compliance with the requirements of FAR 8.402(f) is cited repeatedly as the only proper "solution."

It should be noted that 8.402(f) was created in response to the ATA Defense Industries and Pyxis decisions. FAR Case 1999-614, Federal Supply Schedule Order Disputes and Incidental Items, was published as a proposed rule on December 19, 2000. It was issued as a final rule in Federal Acquisition Circular 2001-08*, Item II, on June 27, 2002, with an effective date of July 29, 2002.

*Note: *After clicking on the FAC, read FAR 8.401(d), which read exactly like FAR 8.402(f) does now.*

Appendix B

Actual example of a FAR 8.402(f) compliance method

FSS Order Open Market Item Challenges

FAR 8.402(f) requires that all applicable acquisition regulations pertaining to the purchase of the items not on the Federal Supply Schedule be followed, e.g., publicizing (Part 5), competition requirements (Part 6), acquisition of commercial items (Part 12), contracting methods (Parts 13, 14, and 15), and small-business programs (Part 19).

It is generally impractical to meet all FAR 8.402(f) requirements without issuing a separate procurement outside the FSS program for those items. Note that "items" include products and/or services not priced on the FSS contractor's price list.

Complying with FAR Part 5 Publicizing

Disclaimer: This solution is not without some risk because it has not been tested in GAO or the courts, thus we cannot be certain of how it would be ruled upon if protested.

The U.S. Army Corps of Engineers, Jacksonville District, took an innovative approach to meet FAR 8.402(f) requirements on a Federal Supply Schedules multiple-award BPA program for environmental services. It was unknown at the time of the BPA establishment what the OMI would be or its value for each order. Instead of complying with FAR 8.402(f) for each order, the Contracting Officer (CO) chose to issue the compliance at the BPA level and have it apply to all subsequent orders.

The details of the approach and the FBO notice may be reviewed at https://www.fbo.gov/spg/USA/COE/DACA17/W912EPGSABPA8991/listing.html.

BPA RFQ language regarding OMI:

Open Market Items (FAR 8.402(f)):

a. Because of the nature of environmental consulting services required by the U.S. Army Corps of Engineers, Jacksonville District, it is likely that orders issued under this Multiple-Award BPA will require items that are not on the Federal Supply Schedule (also referred to as Open Market Items [OMIs] or other direct costs). Items that are considered OMIs will be clearly labeled as items not on the Federal Supply Schedule, and all applicable clauses in the GSA Federal Supply Schedule contract and this BPA will apply in accordance with FAR 8.402(f) (3) and (4).

b. After establishment of the multiple-award BPA, a synopsis will be posted on the Government Point of Entry (GPE) at www.fedbizopps.gov stating that OMIs may be required in orders under this BPA. All interested parties will be advised to contact the BPA holders for subcontracting opportunities. The BPA holders' contact information will be included in the synopsis. This will satisfy the publicizing requirement at FAR 5.101(a)(1) and (2) for OMIs.

BPA File Documentation on Compliance with FAR 8.402(f)

Open Market Items:

Because of the nature of environmental consulting services required by USACE, Jacksonville District, it is likely that orders issued under this multiple-award BPA will require items that are not on the Federal Supply Schedule (also referred to as Open Market Items [OMIs] or other direct costs). This is allowed as long as Contracting Officers follow the procedures at FAR 8.402(f).

All applicable acquisition regulations pertaining to the purchase of the OMIs will be followed in accordance with FAR 8.402(f)(1):

FAR Part 5 – After establishment of the multiple-award BPA, a synopsis will be posted on the GPE at www.fbo.gov stating that OMIs will be required in orders under this BPA that are expected to exceed $15,000. All interested parties will be advised to contact the BPA holders for subcontracting opportunities. The BPA holders' contact information will be included in the synopsis. This will satisfy the publicizing requirement at FAR 5.101(a)(1) and (2) for OMIs.

FAR Part 6 – All OMIs will be commercial items. The value of all OMIs under each order is estimated to be under $7 million; thus simplified acquisition procedures will be utilized in accordance with FAR 13.500(a). FAR Part 6.001(a) states that acquisitions conducted under simplified acquisition procedures are exempt from the requirements in Part 6.

FAR Part 12 – All OMIs will be commercial items. All applicable FAR Part 12 clauses will be available for reference in each order issued under the multiple-award BPA.

FAR Part 13 – All OMIs will be commercial items. The FAR Part 13 competition requirements will be satisfied by the multiple-award BPA ordering procedures at FAR Part 8.405-3(c)(2); a minimum of three quotes will be solicited for OMIs. All applicable FAR Part 13 clauses will be available for reference in each order issued under the multiple-award BPA.

FAR Part 14 – Not applicable.

FAR Part 15 – Not applicable.

FAR Part 19 – The multiple-award BPA will be set aside for small business based on market research. OMIs will be competed only among small businesses. This satisfies the FAR Part 19 requirement that small business be considered.

The Contracting Officer will determine the price for OMIs to be fair and reasonable prior to the award of any order that includes OMIs in accordance with FAR 8.402(f)(2).

Items that are considered OMIs will be clearly labeled as items not on the Federal Supply Schedule in accordance with FAR 8.402(f)(3).

All applicable FAR clauses have been included in the GSA Federal Supply Schedule Contract and all applicable DFARS, AFARS, UAI and local clauses will be included in the multiple-award BPA in accordance with FAR 8.402(f)(4).

Appendix C

Order Checklist

GSA Schedule Order: Contract File Checklist

Current as of February 13, 2015

This checklist may be used for the award of task or delivery orders against General Services Administration (GSA) Federal Supply Schedule (FSS) contracts (also referred to as "Multiple Award Schedule" or "GSA Schedule" contracts) and the establishment of Blanket Purchase Agreements (BPAs) against GSA FSS contracts.

Note 1: Additional agency-level and/or local requirements may apply and should be followed in addition to the items identified below.

Note 2: All items listed on the pages following will not apply to every order. This is a comprehensive checklist and should be used at the Contracting Officer's discretion. It is recommended that "N/A" be placed to the left of items that do not apply at the individual-order level.

Note 3: The Economy Act does not apply to orders placed against GSA Schedules (FAR 17.502-2(b)).

Note 4: Procedures in FAR 15 do not apply to orders placed against GSA Schedules, except DOD activities (see class deviation on determination of fair and reasonable pricing: http://www.acq.osd.mil/dpap/policy/policyvault/USA001004-14-DPAP.pdf)

GSA Schedule Contract Number:
Contractor Name:
Contractor Point-of-Contact Information: [Insert name] [Insert address] [Insert email address] [Insert telephone number]
Delivery/Task Order or BPA Number:
Award Date:
Base Period of Performance (excluding options):
Period of Performance (including options):

Tab Section/Tasks	Complete	Date
Tab A – Award Documents		
Signed original task or delivery order		
Signed original modifications		
Tab B – Pre-solicitation		
Acquisition Requirements Package (check each sub-task below):		
❖ Acquisition strategy		
❖ Acquisition plan (AP – See FAR 8.404(c)(1), FAR Subpart 7.1.)		
❖ Independent Government Estimate (IGE)		
❖ Description of the supplies or services (e.g., Performance Work Statement)		
❖ Funding document		
❖ Other acquisition request document(s)_____		
Market research documentation (See FAR 10.002(e).)		
Information technology (IT) acquisition strategy (See FAR 8.404(c)(1); FAR 39.101(b)(2).)		
Limited Source Justification (See FAR 8.405-6.)		
Procedures for placing orders under Blanket Purchase Agreements (BPAs) (See FAR 8.405-3(a)(3).)		
Small Business Review Form (e.g., DD Form 2579) (See FAR 7.104(d), FAR 8.405-5.)		
Certifications for assisted or direct acquisitions by a non-DOD agency, if applicable		
Other _____		
Tab C – Determinations and Pre-solicitation Clearances		
SAM Exclusions, www.sam.gov (See FAR 9.405(b).)		
Use and evaluation of options (See FAR Subpart 17.2.)		
Non-personal services (See FAR 37.103(a).)		
Use of government-furnished property, equipment, or information (See FAR Subpart 45.3.)		
Service Contract requirements (See FAR 37.103, DFARS 237.170-1.)		
IT clearance (See FAR Part 39.)		
Acquisition of printing and other related supplies (See FAR Subpart 8.8.)		
Determination of best procurement approach for orders exceeding $550,000 (See FAR 17.500(c)(2); 17.502-1.)		
Other _____		

Tab Section/Tasks	Complete	Date
Tab D – Solicitation/Ordering Procedure		
Request for quotation and amendments (See FAR 8.405-1(c)(2); 8.405-2(c).)		
Rating/evaluation plan		
GSA eBuy posting (See FAR 8.405-1(c)(2); 8.405-2(c).)		
List of Federal Supply Schedule (FSS) contractors surveyed and their prices quoted (See FAR 8.405-1(c)(1).)		
Solicitation correspondence		
Other _____		
Tab E – Technical Evaluation		
Signed technical evaluation score sheets/report (See FAR 8.405-2(d).)		
Conflict of interest/confidentiality forms for reviewers (See FAR 3.104.)		
Other _____		
Tab F – Successful Quotation		
Successful respondent's original/final technical and price quotation (See FAR 4.803.)		
Approved Pricing Schedule/Table[1]		
Other _____		
Tab G – Price Evaluations/Reductions		
Evaluation-team analysis of contractor's price/technical quotation		
Record of price reductions and discounts sought/obtained (See FAR 8.404(d); 8.405-1(d); 8.405-2(c)(3); 8.405-4.)		
Questions and responses, including record of oral discussions (See FAR 4.803.)		
Price evaluation/best value analysis and award decision documentation (See FAR 8.405-1(c)(3); 8.405-1(e). For DOD activities, determination of fair and reasonable pricing is required; IAW DOD Class Deviation to FAR 8.404(d) issued on March 13, 2014.)		
Determination to use a T&M or Labor-Hour task order (See FAR 8.405-2(e).)		
Other _____		

[1]Approved price list may be a screenshot from GSA*Advantage!*® for products or other pricing list provided by contractor and verified through GSA*Advantage!*®. For services, the approved labor rates should come from the price list posted in GSA eLibrary in the contractor's terms and conditions file found on the contractor detail page.

Tab Section/Tasks	Complete	Date
Tab H – Pre-award Documentation, Funding, and Clearances		
SAM exclusions (See FAR 9.405(d)(4).)		
Funding document (e.g., requisition)		
Internal/other file review		
System for Award Management verification (See FAR Subpart 4.11.)		
Data entry in FPDS (See FAR 4.602.)		
GSA Schedule Contractor Team Agreement		
COR certification of training		
COR designation memorandum (See FAR 7.104(e).)		
Other _____		
Tab I – Notices, Reports, Debriefings, and Protests		
Award notification to unsuccessful respondents (See FAR 8.405-2(d).)		
Feedback documentation (See FAR 8.405-2(d).)		
Protest documentation, if applicable (See FAR 33.103; 33.104.)		
Award transmittal letter(s)		
Other _____		
Tab J – Task Order Administration		
Post-award orientation (See FAR Subpart 42.5.)		
Annual reviews for BPAs (See FAR 8.405-3(e).)		
Post-award correspondences		
Tab K – Task Order Closeout		
Final reports including certification from COR		
Notification letter to contractor		
Final invoice/voucher (marked final)		
Final Past Performance Evaluation Report		
Data entry in the Federal Procurement Data System (FPDS)		

Notes

Notes

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