

PACTS Industry Day

March 26, 2008



Homeland
Security

Agenda

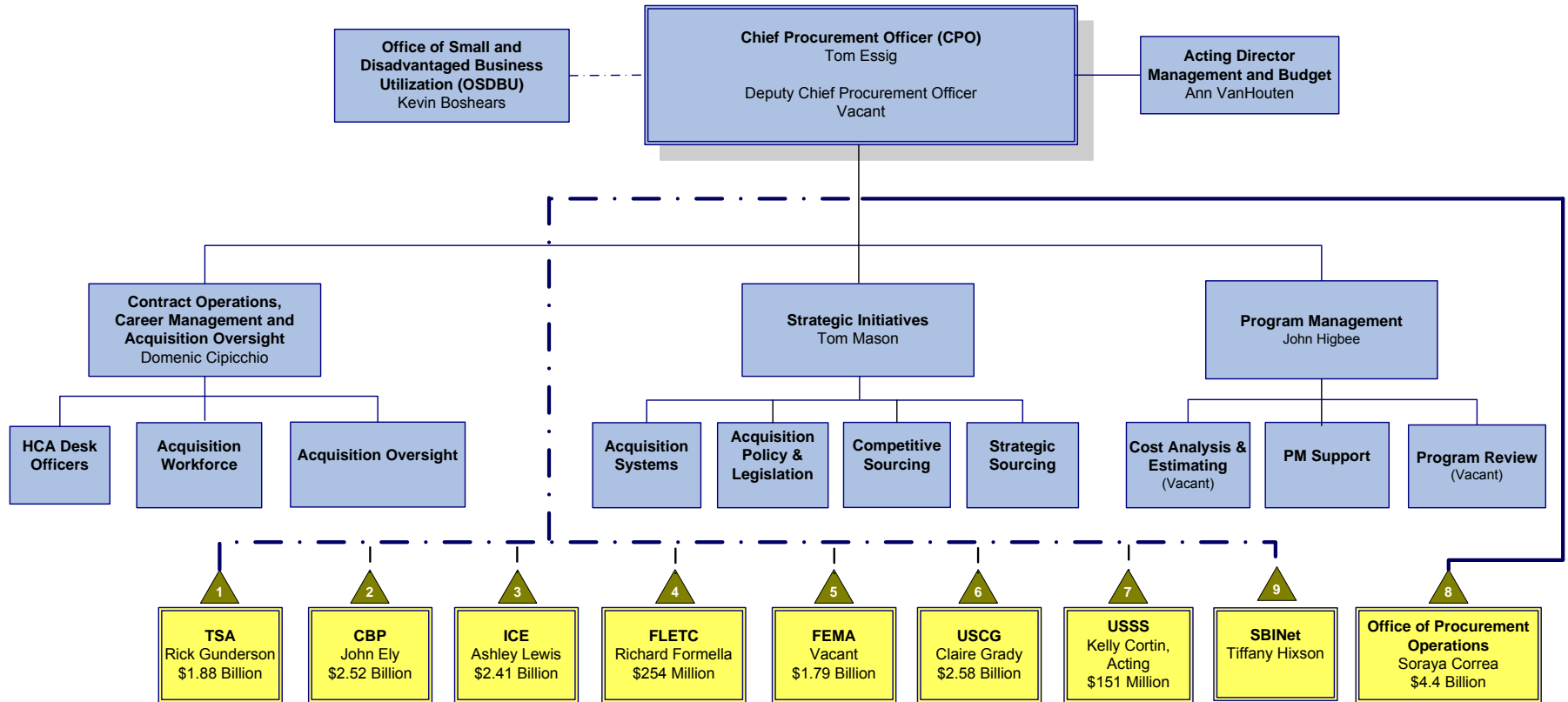
- Opening Remarks - Welcome
- CPO/OPO Organizational Overview
- DHS CPO Perspective
- PACTS Program Objectives & Projected Schedule
- PACTS Draft RFP Overview
- Industry Response to Draft RFP
- Question & Answer Session
- DHS OSDBU Perspective
- Closing Remarks

***Soraya Correa, Director
Office of Procurement Operations***

Opening Remarks - Welcome

- PACTS Identified as an OPO High Priority Strategic Initiative.
- Provides Support for:
 - One DHS Initiatives
 - CPO Top Priorities
 - OPO Director's FY2008 Initiatives
 - Executive Order 13360
- Expands OPO Portfolio of Contract Vehicles.
- Facilitates Continued Partnership with Industry.
- Provides Business Opportunities for the Service-Disabled Veteran-Owned Small Business Community.

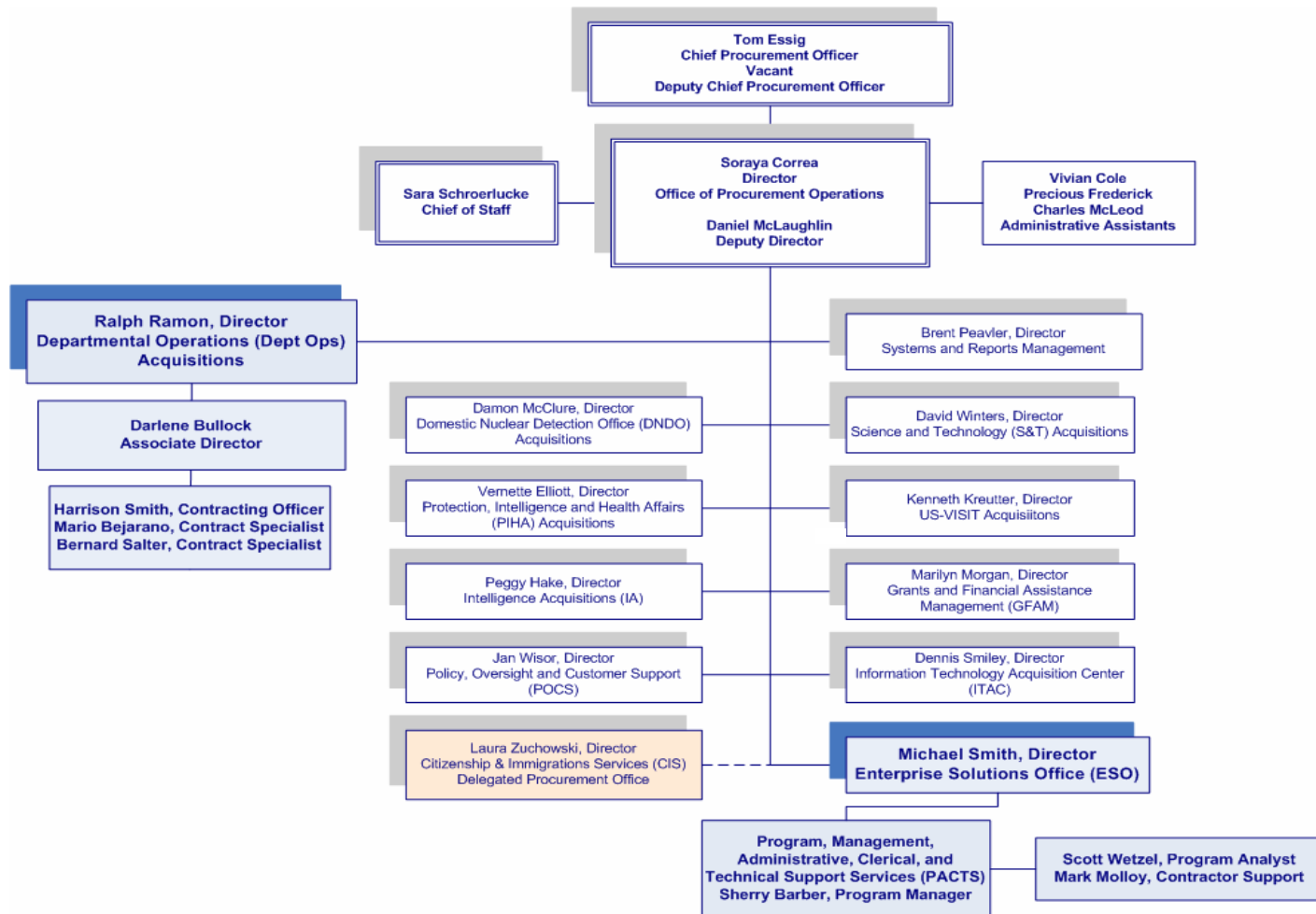
CPO Organization



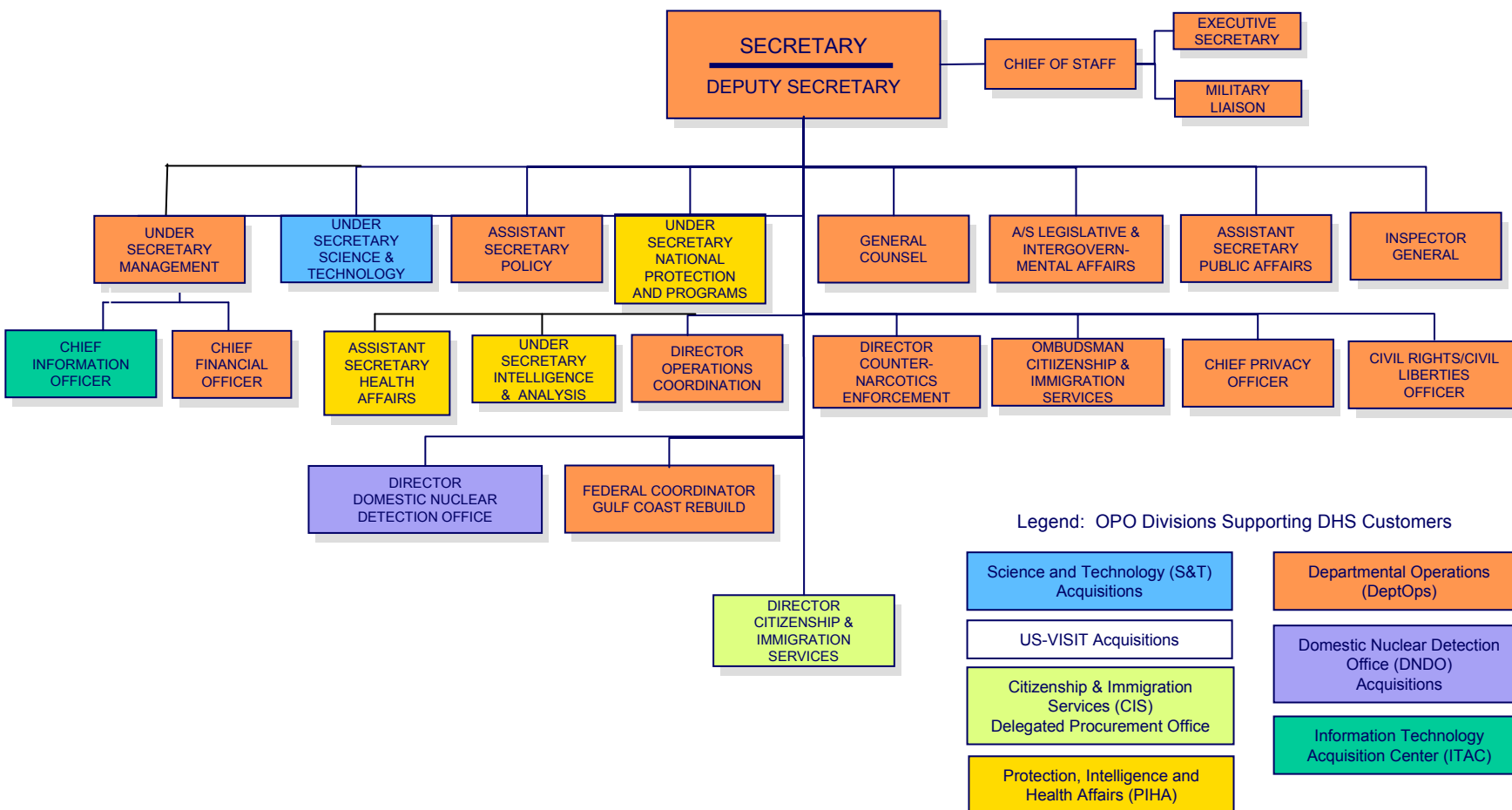
▲ DHS Heads of Contracting Activities

OPO Organization

OPO is organized into operational acquisition divisions aligned to meet its specific customer needs.



OPO Customers



Committed to Service

OUR MISSION

We will obtain the best value products and services for our DHS customers. We will be innovative and continuously improve our processes for managing and implementing acquisitions. We will support the mission, ensuring conformance with law and preserving the public's trust.

OUR VALUES

Teamwork

We communicate actively and openly with each other and with all whom we serve. We value and respect the contributions of others.

Integrity

We take responsibility for our actions and keep our word.

Professionalism

We conduct ourselves in a professional, courteous manner that reflects well on our agency.

Customer Service

We are committed to helping customers achieve their mission. We work to serve our customers efficiently and exceed their expectations.

Excellence

We strive for excellence and are committed to continuous quality improvement. We take pride in providing the highest quality, professional service.

Office of the Secretary • Under Secretary Management • Under Secretary Science and Technology • Assistant Secretary Policy • Under Secretary National Protection & Programs • General Counsel • Assistant Secretary Legislative Affairs • Assistant Secretary Public Affairs • Inspector General • Chief Financial Officer • Assistant Secretary Intelligence & Analysis • Assistant Secretary Health Affairs • Director Operations Coordination • Director Counternarcotics Enforcement • Ombudsman Citizenship & Immigration Services • Chief Privacy Officer • Civil Rights/Civil Liberties Officer • Director Domestic Nuclear Detection Office • Coordinator for Gulf Coast Rebuild •

Tom Essig
Chief Procurement Officer

Department of Homeland Security History

The Homeland Security Act of 2002:

United 22 previously disparate domestic agencies into one coordinated department to protect the nation against threats to the homeland.



Department of Homeland Security Mission

- Prevent terrorist attacks within the United States
- Reduce America's vulnerability to terrorism
- Minimize damage from potential attacks and natural disasters



Emergency Management

DHS Chief Procurement Officer's FY 2008 Priorities

1. Quality Contracting
 - a. Goal: To make good business deals
 - b. Goal: To perform effective contract administration
2. Quality Acquisition Management
 - a. Goal: To improve the quality of program management throughout DHS
3. Quality People
 - a. Goal: To build and sustain the DHS Acquisition Workforce

PACTS

- Supports all three priorities
- Supports “One DHS”
- Supports DHS’ commitment to small business

***E. Darlene Bullock, Associate Director
Departmental Operations Acquisition Division***

PACTS Program Objectives

- Consolidate multiple individual contract vehicles that currently exist into a streamlined portfolio of contract vehicles for DHS and Components.
- Establish support services vehicles through a portfolio of Indefinite Delivery Indefinite Quantity (IDIQ) contracts. Realize savings by focusing on procurements from an enterprise-wide perspective, which leverage DHS' buying power through economies of scale.
- Enhance the availability of support services from SDVOSBs.
- Establish a portfolio of effective DHS-wide contracting vehicles tailored exclusively for SDVOSBs.
- Streamline and standardize acquisition processes and procedures.
- Increase DHS Small Business goal of contracting with SDVOSBs.

Projected Schedule

- Industry Day – March 26, 2008
- Comment Due from Industry on Draft RFP – April 1, 2008
- Final RFP Release – May 2008
- Proposals Due – June 2008
- Evaluation Process Complete* – August 2008
- Contract Award* – October 2008

** Depends on Number of Proposals Submitted*

***Harrison Smith, Contracting Officer
Office of Procurement Operations***

PACTS Draft RFP Overview

- Draft RFP was posted on www.fbo.gov on 5 March 2008.
- Cover letter outlined three (3) potential scenarios for evaluation approaches, which are currently being considered.
- Template for questions and comments provided.
 - Responses due to PACTS@dhs.gov no later than 1 April 2008
 - Comments and/or questions may be addressed in a public forum
- A final RFP for PACTS will be issued based, in part, upon responses and questions received on the draft RFP.

Evaluation Scenarios

- End goal is to ensure a fair, efficient, and timely process, which does not place undue burden on the SDVOSB community.
- Scenario 1 – Current Section M (full proposal submissions).
 - Five (5) Evaluation Factors
 - Experience
 - Past Performance
 - Ability to Provide Effective Solutions
 - Ability to Recruit, Train, and Retain High Quality Personnel
 - Program Management and Quality Control
- Scenario 2 – Go / No-Go (abbreviated proposal submissions).
 - Qualifications of the Program Manager
 - Full proposal submissions required only for ‘Go’

Evaluation Scenarios (cont'd)

- Scenario 3 – Phase One / Phase Two (abbreviated proposal submission).
 - Phase One
 - Qualifications of Program Manager
 - Offeror's and/or Team's Experience
 - Offeror with No Team
 - A minimum number of years of experience
 - Prime with Team
 - Minimum number of years of experience for the prime; and
 - Minimum total number of years of experience for team as a whole
 - Only those offerors who are highly rated will be eligible for full proposal submission.

Basic Procurement Approach

- Multiple IDIQ contracts will provide DHS and its Components access to several vendors with established ordering vehicles.
 - Benefit to the Government is efficiency and an established list of responsible vendors.
 - Benefit to the vendors is a larger pool of potential customers.
- Term of the contracts will be five (5) years.
 - Base year period of two (2) years
 - Three (3) one-year option periods
- Base contracts will allow for Firm-Fixed Price (FFP), Time and Materials (T&M), or Labor Hour (LH) task orders.
- Establish sound performance measures for assessing the quality and effectiveness of operations.
- Ensure adequate systems and tools are in place to consistently and accurately report OPO operational and management information.

Functional Categories (FCs)

- Four Functional Categories (FC).
 - FC1 – Program Management
 - NAICS Code – 541611
 - FC2 – Administrative Support
 - NAICS Code – 561110
 - FC3 – Clerical
 - NAICS Code – 561410, 561421, and 561431
 - FC4 – Technical Services
 - NAICS Code – 541330
- FCs are intended to satisfy a full range of related non-IT requirements.
 - Specifics of a requirement will be established at the task order level.

NAICS Codes

- There have been several comments and questions received with regard to the NAICS codes being utilized.
- PACTS NAICS codes were chosen based on historical data and represent the best fit for DHS.
 - Utilizing all NAICS codes would be detrimental to the efficiency of the resulting suite of IDIQ contracts, and result in fewer orders per vendor.

NAICS Code	Description
541611	Admin & Mgmt. Services (Functional Category 1 – Program Management)
561110	Office Admin Services (Functional Category 2 – Administrative Support)
561410, 561421, 561431	Clerical Support Services (Functional Category 3)
541330	Engineering Services (Functional Category 4)

Opportunities for Awarded Vendors to Compete

- The task order Contracting Officer will provide all awardees within the functional category with a “fair opportunity” to be considered for each order in excess of the micro-purchase threshold, unless one of four (4) exceptions apply (FAR 16.505):
 - Exception #1 – Urgency
 - Exception #2 – Unique or highly specialized services
 - Exception #3 – Logical follow-on to a task order already issued, which was awarded with fair opportunity to all vendors
 - Exception #4 – Minimum guarantee
 - Minimum guarantee is at the contract level, not the task order level

Minimum Dollar Guarantee and Maximum Contract Ceiling

- The minimum guarantee for the award is \$250 throughout the period of performance.
 - Minimum guarantee will be satisfied at the time of award.
 - Government has no obligation to issue task orders beyond the minimum guarantee.
- The maximum contract ceiling is \$1.5 billion.
 - Represents the amount which may potentially be awarded to all PACTS contractors.
 - The aggregate of all awards under all contracts may not exceed the ceiling.
 - There is no delineation of the maximum contract ceiling amongst individual contracts or functional categories.

General Procurement Process Issues

- There is substantial interest in PACTS, and the Government anticipates numerous responses to the RFP.
- Adherence to the terms, guidelines, formats, etc., provided in the RFP, its attachments, and other correspondence is extremely important.
- Utilize PACTS@dhs.gov for all e-mails and correspondence with the Government.

Industry Response to Draft RFP

- DHS-wide non-IT multiple-award IDIQ contract vehicle
- 100% SDVOSB set-aside
- Draft RFP cover letter Evaluation Scenarios
- Prime Offerors, Teaming Arrangements and Joint Ventures
- Offeror Bid Strategy based on Functional Categories
- NAICS Codes
- Audited Financial Statements
- Past Performance
- Key Personnel – Contract Level Program Manager
- Security Clearances
- Place of Performance

Q and A



***Kevin Boshears, Director
Office of Small and Disadvantaged
Business Utilization***

OSDBU Recommendations

- Review Federal Acquisition Regulation (FAR) 19.14
- Review 13 CFR 125.8 through 125.29
- Review the functional categories, put your best foot forward, and write to the RFP.

OSDBU Observations

The most often asked question of OSDBU is:

“How many SDVOSBs will be awarded a contract?”

Observations (Part 1):

- PACTS will not be an “Everybody gets a contract” Program.
- Currently, multiple awards for each functional category are anticipated, which would mean at least 2 awardees in each functional category.

OSDBU Observations (cont'd)

The most often asked question of OSDBU is:

“How many SDVOSBs will be awarded a contract?”

Observations (Part 2):

- EAGLE *may* provide a clue (25 large businesses, 28 small businesses) on a dual track solicitation with 5 functional categories.
- Competition determines the final number.

8 Major DHS Buying Activities

Who can use PACTS?

- Customs & Border Protection (CBP), including SBINet
- DHS Headquarters Office of Procurement Operations (OPO)
- Federal Emergency Management Agency (FEMA)
- Federal Law Enforcement Training Center (FLETC)
- Immigration & Customs Enforcement (ICE)
- Transportation Security Administration (TSA)
- U.S Coast Guard (USCG)
- U.S. Secret Service (USSS)

Closing Remarks

- Industry Comments on draft RFP due April 1, 2008.
 - PACTS@dhs.gov
- PACTS News and Updates:
 - FedBizOpps (www.fbo.gov)
- Slide Presentation and List of Industry Day Attendees:
 - www.dhs.gov/openforbusiness