

1423
Panel

SECTION 1423 ACQUISITION ADVISORY PANEL

**Governmentwide Contracts and
Interagency Contract Vehicles
Working Group**

Presentation of Preliminary Recommendations

November 29, 2005

These slides contain preliminary working group recommendations for discussion purposes only. They have not been approved by the Acquisition Advisory Panel

Governmentwide Contracts and Interagency Contract Vehicles

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Jonathan Etherton (Co-Chair)

Frank Anderson (Co-Chair)

Deidre Lee

Thomas Luedtke

Melanie Sabelhaus/David Javdan

Roger Waldron (Advisor)

Issues

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Issues and recommendations arise from four basic questions:

- What are they?
- Why do agencies use them?
- How do agencies use them?
- How should agencies use them?

Contents of Draft Report to the Full Panel

- **Introduction**
- **General Background**
 - What are they?
 - Includes enterprisewide vehicles and assisting entities
 - Stakeholders
 - Why are they created and used?
- **Issue: Creation and Continuation of Interagency Vehicles**
 - Background
 - Findings
 - **Recommendations**
- **Issue: Competition**
 - Background
 - Findings
 - **Recommendations**
- **Issue: Pricing (To Commercial Practices Working Group)**
 - Background
- **Issue: Acquisition Workforce (In coordination with Acquisition Workforce WG)**
 - Background
 - Findings
 - **Recommendations**

Preliminary Recommendations Creation and Continuation

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- **Principles and objectives**
 - **OMB accountable for policies, procedures and guidance**
 - **Agencies accountable for authorization, reauthorization and management of vehicles under OMB guidance (auditable)**
 - **Process over time should result in a coordinated and more meaningful set of vehicles that minimizes unproductive overlap by following consistent policies across agencies**
 - **However, recommendations may lead to an interim rather than a long-term solution.**
 - **Implementation of the proposals should result in steps that do not foreclose different approaches down the road.**

Preliminary Recommendations

Creation and Continuation

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- **Amend current OMB approval procedures for GWACS and Franchise Funds creation and reauthorization to require greater focus on meeting need and other criteria.**
- **Institute a requirement that each agency under guidance issued by OMB formally authorize the creation, continuation or expansion of the following vehicles under its jurisdiction:**
 - **Multi-agency contracts**
 - **Enterprisewide vehicles (Need a definition that would exclude vehicles like DLA bulk fuel contracts)**
 - **Assisting entities that propose to offer assistance to other agencies and that use fees to support operations**
 - **GSA schedules program (for services?)**
- **Require a reauthorization of each vehicle using similar criteria after some appropriate period consistent with the nature or type of the vehicle.**
- **Need to develop criteria that are distinct from criteria used in making individual contract renewal or options decisions**

Preliminary Recommendations

Creation and Continuation

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- **OMB promulgation of detailed policies, procedures, and requirements that agencies must follow in their process of authorization and reauthorization.**
- **Have the OMB interagency task force define the process and the mechanism.**
- **Policies, procedures and requirements should include:**
 - **Business case justification analysis (GWACS as model).**
 - **Projected scope of use.**
 - **Explicit coordination with other vehicles/entities.**
 - **Assessment of market place dynamics.**
 - **Ability of agency to apply resources to manage vehicle.**
 - **Projected life of vehicle.**
 - **Appropriate use of contractors in the implementation of the vehicle.**
 - **Upfront requirements planning by ordering agencies before access to vehicles is granted.**
 - **Different set of issues for direct order type vehicles versus vehicles used for assisted buys.**
 - **Defining responsibilities of the vehicle holders a complex problem.**
 - **Fee calculation guidelines.**
 - **Procedures to establish bona fide need to prevent parking money.**
 - **Required training for ordering agencies' personnel.**

Preliminary Recommendations

Creation and Continuation

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- **Policies, procedures and requirements should include (cont'd.):**
 - Allocation of responsibilities among vehicles holders, ordering agencies and other stakeholders as a condition of use, including responsibility for data input.
 - Emergency response requirements.
 - Competition process and requirements.
 - Contract length and innovation.
 - Pricing requirements for services.
 - Agency performance standards and metrics.
 - Performance monitoring system.
 - Process for ensuring transparency of vehicle features and use.
 - Defined point of contact for public – Ombudsman.
 - Defined relationship to agency mission (suitability criteria).
 - Address distinction between agency (NASA) expansion of internal mission-related vehicles to other agencies vs. creation of vehicles from the ground up as interagency vehicles (NIH).

Preliminary Recommendations

Creation and Continuation

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- **Increased transparency through data base of vehicles.**
 - **Module within transactions-based FPDS-NG.**
- **Data requirements must be configured for three distinct purposes.**
 - **Identification of vehicles with features for agencies use in matching to acquisition requirements (yellow pages).**
 - **Use by public and oversight organizations to monitor trends in use.**
 - **Improved granularity in fee calculations**
 - **Standard FPDS-NG reports**
 - **Use by agencies in business case justification analysis.**
- **Institute a detailed analysis of the effectiveness of Panel recommendations and agency actions in addressing the findings and deficiencies in the Acquisition Advisory Panel report.**
 - **Identification of unintended consequences.**
 - **Time frame: five years after initial implementation with an interim report after three years.**

Preliminary Recommendations

Competition

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- **Principles and objectives**
 - **Competition is beneficial along a number of dimensions.**
 - **Governmentwide standard for awarding task orders is appropriate for interagency vehicles.**
 - **Balancing preservation of streamlined aspects of the vehicles process with greater use of competitive procedures.**
 - **Coordination with the findings and recommendations of the Commercial Practices Working Group.**

Preliminary Recommendations

Competition

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- **Apply requirements under section 803 of the national Defense Authorization Act for Fiscal Year 2002 to all agencies' use of interagency contract vehicles (including assisting entities)**
 - **803 requirements (Applicable to all DoD Task and Delivery Orders, not just those under interagency vehicles)**
 - Purchase of services over \$100K under multiple award contracts
 - Requirement to be made on a competitive basis
 - CO may waive if:
 - 10 U.S.C.2304c(b)(1)-(4) applies, or
 - Statutorily directed
 - Competition means:
 - Notice to all contractors
 - All responding contractors given fair consideration
 - As many as practicable allowed, but award only if:
 - » Three qualified offers received, or
 - » CO prepares D&F that no others identifiable

Preliminary Recommendations Competition

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- **Stricter enforcement of rules removing contractors from the GSA schedules and other vehicles who do not meet minimum requirements for orders over time.**
 - **Increase pressure on the industry to compete for contracts.**

Preliminary Recommendations

Workforce

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- **Principles and objectives**
 - **Create explicit requirements in creation and continuation for training in the use of interagency vehicles for certification and permission to use**
 - **Institute OMB-led review of existing training for adequacy**
 - Inventory available programs
 - Quality and relevance
 - **Close coordination with the findings and recommendations of the Acquisition Workforce Working Group.**