



**U.S. General Services Administration**

# Federal Acquisition Service

## **Comparison of the Federal Supply Schedule to Open Market Contracting Methods**

July 2015



# Objectives

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1. Summarize the Federal Supply Schedules (FAR Subpart 8.4) contracting procedures, open market procedures (FAR Part 13, FAR Part 15, FAR Subpart 16.505)
2. Explain key differences between the Federal Supply Schedules and open market procedures
3. Highlight key advantages and disadvantages between the Federal Supply Schedules and open market procedures



# *Topic 1: Overview of the Parts*



# Overview of the Parts

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- Federal Supply Schedule (FAR Subpart 8.4)
  - Procedures for placing orders against multiple award schedules that are awarded and managed by GSA and VA
- Simplified Acquisition Procedures
  - Procedures for open market acquisitions *not exceeding* the simplified acquisition threshold (SAT)
- Contracting by Negotiation
  - Procedures for open market acquisitions *exceeding* the simplified acquisition threshold



# FAR Subpart 8.4

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- Addresses ordering from the Federal Supply Schedule (also known as the GSA Schedules Program or the Multiple Award Schedule Program), which are awarded using FAR Part 12 procedures
- Ordering activities authorized to place *delivery order*, *task order*, and/or establish a *blanket purchase agreement (BPA)* (single-award or multiple-award BPA)

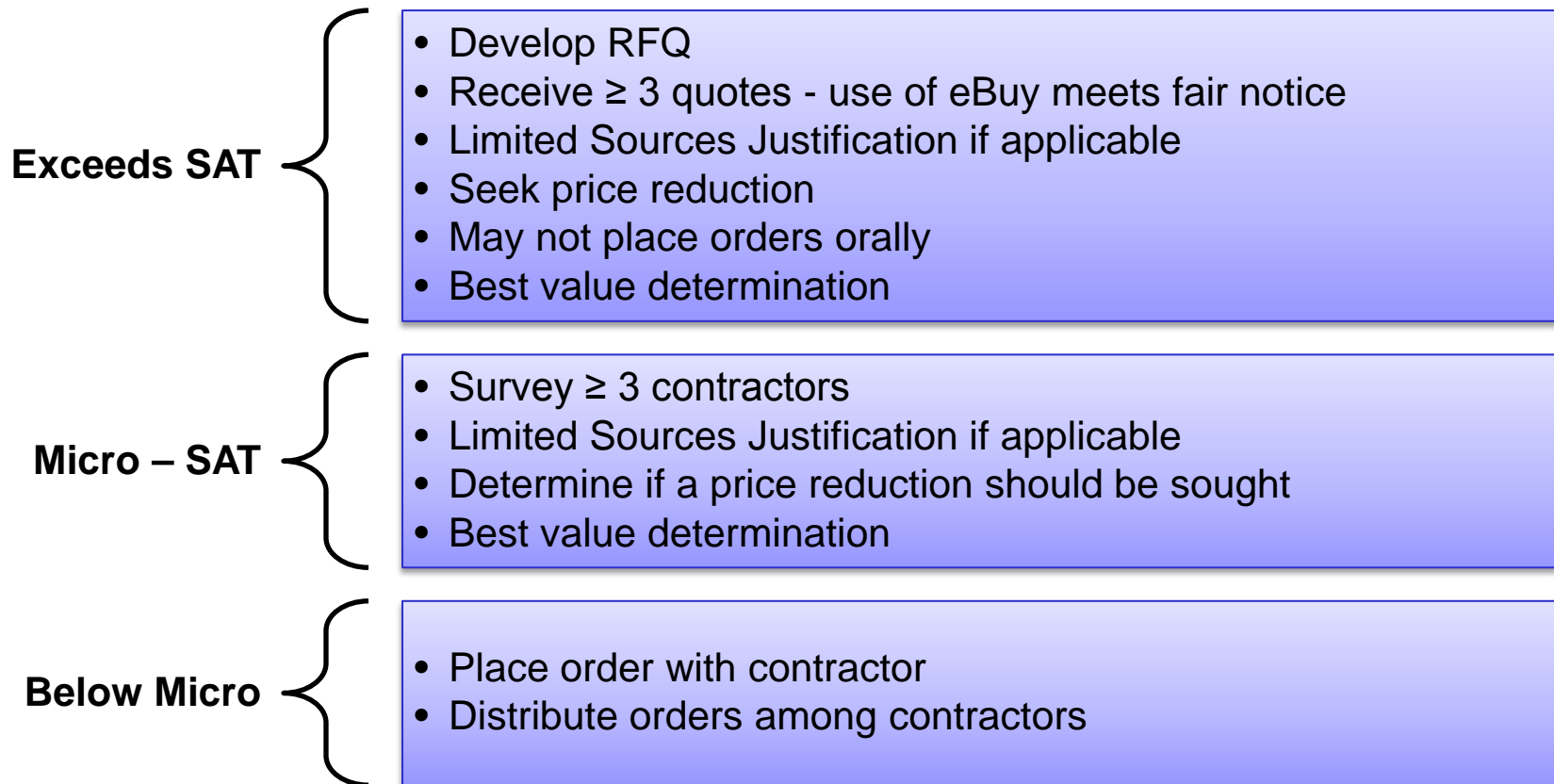


# Ordering Procedures

without statement of work

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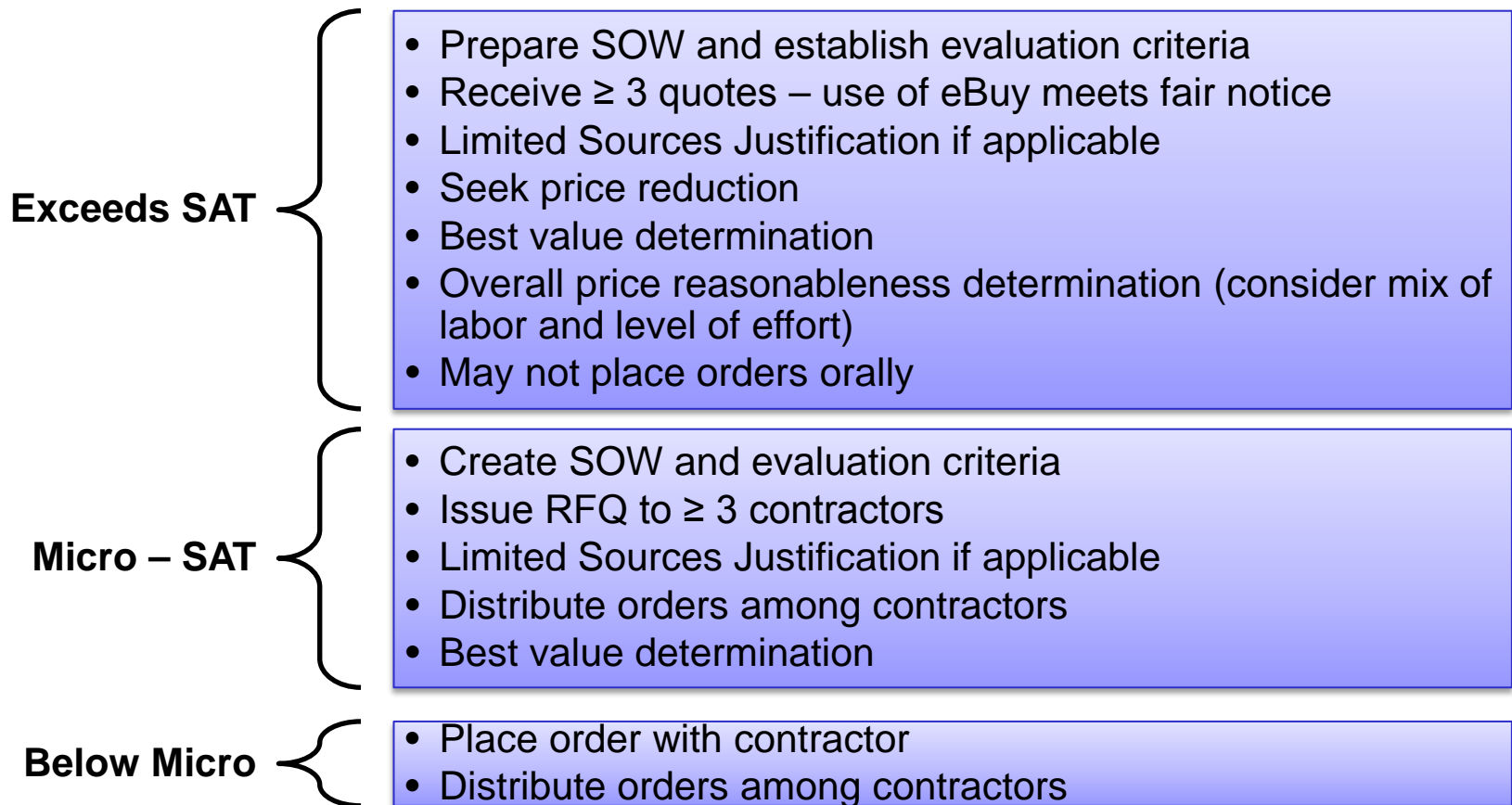


# Ordering Procedures

with statement of work

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# Fair Opportunity

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- Fair Opportunity is a basic element of FAR Subpart 8.4
  - Required when the value of the acquisition exceeds the SAT
- Fair Opportunity requires:
  - Posting the Request for Quote (RFQ) on e-Buy to afford all schedule contractors under the assigned Special Item Number (SIN) an opportunity to submit a quote
  - OR
  - Providing the RFQ to as many schedule contractors as practicable, consistent with market research, to reasonably ensure that quotes will be received from three contractors





# FAR Part 13

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- Use to the maximum extent practicable for acquisition not exceeding the SAT (unless can be met using required sources for supply under FAR Part 8).
- Issue a Purchase Order, Government Purchase Card, or Blanket Purchase Agreement
- Keep procedures SIMPLE and terms and conditions to a minimum (lowest price but may use tradeoffs)
- Reserve exclusively for small business



# FAR Part 15

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- Use when seal bidding is not suitable
- Issue a Request for Proposal (RFP) *not* a Request for Quote (RFQ)
- Procedures are more COMPLEX
- Terms and conditions can be extensive
- Follow rules for formal source selection under FAR Subpart 15.3
- Spectrum of contract types may be considered



# FAR Subpart 16.5

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- Compete requirements using FAR Part 15 procedures to establish the Indefinite Quantity Indefinite Delivery (IDIQ) contract and FAR Subpart 16.505 for placing orders
  - Fair opportunity to be considered for each order
  - The contracting officer may exercise broad discretion in developing appropriate order placement procedures (FAR 16.505(b)(ii))
- Establishes a minimum and maximum value
  - Limits the Government's obligation to the minimum quantity specified in the contract.
- Protest less than \$10 million NOT ALLOWED (unless increases the scope, period, or maximum value of the contract)



# OASIS and OASIS Small Business

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- Multiple-award IDIQ contracts
- OASIS is NOT a GSA Schedule (FAR Part 8 does NOT apply)!
- Source Selection Procedures of FAR Part 15.3 does NOT apply for placing orders, but FAR Part 16.505 “Streamlined Acquisition Procedures” APPLY!
  - Synopsizing or Posting Solicitations in FBO.gov is NOT Applicable! (except for exceptions to fair opportunity)
  - Protests less than \$10 Million NOT allowable! (except for increase in scope or period)
  - The ordering contracting officer may exercise broad discretion in developing appropriate order placement procedures



# What is a GWAC?

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- A Governmentwide Acquisition Contract (GWAC) is defined as a task or delivery order contract for information technology
  - Office of Management and Budget designates one or more "executive agents" for government-wide acquisitions of information technology
- Current Executive Agents:
  - **General Services Administration**
  - **NASA**
  - **National Institutes of Health**
- Orders under GWACs are placed under the authority of the Clinger-Cohen Act
- Orders are not subject to the Economy Act



# Government-wide Acquisition Contract (GWAC)

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### ➤ GSA's GWAC Program

- Alliant
- Alliant Small Business
- Veterans Technology Services (VETS)
- 8(a) STARS II

### ➤ Coming Soon:

- 8(a) STARS II open season
- Alliant II Small Business
- VETS 2



# *Topic 2: Key Differences of the Parts*



# Key Differences: FAR Subpart 8.4 and FAR Part 13

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- Plan the acquisition
  - Set-asides (discretionary vs. mandatory)
- Develop and issue an RFQ, including dollar thresholds. FAR Part 13 does not allow for BPAs to exceed the SAT. (See FAR Subpart 13.5)
- Evaluate a quotation under FAR Part 13
- Acquire non-commercial items





# Key Differences: FAR Subpart 8.4 and FAR Part 15






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There are several similarities between FAR Subpart 8.4 and Part 15.













The major differences are in the way you:

- Publicize requirements
- Compete requirements (FedBizOpps vs. eBuy)
- Document the file
  - Subcontracting Plans
  - Representations and Certifications
  - Determination of Responsibility
- Evaluate and award the contract
- Availability of contract types

Procedure	Subpart 8.4	Part 13	Part 15
May compete on LPTA or trade-off			
Pre-competed Schedules with fair and reasonable pricing			
“Fair Opportunity” required; Limited Source Justification (LSJ) otherwise, if over the SAT		Competition may be limited if urgent, exclusive license agreement, brand name, or industrial mobilization. CO must prepare a memo for the file. (See FAR Part 6)	Full and open competition; Justification for Other than Full and Open Competition (JOFOC) or (J&A) (See FAR Part 6)
Commercial item products and services	Yes. Commercial only.	Yes. In addition, Construction projects in excess of \$2000 require a written solicitation	Yes, as well as all other non-commercial supplies and services

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
<b>Prepare a solicitation</b>	Request for Quote (RFQ) (No minimum notice requirements – eBuy requires 48 hr min)	RFQ when over \$25,000 - FedBizOpps notice required	Request for Proposal (RFP) with all required T&Cs (30 day notice)
<b>May require consideration of factors other than price/costs – identify factors</b>		May utilize factors other than price, but typically is “low price technically acceptable”	
<b>Prepare source selection plan</b>	May be used, but not required	May be used	
<b>Establish evaluation criteria</b>			
<b>Best value determination</b>			
<b>Solicit sources</b>	If over SAT, solicit sufficient sources to anticipate at least 3 responses or use eBuy; no synopsis in FedBizOpps	CO must promote competition and attempt to solicit at least 3 sources when over the micro purchase threshold	Synopsisize in FedBizOpps and provide to all interested firms; over \$25K IAW FAR Part 5

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
Evaluate consistent with solicitation			
Small Business set-asides	Discretionary	Reserved for small business under the SAT	Available – “rule-of-two”
Technical evaluation	May utilize LPTA or tradeoff for more complex purchases	May utilize LPTA or tradeoff for more complex purchases	May utilize LPTA or tradeoff for more complex purchases
Evaluation and source selection documentation			
Ensure vendor’s quote complies with all special terms and conditions of RFQ	Yes, but may not conflict with Schedule contract terms and conditions		
Treat all offerors fairly			
Debriefings available upon request	No – may provide feedback		

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
Monitoring of performance - commercial items (usually simple inspection & acceptance)			
Monitoring of performance – complex services even though commercial	Yes, appoint Contracting Officer’s Representative (COR) especially for higher dollar value and long duration	Usually not required due to the limited dollar value under SAT and short duration	Appoint COR; may require use of monitoring tools/techniques including PM, EVM, etc.
Delivery and invoicing in accordance with contractual agreement			
Application of the Prompt Payment Act			
Order close-out			



***Topic 3:  
Key Advantages of  
FAR Subpart 8.4***

## FAR Subpart 8.4 (above the SAT)

## FAR Part 15

<b>Issue a Request for Quotations (RFQ) – give vendors appropriate time to respond</b>	<b>Issue a Request for Proposals (RFP) – offerors have 30 days (or more) to submit a proposal</b>
<b>May seek clarifications and have communications with Schedule contractors</b>	<b>Discussions allowed; may establish competitive range</b>
<b>Evaluate in accordance with RFQ</b>	<b>Evaluate in accordance with RFP</b>
<b>Request a price reduction off Schedule price</b>	<b>Negotiate cost or price</b>
<b>FAR Part 19 does not apply; discretionary set-asides allowed under 8.405-5</b>	<b>“Rule of two” requires a set-aside per FAR Subpart 19.502-2(b)</b>
<b>Agencies may consider socioeconomic status as an evaluation factor</b>	<b>All small business programs options are available for use</b>
<b>No subcontracting plan required</b>	<b>Small business subcontracting plan is required for large business If over \$650K</b>

## FAR Subpart 8.4

## FAR Part 15

**Contractor Teaming Arrangements (CTAs) allowed (Not IAW FAR Subpart 9.6)**

**Joint Ventures allowed**

**Simplified evaluation – Evaluation Team**

**Formal SSEB**

**Award a task or delivery order**

**Award one or more stand-alone contracts**

**Terms and conditions of the Schedule contract apply**

**Terms and conditions must be included in the contract**

**Feedback**

**Debriefs**





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# MAS Transformation Update: New Tools

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### ➤ CALC Tool ([calc.gov](http://calc.gov))

- Allows any user to conduct market research and compare schedule prices for professional service labor categories
- Hourly pay rates across eight GSA professional services schedule (48,000 labor categories)

### ➤ Horizontal Pricing Analysis Tool

- Used by GSA acquisition professionals to analyze price variability for identical schedule items