Procurement Times
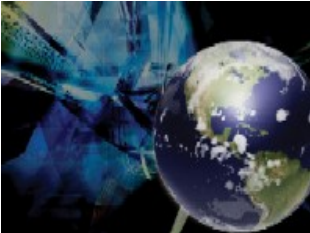
A QUARTERLY PUBLICATION BY THE ENTERPRISE GOVERNMENTWIDE ACQUISITION CONTRACT (GWAC) CENTER

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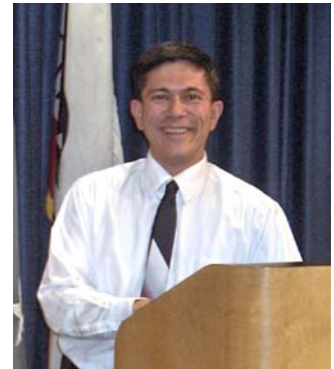## Director's Corner

Welcome to this edition of Procurement Times published by the Enterprise GWAC Center- West, located in San Diego, CA. First and foremost, a gracious thank you to all of our federal clients who have used the various GSA GWACs, and to our Industry Partners who have meticulously managed the ANSWER, Millennia, and ITOP2 Government-wide Acquisition Contracts (GWACs). Our Industry Partners are truly customer-focused. Our existing clients have seen the benefits of using the GWACs, including the ability to reach out to our Client Support personnel and to the Center's six GWAC Contracting Officers.

The usage of our GWACs has been spectacular. To summarize our past achievements, the ANSWER GWAC has received over 3,600 Task Orders with a cumulative obligated amount of $5.8 Billion. The Millennia GWAC has received over 140 Task Orders with a cumulative obligated amount of about $7.0 Billion. The ITOP2 GWAC has received over 210 Task Orders with a cumulative obligated amount of about $4.0 Billion. In our continuing effort to provide premier IT support services, the GWAC Center- West is proud to report that our GWAC Industry Partners have received "outstanding" scores from our clients. Additionally, the GWAC Center is committed to the Small Business program through small business subcontracting efforts from our many GWAC Industry Partners. A remarkable $2.5 Billion has been awarded to small businesses through subcontracting opportunities.

**Paul Martin,
Director (Acting)**

A new program initiative is the transition from the Vendor Support Center application to the Information Technology Solutions Shop (ITSS) GWAC Management Module. This new application will provide improved reporting and reconciliation of the GWAC Task Order transactions.
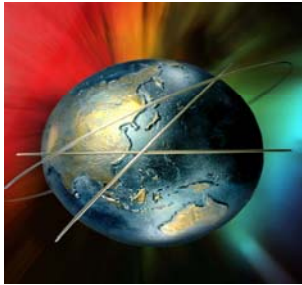
As we progress into the New Year, we continuously strive to be a center of "excellence". We look to our clients for feedback on our level of support as well as our Industry Partner's performance. Your satisfaction survey matters to us and we are listening.

Best of Breed

ANSWER and Millennia our two premier GWACs will expire December 31, 2008 and April 24 2009 respectively. <u>The **"Good News"** is that these Contracts still have plenty of life remaining!</u>

For our procurement planners in need of a five year period of performance ANSWER and Millennia still remain very viable options for your IT solutions. An Order placed prior to Contract expiration *may be issued for up to five years inclusive of base and options.* ANSWER and Millennia continue to have strong support among current and new users as shown by their Fiscal Year 07 obligations of $649.4M and **$1.06B.** When you think "Best of Breed" and "Information Technology" keep these proven GWACs among your choices for 2008 and 2009. - *Mimi Bruce*

ANSWER Program Completes Its 9th Annual Past Performance Survey

> *"A Contractor's past performance record is a key indicator for predicting future performance."*

The summary results from the ANSWER GWAC Past Performance Survey for the 9th year for each of the ten ANSWER Industry Partners will be available in the Past Performance Information Retrieval System (PPIRS). The PPIRS is a web-enabled, government-wide application that provides timely and pertinent contractor past performance information to the Federal acquisition community for use in making source selection decisions. Also a modified Past Performance Summary Report will be posted to the GSA ANSWER website at (www.gsa.gov/answer).

During the previous Program Management Meeting in Philadelphia, each ANSWER Industry Partner was furnished a debriefing packet that included their scores, the ANSWER program overall scores and a survey score comparison over the previous survey periods. The average overall score for all Industry Partners was 4.37 out of 5, with ITS Corporation achieving the highest score of 4.79.

A contractor's past performance record is a key indicator for predicting future performance. The collection, evaluation, and use of past performance information offers significant benefits to the government. This includes the ability to assess the quality of a contractor's previous work and customer satisfaction. It also provides a powerful incentive for contractors to maximize performance and customer satisfaction on their current contracts.

Analysis of relevant laws, regulations, and "best practices" indicate the collection and application of past performance information produces significant benefits including increased customer satisfaction rates, better contractor performance, value, and timely completion of projects. These benefits are the direct result of applying past performance information to the procurement process. Evaluation Teams have consistently increased the use of past performance information in their selection decision, as a result, favorable Past Performance ratings become a powerful motivating force for contractors to provide exemplary service on their current contracts.

Thanks to high-caliber Industry Partners, the ANSWER program has been extremely effective at providing high-quality, cost-effective IT services to Federal Government agencies throughout the world. Based on the outstanding Past Performance results, ANSWER looks forward to another banner year with increased business growth and continued exceptional performance by our Industry Partners.

- Daniel Vidal

2nd National GWAC Conference

Jason Schmitt at the 2007 GWAC Conference

The second National GWAC Conference was hosted by the Enterprise GWAC Center, Southwest on October 10-11 in Fort Worth, TX. Tyree Varnado, Federal Acquisition Services (FAS), Assistant Regional Administrator and John Johnson, Assistant Commissioner for Integrated Technology Services kicked the meeting off.

Opening remarks focused on the new FAS organizational structure and the continued need for team work to insure optimal customer support is the focus of the re-organization. It was acknowledged that although reorganization issues still exist in terms of clear roles and responsibilities, they are being worked through. A targeted customer outreach plan to insure maximum exposure of the GWACs as part of the robust ITS portfolio was promoted.

The GWAC Directors each provided a history and summary of key issues and accomplishment for their respective centers. Presentations were provided on the following topics: the new MIS GWAC Management Module; Alliant status, training and scope reviews including how to map to the Federal Enterprise Architecture (FEA); and central office roles and responsibilities. Breakout sessions focused on key issues such as improving customer and industry partner relationships and best practices. Once again the group dynamics were very positive and many great ideas were generated supporting continuous improvement of the GWAC program.

- Rebecca Eden

NASA Chooses GSA for Supercomputers Again

GSA announced that it has earned repeat business from the National Aeronautics and Space Administration. The awarded Millennia GWAC task order, valued at $113 million, will provide NASA scientists and engineers with state-of-the-art tools they need to continue their research on global climate change and other critical issues.

GSA will supply supercomputers and services to the NASA Center for Computational Sciences (NCCS), located at Goddard Space Flight Center in Greenbelt, MD, under the five-year contract with Computer Sciences Corp. (CSC) of El Segundo, CA. The work consists of system integration, system administration, system operations and support.

The supercomputers and services NASA ordered recently through GSA are similar to those GSA provided for NASA research that supported the United Nations Intergovernmental Panel on Climate Change (IPCC), which received a 2007 Nobel Peace prize for publicizing the expected effects of climate change.

GSA's Federal Systems Integration Management Center (FEDSIM) signed the agreement with CSC on November 9, 2007.

- Paul Martin

Contract Closeout

The Importance of Contract Closeout

Timely contract closeout benefits all parties. Administrative costs are minimized, funds are de-obligated and returned for possible use elsewhere and contractors can be paid timely. In addition to positive cash flow, contractors who facilitate this process can earn a more favorable rating on their final contract performance review. This can benefit them in future source selections where past performance is frequently a key factor in determining award.

Contract type can influence the complexity and duration of contract type. Cost contracts are typically the most complex to closeout because settling indirect cost rates may be delayed due to audits, unless quick closeout procedures are utilized. In fact, many contractors are amenable and should be encouraged to negotiate quick closeout rates to facilitate a more efficient process, as appropriate.

Contract closeout is often an overlooked and misunderstood component of contract administration. Basically, administrative closeout entails going through a checklist (i.e. DD1597) to ensure all contract requirements have been satisfactorily completed, final payment made and excess funds deobligated (FAR 4.804-5(a)).

Release of Claims statement

One component of contract closeout is a release of claims. The Contractor states that it discharges the Government from all liabilities, obligations and claims arising out of or under this contract, except as stated (i.e. specified claims, 3rd party claims unknown at date of release, costs incurred related to patents). The requirement for a release of claims can be found in various agency clauses (i.e. GSAM 52.232-72 Final Payment (Sep 1999)) as well as FAR clauses including but not limited to:

FAR 52.232-7, Payments under Time and Material/Labor Hour Contracts
FAR 52.216-7, Allowable Cost and Payment

A release of claims can be accomplished in various ways, depending on the agency policy. It may be included as a statement on the final invoice, as part of the contract closeout modification or contractor's closing statement or on a special form such as GSA Form 1142.

On multiple award indefinite delivery indefinite quantity (MAIDIQ) contracts such as our GWACs, the task order Contracting Officer is responsible for closing out the task order and the GWAC CO is responsible for closing out the contract. Therefore, contractors can expect to provide a release of claims as part of the closeout process for each order as well as for the GWAC.

What Contractors Can Do To Simplify Closeout

- Prepare and distribute DD 250s (Material Inspection & Receiving Report) properly.
- Prepare and distribute invoices and vouchers properly.
- Track payments and verify accuracy.
- Track funds accordingly and respond to the Limitation of Cost/Funds Clause.
- Immediately report any overpayments.
- Adhere to the patent requirements of the contract.
- Furnish Overhead Rate Submission within 6 months after the end of their fiscal year.
- Upon settlement of overhead rates - prepare final vouchers within 4 months or prepare adjustment vouchers for contracts that will remain open with additional unsettled Overhead years.
- Review any contracts that may be qualified for Quick Closeout (FAR 42.708)

References & Forms

DCMA - Summary with additional links: http://guidebook.dcma.mil/17/guidebook_process.htm

DCMA - Comprehensive Closeout Guide, June 2004: http://guidebook.dcma.mil/17/ContractCloseoutGuidebook.htm

DD 1597 -Contract Closeout Checklist: http://west.dtic.mil/whs/directives/infomgt/forms/eforms/dd1597.pdf

DD 1594 -Contract Completion Statement: http://www.dtic.mil/whs/directives/infomgt/forms/eforms/dd1594.pdf

GSA Form 1142 Contractor Release of Claims: http://www.usa-federal-forms.com/usa-fedforms-gsa-gsa/gsa-1142-nonfillable.pdf

DD250: http://contacts.gsa.gov/webforms.nsf/0/E06F22DBB9A6DA4C852569B400072A06/$file/DD250.pdf

Contractor Performance in the Acquisition Process

A new best practices guide for the collection and use of contractor performance data is available in draft form at http://www.acquisition.gov/contractorperformanceguidev2120060720.doc.

Comments received pursuant to the Federal Register notice, GSA-OCAO-2006-0013, have been received and addressed. Since it includes FAR updates that will further detail the evaluation requirements, the Final Rule is not anticipated for another 6-12 months. This joint effort between GSA, DOD and other federal agencies consolidates and updates the previous guides issued by DOD, "A Guide to Collection and Use of Past Performance Information" (Version 3, May 2003) and OFPP, "Best Practices for Collecting and Using Current and Past Performance Information" (May 2000).

The Federal Streamlining Act (FASA) of 1994 made contractor performance information a mandatory evaluation factor for all procurements. As implemented in FAR 15.304, unless the Contracting Officer (CO) documents otherwise, past performance is a required evaluation factor in all source selections for negotiated competitive acquisitions expected to exceed $100K issued after 1999. Agencies proceeded to implement their respective policies which included a variety of databases to capture this data—PPIMS—Army, CPARS—Navy, CPS—NIH, etc…. Finally in July 2002, OMB mandated the use of a central retrieval database, Past Performance Information Retrieval System (PPIRS). This was considered a major step in support of the Administration's E-Government initiative to "unify and simplify" and reduce burden by eliminating collection redundancies.

However, many federal agencies and DOD are not performing contractor performance evaluations as required in FAR 42.15 (upon completion and interim evaluations per agency requirements for contracts over $100K with a period of performance over one year). Often there is either no information in PPIRS or such inadequate documentation that CO's resort to other methods of collecting performance data for source selections. The result has been a proliferation of surveys and questionnaires issued as part of the source selection process. Not only is this administratively burdensome for all parties, but indicates a systematic failure of performance evaluation procedures and policies.

"The Federal Streamlining Act (FASA) of 1994 made contractor performance information a mandatory evaluation factor for all procurements."

To insure sufficient information is available on GWACs, most GWAC COs solicits feedback from task order COs via survey forms that generally mirrors the criteria in PPIRS: Quality of Product or Service, Cost Control, Timeliness of Performance, Business Relations, Management of Key Personnel. The information is consolidated into overall ratings and then input to the Contractor Performance System (CPS) which is the performance evaluation input system utilized by GSA to report this information to PPIRS.

For the Alliant GWACs, the plan is to have task order COs input performance evaluations directly into their agency contractor evaluation input system. In addition, the GWAC CO will perform an evaluation at the GWAC level on such issues such as small business subcontracting, reporting and business relations in regards to support of the GWAC program. This will insure a comprehensive source for performance evaluation information.

For information regarding registration in CPS or the PPIRS, government personnel involved in the evaluation process (COs, COTRs, PMs) should contact the agency designated performance evaluation representative for their office. For CPS, contractors may register on-line with their TIN and DUNs numbers. For PPIRS, contractors must be registered in the Central Contractor Register (CCR- www.ccr.gov). Additional questions regarding the Past Performance process can be forwarded to our office.

Helpful Links:

- CPS Contractor Registration: https://cpscontractor.nih.gov/cr.asp
- CPS Log-in: https://cps.nih.gov/
- PPIRS: https://www.ppirs.gov/

- Rebecca Eden

Enterprise GWAC Center West (EGC-W)

The EGC-W contracting staff located in San Diego CA offers responsive, efficient, professional support in assisting our customer agencies in laying the groundwork for successful technology acquisitions, while also providing a variety of program support functions including contractual and advisory assistance throughout your Task Order lifecycle. Our GWAC Center staff is committed to:

- Understanding the missions, goals, objectives, and requirements of federal clients
- Providing timely procurement assistance and related ongoing educational initiatives on GWACs
- Possessing a full complement of technical, acquisition, and cost pricing expertise

For access to GSA's comprehensive IT services contracting vehicles, current and potential clients are invited to work directly with our Client Support Director Mimi Bruce as well as our EGC-W Contracting team to:

- Understand the GWAC value proposition and how these comprehensive IT vehicles can support   your agency's IT mission
- Access our GWACs through our Delegated Procurement Process
- Receive GWAC Training and
- Obtain valuable contractual advice and assistance at both the Basic Contract level and the Order level

Point of Contacts

Paul Martin
Acting Director and
Alliant Contracting Officer
(858) 530-3176
paul.martin@gsa.gov

Mimi Bruce
Client Support Director
(925) 735-1641
menlu.bruce@gsa.gov

Jason Schmitt
Millennia Contracting Officer
(858) 537-2260
millennia@gsa.gov

Daniel Vidal
ANSWER Contracting Officer
(858) 537-2259
answer@gsa.gov

Rebecca Eden
ITOP II Contracting Officer
(858) 243-1557
rebecca.eden@gsa.gov

J. Chris Andrade
Contract Specialist
(858) 530-3192
joseph.andrade@gsa.gov

Tony Ojeda
Contract Specialist
(858) 537-2261
louis.ojeda@gsa.gov

Robert Sheehan
Virtual Data &
Disaster Recovery Contracting Officer
(858) 537-2254
robert.sheehan@gsa.gov

Anjanette Magante
Program Analyst
(858) 530-3177

Alliant	www.gsa.gov/alliant
ANSWER	www.gsa.gov/answer
Millennia	www.gsa.gov/millennia
ITOP II	www.gsa.gov/itop2