

Issue No. 15  
June 2007

GSA

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Provide a Total Solution  
with MAS Contractor  
Teaming Arrangements

The Multiple Award Schedule (MAS) Contractor Teaming Arrangement (CTA) is unique to GSA and represents streamlined processes that provide administrative conveniences to ordering agencies. CTAs were created as a result of customers seeking Schedule solutions to their large, complex requirements. Often, agencies require a mix of supplies and services that are not offered under one Schedule or by one particular contractor. Using CTAs is a way to address this need and is a powerful acquisition strategy. CTAs can be requested by agency customers or the Schedule contractor. Schedule contractors may respond to a Request for Quote (RFQ) with a CTA at any time in order to provide best value to their potential customer. CTAs are also a great way for small businesses to maximize their visibility.

**How does it work?** A Schedule CTA is where two or more MAS contractors form a team to offer a total solution to meet an agency requirement. Do not confuse this concept with the definition of contractor teaming arrangements found in FAR Subpart 9.6. None of the definitions (the partnership/joint venture, or the prime/sub relationship) outlined in FAR Subpart 9.6 apply to Schedule CTAs. Orders placed under a Schedule CTA are



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subject to the terms and conditions of each team member's Schedule contract.

Under a Schedule CTA, each contractor has privity of contract with the government since each contractor holds a Schedule contract. Any Schedule contractor can serve as the team leader and/or interact directly with the government. All Schedule CTA contractors' supplies and services are already on contract, and the prices have been determined fair and reasonable. Total solutions can be put together quickly and easily. Multiple Schedule contractors may work together to meet agency requirements offering complementary capabilities. The solution can cross Schedules or be within the same Schedule.

Let's take a look at a couple of examples:

**Example 1:** An ordering agency has a requirement to assess and improve a financial management system, then to create an informational campaign to publicize the new procedures within the agency. In this example, a Mission Oriented Business Integrated Services (MOBIS, Schedule 874) contractor may team with contractors from the Financial and Business Solutions (FABS, Schedule 520), Advertising & Integrated Marketing Solutions (AIMS, Schedule 541), and Information Technology (IT, Schedule 70) Schedules to offer a total solution.

**Example 2:** An ordering agency has a requirement that requires state-of-the-art IT equipment, as well as systems integration. In this example, two Information Technology (IT, Schedule 70) contractors may team, with one contractor providing the equipment and the other providing the service. The two contractors work together to meet the requirement by offering complementary capabilities.

**What's Required in the CTA?** Schedule CTA documents are developed by the team members themselves and will vary from one CTA document to another. While not all-inclusive, the following CTA elements are areas that are typically of interest to the government. GSA strongly encourages the submission of the CTA document in response to a RFQ so that an ordering activity may gain an understanding of how the arrangement will work and may identify any areas of responsibility that may require clarification.

- **Identification of Parties:** The CTA document should always be put in writing and signed by each participating GSA Schedule contractor. Each member should be identified by name, address, Schedule contract number, telephone number and Point of Contact (POC). The document should also state the name, identity and POC for the team lead. The name and address of the government contracting agency should be included and the primary points of contact at the government for specific needs should be identified. The CTA document should state that it is solely between the team members and cannot conflict with the terms and conditions of each team member's Schedule contract.
- **Specific Team Activities:** State the various types of activities that will be incorporated into the team arrangement and who is the primary party responsible for the particular activity.
- **Duration of Arrangement:** The duration of the team arrangement should be specified, including any options and how the options will work.
- **Terms of Arrangement:** The terms of the CTA should define the whole course of the project. Specify the duration, the players,

the responsibilities, and the limitations of the various players.

- **Team Ordering Procedures:** List the supplies/services and pricing, including any team lead fees, if applicable, and note that all prices charged to the government are at or below Schedule contract prices.

- **List of Open Market Items:** The wide range of supplies and services offered by GSA Schedule contractors should make the need for open market items minimal. Should open market items be required, however, all such items must be clearly identified as “open market” items, in accordance with Federal Acquisition Regulation (FAR) 8.402(f) ([http://acquisition.gov/far/current/html/Subpart%208\\_4.html#wp1089488](http://acquisition.gov/far/current/html/Subpart%208_4.html#wp1089488)).

- **Responsibilities of Team Lead:** Outline and specify the duties of the designated team lead at each phase of the project.

- **Responsibilities of Team Members:** Specify and describe the individual duties of the team members.

- **Pricing and Costs:** Outline unit prices or hourly rates and how pricing is calculated. If there is a project management fee divided within the team, it should be specified. If there are any award or incentive fees, the CTA document should explain how they will be divided within the team.

- **Independent Contractors:** State that all team members remain independent

contractors, responsible for their own employees.

- **Delivery Responsibility:** State whether the team lead or each team member is responsible for a particular part of the project, so that delivery responsibility is clearly established.

- **Invoicing and Payment:** The CTA document should designate who is responsible for invoicing and payment. While the team lead may submit an invoice on behalf of all team

members, GSA recommends that payment be made to each team member. GSA recognizes, however, that there may be instances where it is advantageous to craft the CTA document so that payment is made to the team lead who, in turn, pays each team member. Under such circumstances, the CTA document should clearly indicate that all team members

agree to this method of payment. Also acknowledge that any dispute involving the distribution of payment between the team lead and the team members will be resolved by the team members, without any involvement by the government.

- **Reporting of Sales and Industrial Funding Fee (IFF) Responsibility:** Specify that each contractor is responsible for reporting its own sales under its Schedule contract and remitting the IFF to GSA. Each team member must report sales for each product or service based upon the final price paid by the government.

- **Warranties:** Designate who is responsible for resolving warranty issues—who the

*The wide range of supplies and services offered by GSA Schedule contractors should make the need for open market items minimal.*

government should contact should issues arise, who is responsible for resolution, and how will compensation be made within the team.

- **Liabilities:** Address each team member's responsibilities and performance requirements so that liability is clearly established.
- **Confidential Information:** Identify any proprietary information and specify how such information will be handled.
- **Replacement of Team Members:** Address the circumstances and procedures for replacement of team members, including the team lead. Also state that the team shall obtain the approval of the government prior to replacing any team members.
- **Legal Relationship:** The CTA document should not create a joint venture or separate subsidiary. For additional information on CTAs, go to <http://www.gsa.gov/schedules>.

## New Executive Order Requires Federal Green Procurement Practices

A new environmentally-focused Executive Order (EO) requires federal agencies to increase energy security and environmental performance. *EO 13423, Strengthening Federal Environmental, Energy, and Transportation Management*, consolidates five older EOs and establishes new and updated goals, practices, and reporting requirements for federal agencies.

In response to the EO, your federal customers will be requesting products and services that meet the environmental, energy and

transportation requirements. Agencies are required to give preference to:

- Recycled content products designated in the Environmental Protection Agency's (EPA) Comprehensive Procurement Guidelines. Remember, federal purchasers must buy printing and writing paper with a minimum of 30 percent post-consumer fiber.
- Energy Star products identified by the Department of Energy (DOE) and EPA, Federal Energy Management Program (FEMP) designated energy-efficient products and products that meet low-standby power specifications
- Water-efficient products, including those meeting EPA's WaterSense standards
- Energy from renewable sources
- Biobased products designated by the United States Department of Agriculture (USDA) in the BioPreferred program
- Environmentally preferable products and services, including purchasing 95 percent of their electronics as Electronic Product Environmental Assessment Tool (EPEAT) registered electronic goods
- Alternative fuel vehicles and alternative fuels
- Products with low or no toxic or hazardous constituents
- Non-ozone depleting substances, as identified in EPA's Significant New Alternatives Program (SNAP)

Along with the requirements on products, environmental services will also be in demand

since the EO reinforces the widespread use of Environmental Management Systems, which provide the framework for managing and meeting environmental compliance requirements. To view EO 13423 in its entirety, visit

[http://www.ofee.gov/eo/EO\\_13423.pdf](http://www.ofee.gov/eo/EO_13423.pdf).

GSA wants federal agencies to reach their goals, and we want them to use you to do it! Make sure to highlight the environmental attributes in the products you offer.

### **How Can I Highlight Environmental Attributes?**

You can attract the growing number of customers looking for environmental products and services by making sure you select the appropriate symbols in your pricelist upload. Environmental standards are determined by a number of different agencies, including the Environmental Protection Agency, the Department of Energy, and the United States Department of Agriculture, to name a few. There are descriptions of each symbol on GSA Advantage's Environmental Aisle (<https://www.gsaadvantage.gov/advgsa/advantage/information/page.do?keyName=SYMBOLS>). Make sure to read this list, and visit the links associated with each symbol to ensure you are properly designating your products and services.

*Your federal customers will be requesting products and services that meet the environmental, energy and transportation requirements.*

## **New Standards for Federal Electronics Purchases**

Energy Star has become a household name when purchasing appliances, electronics, light bulbs, and more. Soon, EPEAT, or the

Electronic Product Environmental Assessment Tool, will become a federal workplace name for purchasers of electronic products. On January 24, 2007, President Bush signed Executive Order (EO) 13423, which requires 95 percent of each federal agency's electronic acquisitions be EPEAT-registered products. All EPEAT products are Energy Star qualified and meet all federal green purchasing requirements.

EPEAT is a system that helps institutional purchasers in the private and public sectors compare electronics based on their

environmental attributes. Through a performance-tiered system, manufacturers register their products as meeting either the bronze, silver, or gold standards. Bronze products meet all required criteria, while silver and gold products meet all required criteria plus 50 percent and 75 percent of the optional criteria, respectively. In total, there are 51 criteria

that can be found in the Institute of Electrical and Electronics Engineers (IEEE) public standard 1680. The criteria evaluate products within the following categories:

- Reduction/elimination of environmentally sensitive materials
- Materials selection
- Design for end of life
- Product longevity/life cycle extension
- Energy conservation
- End of life management
- Corporate performance
- Packaging

EPEAT periodically performs verifications on registered products to confirm the product meets its registered standards and to ensure

the integrity of the EPEAT label. Federal customers are currently seeking out EPEAT products so they can meet the requirements of EO 13423. You can attract electronic purchasers by investigating whether your products meet one of the EPEAT tiers, asking your manufacturer to register the appropriate products, and clearly labeling your EPEAT-registered products. For more information on how to evaluate and register your products, visit <http://www.epeat.net/Manufacturers.aspx>.

Remember, federal agencies are now required to purchase 95 percent of their electronics as EPEAT-registered products, so taking the steps to evaluate and register your products will help attract more customers! For more information about EPEAT, visit <http://www.epeat.net>.

*EPEAT products are Energy Star qualified and meet all federal green purchasing requirements.*

monthly surveys to our contractors to measure satisfaction with the Offer/Mod process. The surveys allow vendors to rate their satisfaction with the contracting process and the Contracting Officer's knowledge and responsiveness for the following contract actions:

- Offers/Options Awarded, Rejected or Withdrawn

- Modifications Awarded, Rejected or Withdrawn. This includes the following Mod types as listed in FSS-19: Administrative Changes, Add SIN(s), Terminate SIN(s), Cancel SIN(s), Add Products, Delete Products, Price Reduction, Economic Price Adjustment, Exercise Option and Other Changes.

The survey results indicate high satisfaction in some areas of the process but also indicate that improvements can be made in others. Some of the key findings from the first nine months of survey results are:

- GSA Contract Officials follow-through and response to phone calls and/or e-mails rated at a satisfaction index of 73.7 over the nine-month period.
- The aggregate Contract Experience (ease of reaching the right person, number of contacts required to resolve any issues, timeliness of contract award decision) satisfaction index score is 64.4.
- The clarity, amount and consistency of information required to complete a contract action scored a 62.3 satisfaction rating.
- Overall satisfaction with the Schedule

## Contractors' Satisfaction with the Offer/Mod Process

In previous Steps newsletters, we reported that GSA had instituted a new tracking measure to gauge vendor satisfaction with the Offer/Mod process. The measure came about as part of the results of GSA's annual Multiple Award Schedule (MAS) Vendor Satisfaction Survey, which indicated room for improvement in the responsiveness and quality of interaction provided to our industry partners. Results also indicated that improvements are necessary in operational procedures and processes associated with the solicitation process and the processing of offers and modifications.

Over the past nine months, GSA has issued

contract award or modification process rated a 60.6 index score.

It is encouraging to see improvement in scores for all categories of the survey. GSA will continue to use these results to make improvements in the contracting process. Your input to these surveys provides valuable assistance in helping us improve in these areas. GSA is committed to better meeting your needs and those of the vendor community as a whole. Thank you if you have completed an Offer/Mod transaction survey. We encourage you to continue to provide feedback through future surveys and ask that you be candid in your reply. Together we can continue to make the MAS program even stronger.

sales under separate Special Item Numbers (SINs) that mirror the regular SINs but add the letters "RC" at the end.

Allowing state and local governments to use federal contracts to support recovery from Presidentially-declared disasters and acts of terrorism will vastly improve GSA's ability to assist communities during times of national emergencies, and we thank you for helping us in that effort.

Learn more about the use of GSA Schedules to support disaster recovery by visiting <http://www.gsa.gov/disasterrecovery>.

## Sales Reporting for Disaster Recovery

State and local governments are now permitted to use GSA Multiple Award Schedules for disaster relief and recovery under Section 833 of the John Warner National Defense Authorization Act for Fiscal Year 2007 (P.L. 109-364).

For contracts awarded on or before January 31, 2007, an electronic Mass Modification, FX-47, was issued on February 12 giving you the option to participate in Recovery Purchasing. Acceptance of the modification is voluntary, but if you choose to accept it, please be aware that all of your awarded products and services are included. Also, you need to have a system in place to segregate sales made to state and local governments from your other GSA Schedule sales. When you report your quarterly sales, you will report your disaster recovery

*We encourage you to continue to provide feedback through future surveys and ask that you be candid in your reply.*

## Update: The MAS Express Program

In the last issue of GSA Steps, the launch of the new Multiple Award Schedule (MAS) Express Program was announced. Implemented in January, the MAS Express Program is designed to

streamline the offer review process to expedite Schedule contract awards. Currently, the Program is open to five Schedules and specific Special Item Numbers (SINs). In order to participate, companies must meet specific criteria and must successfully complete Pathway to Success ([http://webcast.gsa.gov/login.asp?lib=pn100381\\_gsa\\_pathways](http://webcast.gsa.gov/login.asp?lib=pn100381_gsa_pathways))\t "\_self), a web-based education seminar designed to assist prospective Schedule contractors in making an informed business decision as to whether obtaining a GSA Schedule contract is in their best interest.

GSA is proud to announce that, to date, all

awards under the Program have been made in less than thirty days! Although that's a big accomplishment, GSA is still striving to improve the process further. In late June, six new Schedules and a host of new SINs will be added to the Program. This expansion will increase the number of offers that are eligible for submission. Additionally, companies wishing to submit their offer electronically under the MAS Express Program for the five original pilot Schedules will be able to do so through Express eOffer—making the offer review process even quicker!

For more information visit <http://www.gsa.gov/masexpress>, call 1.866.472.5738, or email [mas.express@gsa.gov](mailto:mas.express@gsa.gov).

## Coming in June: A New MAS Contractor Report Card!

Being a successful contractor means more than just getting sales. Success also means complying with contract Terms and Conditions and effectively managing contractual requirements. Since 2002, GSA has been using a Contractor Report Card, as part of the Multiple Award Schedule's (MAS) Contractor Assessment Initiative, to reflect how well contractors do just that. Coming in late June, a new and improved version of the Report Card is being released.

Like the original, the new Report Card is designed to provide contractors with helpful feedback. It deals strictly with performance against MAS Terms and Conditions and does

not in any way evaluate performance on individual task or delivery orders. The Report Card is visible only to GSA and to the individual contractor. Even though the purpose of the Report Card remains the same, there are some significant changes to point out. Some changes were made as a result of industry feedback, while others were made internally by GSA.

In the new version, we're adding some new areas of evaluation:

- System or process to monitor the “basis of award” pricing
- Meeting the minimum sales criteria (\$25,000 over first two years, then \$25,000 annually)
- Including prompt payment terms on invoices
- Use of electronic contracting tools

In addition, we're changing the way we calculate the contractor's overall rating. The current calculation is simple

but not very useful. A score of 27 out of 27 items results in an “outstanding” rating; a score of 22 to 26 results in a “successful”; and fewer than 22 results in an “unsuccessful.” In the new Report Card, items are classified as critical, mandatory but not critical and above-and-beyond. Nine areas were determined to be critical, so failure in any of those areas causes an overall rating of “serious concerns exist.” If all critical items are met, ratings will range from “very good” to “satisfactory” to “marginal” depending on performance on the other eleven mandatory but not critical items. Finally, six items are classified as going above and beyond the contractual requirements. Contractors who receive a “very good” based on the above, and achieve five of six of these

*Remember, the  
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your contract.*



extra credit areas, get an “exceptional” overall rating.

Remember, the MAS Report Card is an important tool to help you to successfully manage your contract. Understand that your Report Card is just a snapshot of your performance at one point in time. Don't worry too much about your rating; instead, work towards long-term solutions for any identified problem areas. Receiving a less than perfect rating does not automatically translate into contract cancellation or denial of your contract's option period. Our main focus is on your improvement. Take a look at the new Report Card on the following page so that you can get a head start on planning for and managing your success!

## GSA's Small Business Corner

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### Small Business Updates

The Small Business Administration (SBA) issued a Final rule on November 15, 2006 that will require companies with long-term federal contracts (greater than five years) to recertify their business size prior to the sixth year of performance and every time an option is exercised thereafter. Due to necessary preparations and system updates, the effective date of this rule is June 30, 2007. You can access and review the new rule in the Federal Register, Vol. 71, No. 220, p. 66434. The SBA rule is not applicable to GSA; however, GSA will be following new FAR guidance once that language is finalized. Additional implementation guidance will be issued to GSA's Acquisition Centers in the near future, so stay tuned for further updates on how these changes may affect you.

Inflation adjustments of some acquisition-related thresholds have been made effective September 28, 2006. Federal Acquisition Circular (FAC) 2005-13 increased the prime contractor subcontracting plan threshold from \$500,000 to \$550,000 (see FAR Part 19.702) for large businesses who are required to submit subcontracting plans. The construction threshold of \$1,000,000 remains unchanged. This increase must be reflected in all subcontracting plans submitted to Contracting Officers for acceptance and incorporation into contracts, under the section of the plan covering “Clause Inclusion and Flow Down.”

### A Note on Socio-Economic Goals

For large businesses with subcontracting plans, GSA expects contractors to set and make a good faith effort to reach realistic subcontracting goals. GSA's current subcontracting goals, which we encourage contractors to achieve for FY 2007 are: 37 percent for small businesses; three percent each for HUBZone and service-disabled veteran-owned small businesses; six percent to small disadvantaged businesses; and five percent each to women-owned small and veteran-owned small businesses. We do understand that some industries and geographic areas are not as suitable as others for providing subcontracting opportunities. While some companies may easily exceed GSA's target goals, other companies may have a difficult time meeting smaller goals. The key is “maximum practicable opportunities.” In all cases, the proposed goals should provide a challenge and “build upon previous achievements in other contracts” as stated in the regulations. If contractors are unable to meet or exceed past achievements, subcontracting plans should include a thorough explanation as to why. To review the subcontracting plan requirements in detail, access FAR Part 19.704.

**Category 1: Contractor Assessment Initiative Report Card**

1	Did the contractor demonstrate compliance with the scope of their contract?	Yes/No
2	Did the contractor demonstrate compliance with the Trade Agreements Act?	Yes/No
3	Is the pricelist being used by the contractor the current approved pricelist?	Yes/No
4	Does the contractor have a system in place that substantially identifies, tracks and reports GSA sales accurately and completely?	Yes/No
If #4 "No"	Do contractor sales records match GSA reported sales?	Yes/No
If #4 "No"	If there are dealers, are dealer sales being collected in the contractor's system and included in the 72A report?	Yes/No/NA
5	Is the contractor meeting or exceeding minimum contract sales requirement in accordance with the Contract Sales Criteria clause?	Yes/No < New
6	Does the contractor have a system in place to monitor the "basis of award" customer discount relationship?	Yes/No < New
7	Did the contractor charge customers the contract price or lower?	Yes/No < New
8	Is the contractor complying with the Economic Price Adjustment clause of the contract?	Yes/No/NA
9	If a Commercial or Individual Subcontracting Plan is required, did the contractor meet the goals specified in the plan or is the contractor progressing toward meeting the goals specified in the plan?	Yes/No/NA/ Not Delegated

*The above items are deemed critical. Failure to meet any one (1) of these items will result in a rating of SERIOUS CONCERNS EXIST.*

**Category 2**

10	Since the issuance of the most recent Report Card but no more than 36 months back, are the contractor's Reports of Sales on time?	Yes/No
11	Since the issuance of the most recent Report Card but no more than 36 months back, has the contractor remitted the Industrial Funding Fee on time?	Yes/No
If #11 "No"	Since the issuance of the most recent Report Card but no more than 36 months back, is the contractor free of ACO issued claims?	Yes/No < New
12	Is the contractor up-to-date on GSA Advantage!?	Yes/No
13	Is the contractor delivering timely based upon a sampling of orders?	Yes/No/NA
14	Is the contractor honoring warranty terms of the contract?	Yes/No/NA
15	Is the contractor capable of accepting the Government-wide Commercial Purchase card?	Yes/No/NA
16	Is the contractor's records location and administrative representative information correct? (e.g., address, phone, fax, email, etc.)	Yes/No
17	Has the contractor complied with Change of Name and/or Novation Agreement requirements?	Yes/No/NA
18	Since the issuance of the most recent Report Card but no more than 36 months back, is the contractor free of cure notices issued by the Schedule Contracting Officer (PCO or ACO)?	Yes/No < New
19	If there are participating dealers, are the dealers listed and current in the contract pricelist and GSA Advantage!?	Yes/No/NA
20	If the contract has prompt payment discounts, are the prompt payment terms shown on the invoices?	Yes/No/NA New

*Items in Category 2 are mandatory, but not critical. If all Category 1 items are met: failure in one (1) item in Section 2 will result in a VERY GOOD rating; failure in any two (2) or three (3) items from this section will result in a SATISFACTORY rating; failure to meet four (4) or more items in Category 2 will result in a MARGINAL rating.*

**Category 3**

21	Is the contractor being proactive in proposing to add and delete items from the contract?	Yes/No/NA
22	Does the contractor accept credit cards over the micro-purchase threshold?	Yes/No
23	Is the contractor using all applicable e-contracting tools (e.g., e-Mod, e-Buy, ePay)?	Yes/No < New
24	Does the contractor offer second tier pricing discounts on blanket purchase agreements issued against this contract?	Yes/No/NA
25	If there are contractor teaming arrangements, do these arrangements address how customer service and warranty issues will be resolved?	Yes/No/NA
26	Is the contractor free from bankruptcy proceedings?	Yes/No

*EXCEPTIONAL rating: Must be Very Good and no more than one (1) failure in Category 3.*