GSA Schedules vs. Open Market

5/20/14 – Original Author
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Learning Objectives

Upon completion of this course, you should be able to:

- Describe the MAS program
- Describe FAR Subpart 8.4, Part 13 and Part 15 procedures and the role of each in acquisition strategy and planning
- Recognize the similarities and differences among FAR Subpart 8.4, Part 13 and Part 15 procedures
- Identify the advantages and restrictions associated with using FAR Subpart 8.4, Part 13 and Part 15
What is MAS all about?
What Is a Multiple Award Schedule?

- Governmentwide contract vehicle for commercial products, services, and solutions

- Also known as “Federal Supply Schedule (FSS),” “GSA Schedules” or “MAS”

- Standing solicitations posted on FedBizOpps

- Awarded using FAR Part 12 procedures (Commercial Items)
MAS Contract Characteristics

- Multiple Award IDIQ (5 year award, three 5 year options)
- Fixed Price Economic Price Adjustment (EPA)
- Fair and reasonable pricing
  - Price reductions can be requested and may be applied at the order level.
- Performance requirements established at the order level to meet the customer’s specific needs
## Regulatory Foundation

### The Federal Acquisition Regulation (FAR)

<table>
<thead>
<tr>
<th>FAR</th>
<th>Provides</th>
<th>Applicability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subpart 8.4</td>
<td>Ordering procedures for GSA Schedules</td>
<td>Federal Government Ordering Activities</td>
</tr>
<tr>
<td>Part 12</td>
<td>Acquisition of Commercial Items</td>
<td>GSA awards Schedule contracts under Part 12</td>
</tr>
<tr>
<td>Subpart 6.102(d)(3)</td>
<td>Defines orders placed against Schedules as a competitive procedure</td>
<td>All</td>
</tr>
</tbody>
</table>
# FAR Applicability to Schedules

<table>
<thead>
<tr>
<th>FAR</th>
<th>Title</th>
<th>Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 13</td>
<td>Simplified Acquisition Procedures</td>
<td>NO (except allows for MAS BPAs)</td>
</tr>
<tr>
<td>Part 14</td>
<td>Sealed Bidding</td>
<td>NO</td>
</tr>
<tr>
<td>Part 15</td>
<td>Contracting by Negotiation</td>
<td>NO</td>
</tr>
<tr>
<td>Part 19</td>
<td>Small Business Programs</td>
<td>NO (except Bundling)</td>
</tr>
<tr>
<td>Part 36</td>
<td>Construction and A&amp;E</td>
<td>NO</td>
</tr>
</tbody>
</table>
## FAR Applicability to Schedules, Cont.

<table>
<thead>
<tr>
<th>FAR</th>
<th>Title</th>
<th>Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 7</td>
<td>Acquisition Planning</td>
<td>YES</td>
</tr>
<tr>
<td>Part 10</td>
<td>Market Research</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 17.5</td>
<td>Interagency Acquisitions</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 33.1</td>
<td>Protests</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 37.6</td>
<td>Performance Based Acquisition</td>
<td>YES</td>
</tr>
<tr>
<td>Part 39</td>
<td>Acquisition of Information Technology</td>
<td>YES</td>
</tr>
</tbody>
</table>
Topic 2:
Benefits of the MAS Program

What can MAS do for your organization?
FAR Subpart 8.4 Simplifies the Acquisition Process

In contrast to FAR Part 15 (Negotiated Acquisitions), Schedule orders do not require:

- Conducting a formal “negotiated procurement”
- Issuing a “solicitation” for thirty days (or any other pre-determined time)
- Conducting a “competition” by seeking contractors outside the Schedules program
- Synopsizing the requirement on FedBizOpps, unless it’s a limited sources acquisition over the SAT
- Conducting “discussions”
- Conducting formal “deb briefings”
- Using FAR Subpart 15.3 concepts and procedures
GSA Schedules Conform with Competitive Contracting

Schedule users shall not:

-no Seek further competition outside of the MAS program

-no Synopszie the requirement

FAR 8.404(a)
When ordering **supplies** or **fixed-price services w/out SOW**

**Exceeds SAT**
- Develop RFQ
- Receive $\geq 3$ 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 $\geq 3$ 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
Ordering Procedures - FAR Subpart 8.405-2

When ordering services requiring an SOW

**Exceeds SAT**
- Prepare SOW and establish evaluation criteria
- Receive ≥ 3 quotes – use of eBuy meets fair notice
- Limited Sources Justification if applicable
- Seek price reduction
- Best value determination
- Overall price reasonableness determination (consider mix of labor and level of effort)
- May not place orders orally

**Micro – SAT**
- Create SOW and evaluation criteria
- Issue RFQ to ≥ 3 contractors
- Limited Sources Justification if applicable
- Distribute orders among contractors
- Best value determination

**Below Micro**
- Place order with contractor
- Distribute orders among contractors
Topic 3: Types of Schedules and Characteristics

What can I buy?
**MAS Schedule Facts**

**Did you know...**

- GSA offers over 20 million supplies and services
- 39 open and standing solicitations published on FedBizOpps, including 9 managed by the Department of Veteran’s Affairs (VA)
- Over 19,000 Schedule contracts
  - 80% are small businesses
  - Orders and BPAs may be set aside for small businesses
- $50 billion total annual spend (including VA)
What Services Are Available on Schedule?

- Environmental Services
- Professional Engineering Services
- Logistics Services
- Language Services
- Management and Consulting Services (including Training)
- Temporary Administrative and Professional Services
- Information Technology Services
- Advertising and Marketing Services
- Financial and Business Solutions
- Security Solutions
- Facilities Maintenance
- Disaster Relief

Note: For a comprehensive list of services please visit GSA eLibrary.
What Supplies Are Available on Schedule?

- Office Supplies and Equipment
- Tools and Hardware
- Building and Industrial Materials
- Furniture
- Scientific Equipment
- Information Technology Products
- Vehicles and Support Equipment
- Appliances and Food Services
- Law Enforcement, Fire, and Security Products

Note: For a comprehensive list of supplies please visit GSA eLibrary.
What do FAR Subpart 8.4, FAR Part 13, and FAR Part 15 cover?
An Overview of the Parts

FAR Subpart 8.4, Part 13, and Part 15 provide alternative means for getting your requirements on contract:

<table>
<thead>
<tr>
<th>FAR Subpart 8.4</th>
<th>FAR Part 13</th>
<th>FAR Part 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Federal Supply Schedules</td>
<td>Simplified Acquisition Procedures</td>
<td>Contracting by Negotiation</td>
</tr>
<tr>
<td>Procedures for placing orders against Multiple Award Schedules awarded by GSA and the VA</td>
<td>Procedures for open market acquisitions not exceeding the Simplified Acquisition Threshold ($150,000) ($6.5 Million through Jan 1, 2015 for commercial items—see 13.5)</td>
<td>Procedures for open market acquisitions exceeding the Simplified Acquisition Threshold</td>
</tr>
</tbody>
</table>

Construction and Architect-Engineer services must be procured IAW FAR Part 36.
What Is FAR Subpart 8.4?

FAR Subpart 8.4 addresses ordering from Multiple Award Schedules (MAS), specifically:

- Description of the contracts
- Delivery orders vs. task orders
- Ordering procedures
- Blanket Purchase Agreements (BPAs) for repetitive buys
  - Establishing BPAs
  - Ordering under BPAs
- Limited Sources Justifications
**Fair Opportunity**

- Fair Opportunity is a basic element of FAR Subpart 8.4.

  - Required when the value of a procurement exceeds the SAT

- Fair Opportunity requires:

  - RFQ posted on eBuy to afford all Schedule contractors under the appropriate Special Item Number an opportunity to submit a quote

  **OR**

  - Provide RFQ to as many Schedule contractors as practicable to reasonably ensure at least three quotes will be received
What Is FAR Part 13?

- Simplified acquisition procedures used for acquisitions below the SAT
- Solicitation may be an oral or written RFQ.
- Results in issuance of a Purchase Order, Government Purchase Card (GPC) transaction or Blanket Purchase Agreement (BPA)
- Procedures are simple / straightforward.
  - Generally awarded lowest price – may use tradeoffs
- Keeps contract terms and conditions to a minimum.
- Items and services to be acquired are “open market”.
  - i.e. not available from required sources of supply, such as MAS contracts, outlined in FAR Subpart 8.002
- Reserved for small business (under the SAT)
What Is FAR Part 15?

- Negotiated procurements
  - Solicitation is a Request for Proposal (RFP)
  - Results in stand-alone contracts, either single or multiple awards
  - Used when sealed bidding is not suitable
- Contains rules for source selection, including cost/technical tradeoffs
- Pricing rules and procedures
### Which Method Should I Use?

<table>
<thead>
<tr>
<th>FAR Subpart 8.4</th>
<th>FAR Part 13</th>
<th>FAR Part 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Requirement is for commercial products and services being solicited through the MAS Program</td>
<td>Requirement is open market under the SAT</td>
<td>Requirement is open market over the SAT</td>
</tr>
<tr>
<td>Sufficient numbers and quality of sources</td>
<td>Requirements for specialized goods and/or services that cannot be filled from MAS offerings (or other pre-established contracts)</td>
<td>Requirements for specialized goods and/or services that cannot be filled from MAS offerings (or other pre-established contracts)</td>
</tr>
<tr>
<td>Terms and conditions and allowable order types meet agency needs</td>
<td>Reserved for small business set-asides</td>
<td>When a cost-type or incentive contract is necessary</td>
</tr>
</tbody>
</table>
How does FAR Subpart 8.4 compare to FAR Parts 13 and 15?
Acquisition Planning - FAR Part 7

- Acquisition planning is required, regardless of chosen strategy, over the SAT:
  - Planning required for all acquisitions, but under FAR Part 13, formal planning requirements are limited to economic purchase quantities (FAR Subpart 7.202)
  - Written planning and coordination required based on dollar amount, contract type and complexity, and competition strategy (follow agency procedures)

- Market research will drive planning decisions; acquisition plans capture this information.
- Performance-based preference for services
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Subpart 8.4</th>
<th>Part 13</th>
<th>Part 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>May compete on LPTA or trade-off</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Pre-competited Schedules with fair and reasonable pricing</td>
<td>✅</td>
<td></td>
<td></td>
</tr>
<tr>
<td>“Fair Opportunity” required; Limited Source Justification (LSJ) otherwise, if over the SAT</td>
<td>✅</td>
<td>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)</td>
<td>Full and open competition; Justification for Other than Full and Open Competition (JOFOC) or (J&amp;A) (See FAR Part 6)</td>
</tr>
<tr>
<td>Commercial item products and services</td>
<td>Yes. Commercial only.</td>
<td>Yes. In addition, Construction projects in excess of $2000 require a written solicitation</td>
<td>Yes, as well as all other non-commercial supplies and services</td>
</tr>
<tr>
<td>Procedure</td>
<td>FAR Subpart 8.4</td>
<td>FAR Part 13</td>
<td>FAR Part 15</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>--------------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Prepare a solicitation</td>
<td>Request for Quote (RFQ) (No minimum notice requirements – eBuy requires 48 hr min)</td>
<td>RFQ when over $25,000 - FedBizOpps notice required</td>
<td>Request for Proposal (RFP) with all required T&amp;Cs (30 day notice)</td>
</tr>
<tr>
<td>May require consideration of factors other than price/costs - identify factors</td>
<td></td>
<td>May utilize factors other than price, but typically is “low price technically acceptable”</td>
<td></td>
</tr>
<tr>
<td>Prepare source selection plan</td>
<td>May be used, but not required</td>
<td>May be used</td>
<td></td>
</tr>
<tr>
<td>Establish evaluation criteria</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Best value determination</td>
<td>☑</td>
<td>☑</td>
<td>☑</td>
</tr>
<tr>
<td>Solicit sources</td>
<td>If over SAT, solicit sufficient sources to anticipate at least 3 responses or use eBuy; no synopsis in FedBizOpps</td>
<td>CO must promote competition and attempt to solicit at least 3 sources when over the micro purchase threshold</td>
<td>Synopsize in FedBizOpps and provide to all interested firms; over $25K IAW FAR Part 5</td>
</tr>
<tr>
<td>Procedure</td>
<td>FAR Subpart 8.4</td>
<td>FAR Part 13</td>
<td>FAR Part 15</td>
</tr>
<tr>
<td>----------------------------------------------------</td>
<td>-----------------</td>
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</tr>
<tr>
<td>Evaluate consistent with solicitation</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Small Business set-asides</td>
<td>Discretionary</td>
<td>Reserved for small business under the SAT</td>
<td>Available – “rule-of-two”</td>
</tr>
<tr>
<td>Technical evaluation</td>
<td>May utilize LPTA or tradeoff for more complex purchases</td>
<td>May utilize LPTA or tradeoff for more complex purchases</td>
<td>May utilize LPTA or tradeoff for more complex purchases</td>
</tr>
<tr>
<td>Evaluation and source selection documentation</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Ensure vendor’s quote complies with all special terms and conditions of RFQ</td>
<td>Yes, but may not conflict with Schedule contract terms and conditions</td>
<td></td>
<td>✅</td>
</tr>
<tr>
<td>Treat all offerors fairly</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Debriefings available upon request</td>
<td>No – may provide feedback</td>
<td></td>
<td>✅</td>
</tr>
<tr>
<td>Procedure</td>
<td>FAR Subpart 8.4</td>
<td>FAR Part 13</td>
<td>FAR Part 15</td>
</tr>
<tr>
<td>--------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>----------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Monitoring of performance - commercial items (usually simple inspection &amp; acceptance)</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Monitoring of performance – complex services even though commercial</td>
<td>Yes, appoint Contracting Officer’s Representative (COR) especially for higher dollar value and long duration</td>
<td>Usually not required due to the limited dollar value under SAT and short duration</td>
<td>Appoint COR; may require use of monitoring tools/techniques including PM, EVM, etc.</td>
</tr>
<tr>
<td>Delivery and invoicing in accordance with contractual agreement</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Application of the Prompt Payment Act</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Order close-out</td>
<td>✅</td>
<td>✅</td>
<td>✅</td>
</tr>
</tbody>
</table>
There are several similarities between FAR Subpart 8.4 and Part 13.

The major differences are in the way you:

- 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
Major Differences - FAR Subpart 8.4 vs. Part 15

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
### Key Points on Solicitations

<table>
<thead>
<tr>
<th>FAR Subpart 8.4 (above the SAT)</th>
<th>FAR Part 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issue a Request for Quotations (RFQ) – give vendors appropriate time to respond</td>
<td>Issue a Request for Proposals (RFP) – offerors have 30 days (or more) to submit a proposal</td>
</tr>
<tr>
<td>May seek clarifications and have communications with Schedule contractors</td>
<td>Discussions allowed; may establish competitive range</td>
</tr>
<tr>
<td>Evaluate in accordance with RFQ</td>
<td>Evaluate in accordance with RFP</td>
</tr>
<tr>
<td>Request a price reduction off Schedule price</td>
<td>Negotiate cost or price</td>
</tr>
<tr>
<td>FAR Part 19 does not apply; discretionary set-asides allowed under 8.405-5</td>
<td>“Rule of two” requires a set-aside per FAR Subpart 19.502-2(b)</td>
</tr>
<tr>
<td>Agencies may consider socioeconomic status as an evaluation factor</td>
<td>All small business programs options are available for use</td>
</tr>
<tr>
<td>No subcontracting plan required</td>
<td>Small business subcontracting plan is required for large business if over $650K</td>
</tr>
</tbody>
</table>
## Key Points on Evaluation and Award

<table>
<thead>
<tr>
<th>FAR Subpart 8.4</th>
<th>FAR Part 15</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractor Teaming Arrangements (CTAs) allowed (Not IAW FAR Subpart 9.6)</td>
<td>Joint Ventures allowed</td>
</tr>
<tr>
<td>Simplified evaluation – Evaluation Team</td>
<td>Formal SSEB</td>
</tr>
<tr>
<td>Award a task or delivery order</td>
<td>Award one or more stand-alone contracts</td>
</tr>
<tr>
<td>Terms and conditions of the Schedule contract apply</td>
<td>Terms and conditions must be included in the contract</td>
</tr>
<tr>
<td>Feedback</td>
<td>Debriefs</td>
</tr>
</tbody>
</table>
Topic 6: 
Advantages and Restrictions of Each Approach

When should I use/avoid using each?
Advantages of the MAS Program (FAR Subpart 8.4)

- Saves time
- Streamlines the source selection process
- Provides flexible purchase options: orders and BPAs
- Ordering activity receives socioeconomic credit
GSA Advantage! - an online shopping service through which ordering activities may place orders against the Schedules using the Governmentwide Purchase Card.
eBuy - An online RFQ system that allows ordering activities to post requirements, obtain quotes, and issue orders.
eLibrary - The official online source for complete GSA and VA Schedules information – a great market research tool.
FAR Part 13 Advantages

- Combined solicitation/synopsis for commercial items
- Fast acquisition of products and/or services not available on a Schedule
- Orders made through BPAs
- Prompt method of evaluation
FAR Part 15 Advantages

- Flexibility to negotiate contract type
- Flexibility to negotiate terms and conditions
- Procedures to establish competitive range
FAR Subpart 8.4 Restrictions

- Restrictions to Contract Types
- Restrictions to Terms and Conditions
- Restrictions to Modifications to Products/Services
- Restrictions to Mixing Approaches
FAR Part 13 Restrictions

- BPA orders cannot exceed the SAT.
- There is no binding contract until contractor accepts the order.
FAR Part 15 Restrictions

- Time-consuming
- Resource-intensive
- More prone to protests
Exercise 1

Task: Read the scenario in your student guide and answer the question below.

What is your recommended strategy and why? Discuss the pros and cons of the DPM’s preferred approach in your workgroups and present a group recommendation, along with the rationale.
Exercise 2

Task: Read the scenario in your student guide and answer the question below.
How do you recommend that the procurement be conducted?
Exercise 3

Task: Read the scenario in your student guide and answer the question below.
How do you recommend that the procurement be conducted?
Knowledge Check 1

Reasonable prices pre-established and terms and conditions already in place are advantages to using which of the below?

- eBay
- Multiple Award Schedules
- Open market vendors
Knowledge Check 2

What are some major disadvantages to using FAR Part 15 over FAR Subpart 8.4 or FAR Part 13?
Lesson Summary

You should now be able to:

- Describe the MAS program
- Describe FAR Subpart 8.4, Part 13 and Part 15 procedures and the role of each in acquisition strategy and planning
- Recognize the similarities and differences among FAR Subpart 8.4, Part 13 and Part 15 procedures
- Identify the advantages and restrictions associated with using FAR Subpart 8.4, Part 13 and Part 15
Web Resources

- MAS Training Student Guides  www.gsa.gov/mastrainingstudentguides
- MAS Desk Reference  www.gsa.gov/masdeskreference
- Multiple Award Schedules  www.gsa.gov/schedules
- eLibrary  www.gsaelibrary.gsa.gov
- GSA Advantage!  www.gsaadvantage.gov
- eBuy  www.ebuy.gsa.gov
- MAS News  www.gsa.gov/masnews
- Federal Acquisition Regulation (FAR)  www.acquisition.gov/far
Webinars and Online Training

- Monthly Webinars sponsored by the MAS Program Office [http://www.gsa.gov/masnews](http://www.gsa.gov/masnews)
- Training Videos - [http://www.gsa.gov/portal/content/210517](http://www.gsa.gov/portal/content/210517)
- Continuous Learning Modules
  - Federal Acquisition Institute
  - Defense Acquisition University
    - [http://icatalog.dau.mil/](http://icatalog.dau.mil/) Search for continuous learning modules with FAC prefix
Questions