

## EXECUTIVE OFFICE OF THE PRESIDENT OFFICE OF MANAGEMENT AND BUDGET WASHINGTON, D.C. 20503

February 24, 2006

MEMORANDUM FOR CHIEF ACQUISITON OFFICERS

AGENCY SENIOR PROCUREMENT EXECUTIVES

FROM: Robert A. Burton /

Associate Administrator

SUBJECT: Data Collection on Interagency and Agency-Wide Contracting

The purpose of this memorandum is to solicit your assistance in identifying the scope of interagency contracting in Federal agencies. This information will be used along with other data to improve the use of interagency contracts and the processes for creating and renewing these vehicles.

Since November 2005, when the Office of Federal Procurement Policy announced its interagency contracting initiative, Congress has imposed additional requirements on the Department of Defense (DOD) to increase management controls over interagency contracting (see section 811 of the Defense Authorization Act for FY 2006, P.L. 109-163). In addition, the Acquisition Advisory Panel, established under the Services Acquisition Reform Act, has concluded that OMB should review and refine governance processes to ensure the overall effectiveness of interagency contracting. Neither of these developments suggests a lessening of the overall importance or role of interagency contracting. But they serve as reminders that interagency contracting requires increased management attention to achieve the greatest value possible through these transactions.

To ensure resources are being effectively leveraged, we would like to have a clearer understanding of the following:

- the number of interagency contracts that are currently in operation; the scope of these vehicles; the primary users; and the rationale for their establishment and renewal;
- the number of interagency acquisitions that are conducted on the customer agency's behalf by another agency; and
- the number of agency-wide (intra-agency) contracts (also known as enterprise-wide contracts) currently in operation to address common needs that could be, or have been, satisfied through an existing interagency contract; the scope of these vehicles; and the rationale for their establishment and renewal.

While improvements to the Federal Procurement Data System—Next Generation should make a number of these data points more readily available in the future, we will need your assistance to collect information for our initial efforts. Accordingly, please complete the attachments described below using the spreadsheets provided by OFPP, available at <a href="http://www.whitehouse.gov/omb/procurement/index\_interagency\_acq.html">http://www.whitehouse.gov/omb/procurement/index\_interagency\_acq.html</a>.

<u>Attachment 1</u> – to be completed by agencies that operate any interagency contracts. For purposes of this data collection, an interagency contract includes the following vehicles:

- (1) a governmentwide acquisition contract (GWAC), as defined in FAR 2.101;
- (2) a multi-agency contract (MAC), as defined in FAR 2.101;
- (3) a blanket purchase agreement (BPA) on the Multiple Award Schedules (MAS), see FAR 8.405-3, for use by multiple agencies (for BPAs established for use only by the customer agency, use Attachment 3); or
- (4) other indefinite delivery vehicles with anticipated or actual use by external agencies (e.g., basic ordering agreements that that are available to multiple agencies).

Attachment 2 – to be completed by agencies that conducted interagency acquisitions in FY 2005 on behalf of another agency (e.g., General Services Administration's Federal Acquisition Service (FAS) conducting an acquisition for the Department of Homeland Security (DHS); the Department of the Interior's GovWorks or the Department of the Treasury's FedSource conducting acquisitions for DOD). Prepare this spreadsheet only if the cumulative value of all assisted acquisitions conducted by the agency in FY 2005 exceeded \$25 million.

Transactions identified in Attachment 2 should involve purchases that are:

- (1) for common needs (e.g., help desk services, not bulk fuel);
- (2) of a repetitive nature (e.g., computer monitors, not the construction of a building); and
- (3) made on either an existing indefinite delivery vehicle (e.g., MAS, a MAS BPA, a GWAC, and a MAC) or under a contract that is newly created as a result of the customer agency's request to meet the needs of the customer agency (e.g., FAS establishing a new MAC at DOD's request to meet the needs of DOD).

<u>Attachment 3</u> – to be completed by agencies that operate agency-wide contracts. For purposes of this data collection, an agency-wide contract is a single or multiple award task or delivery order contract (including a MAS BPA) that is established by the agency:

- (1) for internal use by customers across the agency, such as the DHS' Enterprise Acquisition Gateway for Leading Edge Solutions contract for information technology (IT) services and FirstSource for IT commodities (in the case of DOD, agency-wide includes contracts that are service-wide, such as the Navy's Seaport-e contract); and
- (2) to address common needs that could be, or have been, satisfied through an existing interagency contract (e.g., the Defense Logistics Agency would not include its contracts for bulk fuels).

Please provide this information to Julia Wise <a href="mailto:jwise@omb.eop.gov">jwise@omb.eop.gov</a> by March 31, 2006. General questions regarding this initiative may be directed to me at 202-395-3302 or Mathew Blum at 202-395-4953. I appreciate your attention to this important matter.

Attachments

List of Interagency Contracts in Effect as of January 1, 2006 Department of ABC

Results								
Service fee charged (expressed in \$ and 9%)***								
Business Ordering Service fee Results case to instructions/ charged justify handbook for (expressed in S and use (V/N) If Y, 960****								
Business case to justify interagency use								
Primary reason for creation								
Contract Vehicle Assisted Anticipated or Top 3 agency expiration ceiling (max services** actual level of users in FV05 date* or max qry) (Y/N) use								
Anticipated or actual level of interagency use								
Assisted services** available (Y/N)								
Vehicle ceiling (max aggregate S or max qty)								
Contract expiration date*								
Contract award date								
Type of vehicle								
Contract Description number of services & products (include NAICs code)								
Contract number (PIID)								
Department Program or Contract Description  contract number of services & name (PIID) products  (include (include NAICs code)								
Department								

\* Expiration date should reflect all option years.

\*\* Assisted services means acquisition services performed by one agency on behalf of another agency.

\*\* Assisted services means acquisition services performed by one agency on behalf of another agency.

\*\*\* Input S and % and describe, in a narrative response as an attachment, how the fee was established regardless of whether paid by the customer directly or through a contractor.

 $\ensuremath{\mathrm{Key}}$  (if more than one element applies, report all applicable elements)

Type of vehicle	Anticipated or actual level of interagency use	Primary reason for creation	Business case to justify interagency use Performance results	Performance results
1= GWAC	1=<10% of total dollars	1=<10% of total dollars   1= Need for specialized services	1= Reviewed/approved at bureau level Results:	Results:
2= Multiagency contract	obligated or to be obligated 2= Better prices	2= Better prices	2= Reviewed/approved at Department level   1= Reviewed annually	1= Reviewed annually
3= MAS BPA	2= 10%-50% of total dollars	2= 10%-50% of total dollars   3= Need for special terms and conditions	3= Reviewed by OMB	against benchmarks
4= BOA	obligated or to be obligated	bbligated or to be obligated   4= Reduced risk for internal customers	4= No business case	2= Reviewed by
5= Other	3=>50% of dollars	5= Need for different pricing arrangements (e.g., FP, cost,		independent source
	obligated or to be obligated T&M)	T&M)		3= Shared with current or
		6= Other (provide brief explanation)		prospective customers (#3
				applies only if #1 or #2
				applies)

List of Acquisitions Awarded on Behalf of Another Agency in FY 2005
Department of ABC
[Name of Servicing or Assisting Organization]

Authority for providing assistance								
Results								
Size of Service fee Results Authority cquisition charged for for for (in S) (expressed in S and %0)*								
Order Size of Service fee number acquisition charged (in S) (expressed i S and %0)*								
Type of Program Agency Contract # vehicle or that (PIID) used contract awarded name contract								
Agency that awarded contract								
Program or contract name								to the first of
Type of vehicle used								
Department Name of Customer Customer Description of products servicing or (requiring) agency, & services provided assisting agency bureau, or through contract component (include NAICs code)								the first the second for the first t
Customer agency, bureau, or component								
Customer Customer (requiring) agency, agency bureau, or component								,,
Name of Customer Customer servicing or (requiring) agency, assisting agency bureau, or organization								*1
Department								* Tarret Care

\* Input \$ or % and describe, in a narrative response as an attachment, how the fee was established.

Key (if more than one element applies, report all applicable elements)

Type of vehicle	Performance results	Authority for providing assistance
1= GWAC	Results:	1= Economy Act
2= Multiagency contract	= Multiagency contract 1= Reviewed annually against benchmarks	2= Other (identify authority by statutory cite)
3= MAS BPA	2= Reviewed by independent source	
4= B0A	3= Shared with current or prospective customers (#3 applies	
5= Other	only if #1 or #2 applies)	

List of Agency-Wide Contracts in Effect as of January 1, 2006 Department of ABC

	_	_	 	 	 _	_	_	_	_	_	
Results											
Service fee charged (expressed in \$ and 96)***											
Ordering instructions/ handbook for customers (Y.N) If Y, provide URL											
Customer us mandatory (Y/N)											•
Business case to justify interagency use											
Primary reason for creation											
Contract Vehicle expiration ceiling (max date* aggregate \$S     or max qty)											
Contract expiration date*											
Contract award date											
Description of services & products (include NAICs code)											
Contract number (PIID)											
Program or contract name											
Department											

\*\* Input S and % and describe, in a narrative response as an attachment, how the fee was established regardless of whether paid by the customer directly or through a contractor. Expiration date should reflect all option years.

(if more than one element applies, report all applicable elements) Key

Primary reason for creation	Business case to justify interagency use	Performance results
1= Need for specialized services	1= Reviewed/approved at bureau level Results:	Results:
2= Better prices	2= Reviewed/approved at Department level 1= Reviewed annually against	1= Reviewed annually against
3= Need for special terms and conditions	3= Reviewed by OMB	benchmarks
4= Reduced risk for internal customers	4= No business case	2= Reviewed by independent
5= Need for different pricing arrangements (e.g., FP, cost,		source
T&M)		3= Shared with current or
6= Other (provide brief explanation)		prospective customers (#3
		applies only if #1 or #2 applies)