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# Government-Wide Acquisition Vehicles & Their Roll In Your Business

PCI

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# WHY DO FEDERAL AGENCIES USE GWAC CONTRACTS TODAY?

- Speed
  - Weeks vs. Months
  - More Manageable Competitions
- Pre-Selected Contractors
  - Vetted for Experience and Financial Stability
- Ability To Meet Small Business & Other Specialized Goals
  
- Ability to Obtain Real-time Pricing
- Non-Schedule GWAC's Are Protest-Resistant
  - Only Task Orders Above \$25M Can be Protested at DOD/\$10M Civilian Agencies
- Can Buy Directly or Through Assisted Acquisition Services

# GWAC's Vs. IDIQ's – What's The Difference?

- All GWAC's Are IDIQ's, but not all IDIQ's are GWAC's
- OK, Thanks Mr. Genius. What's an IDIQ?
  - Indefinite Delivery/Indefinite Quantity Contract
  - Multiple or Single Award – GWAC's Are Traditionally Multiple Award
- Formal GWAC's Must Go Through an Approval Process At OMB
- Some Contracts That Look Like GWAC's Are Actually IDIQ's
  - GSA OASIS
- Agencies Can Access Non-GWAC IDIQ's Via the Economy Act
  - Allows An Agency to Buy from Another Agency's Contract If it Is In the Best Interest of the Government
  - NASA SEWP Routinely Includes These Instructions to Its Contractors & Users

# IDIQ CONTRACTS & THE 4<sup>TH</sup> QUARTER

- Bloomberg Government Estimated That Up to 66% of FY'23 Q4 Buys Were Made Through IDIQ Contracts
- Particularly Important for IT and Professional Service Companies, & Any Company Selling Commercial Items
- Partner With Those Who Do If You Do Not Have One

# CURRENT GWAC CHALLENGES

- How Will GWAC's Be Shaped by the Better Buying Initiative?
  - Downward Pricing Pressure, Enterprise-Wide Software Agreements, Small Business Set-Asides
- Trend Toward Larger Number of Contractors Per Vehicle
  - Alliant3 Is An Exception
  - On and Off-Ramps, Small Business Teams, Some GWAC Look-Alikes Have Low Entry Requirements
    - GSA OASIS+
- Potential For Small-Business Set-Aside Dominance
- Protests At Every Phase
- Government Moving At Speed of Need, Yet It Takes 4-5 Years to Put A Big, Multi-Agency IDIQ (GWAC) In Place
  - Innovation Labs, OTA's, SBIR/STTR, Etc.

# NEW – OR NEWLY REFURBISHED – GWAC's COMING SOON

- NIH CIO SP IV
  - Too Big To Fail?
  - About \$4B A Year Through Both the Large & Small CIO SP III
  - CIO SP IV Suffers from Being a Unified Contract
- GSA Polaris
  - GSA's Small Business IT GWAC
  - Stuck in the Protest Desert, Along With CIO SP IV
- GSA OASIS+ - Offers Being Reviewed Now. Awards Coming in Early CY 2024
  - Expect Many More Contractors
  - How Will This Impact Customer Use?
- GSA Alliant 3 – RFP Issued June 28<sup>th</sup>, Offers Due October 28<sup>th</sup>.
- NIH CIO CS – Next Iteration of NIH's Product-based IT IDIQ
- NASA SEWP VI – RFP Issued in May, Offers Due July 11<sup>th</sup> Awards Estimated By 5/1/25
  - SEWP VI Allows Services for the First Time!

# THE GSA SCHEDULES PROGRAM

- The Government's Largest GWAC
  - Over \$50B In Annual Sales, Especially When VA FSS Sales Are Factored In
  - Low Barrier to Market Entry
  - Perpetual Open Season
- IT & Professional Services Lead The Way
  - Office Equipment, Medical Supplies, Pharmaceuticals, Furniture, Security Solutions, Kitchen Needs, Awards, Etc.
- An Important, But Not Absolutely Necessary, Part of Many Contractors Government Business Approach
  - The Schedules Program, However, is NOT for Everyone!
  - Compliance Risks and Contract Management Requirements MUST Be Considered?

# ALLIANT 3 RFP TAKE-AWAYS

- GSA Will Only Make 76 Awards
  - Top 76 and Ties
- Technical Proficiency First, Pricing Second
  - Your Pricing Won't Be Considered If You're Not In the Top 76 Technically Rated Offers
  - This Could Make It Difficult for "Medium" Sized Businesses
- IT Solutions
- Short Runway Until Alliant 2 Runs Out of Ceiling
- Watch For Protests – Amazingly, No Protests So Far!



# GSA EIS TAKE-AWAYS

- Enterprise Infrastructure Solutions (EIS)
  - The Government's Main Way To Buy Telecomm Solutions
- \$1.4B In Sales in FY'23, On Track For More In FY'24
  - The Top Two Companies (ATT & Verizon), Though, Do About 90% of the Business
  - Most Companies That Bid on EIS Will Not Recoup Their B&P Costs
- Major Challenge: Getting Government Agencies to Buy
  - "Lift and Shift" For Many, Not Too Many Genuinely New Solutions
  - This Has Been A Trend In the Last Several GSA GWAC Telecomm Contracts
- Key Question For GSA: Does the Government Need Another GWAC Telecomm Contract?
  - Most Agencies Are Happy With What They Have
  - Buying Trends Show That They Do Business With Only a Few Companies

# SEWP VI TAKE-AWAYS

- **SEWP VI ON HOLD**
  - Many Unanswered Industry Questions
  - Other Issues – See Below
- Expanding to Services For The 1<sup>st</sup> Time
  - Expect Many More Awards Over SEWP V
  - Key Question: Will the SEWP PMO Be Able to Manage?
- Who is Small When?
  - SEWP V: NAIC's 541519 – 150 Employees or Less
  - SEWP VI: NAIC's 541512 - \$34M In Sales or Less
- This Means That Many Successful Small Businesses May No Longer Qualify As “Small”
- Significant Since Nearly 88% of SEWP V TO's Have Been Set-Asides

# SO, WHAT ARE WE TALKING ABOUT HERE, DOLLAR-WISE?

- NASA SEWP – Sales Almost Doubled From FY'20-'23 – Over \$33B in FY'23
- GSA OASIS - Increased By 65% Between FY'20-'23 - \$8B in FY'23 on just the large business contract
- GSA Alliant 2 Use More Than Tripled From FY'20-'23 – Over \$8B in FY'23
- CIOSP 3 Small Business Up Nearly 61% From FY'20-'23 - \$2.3B in FY'23
  - **Protests, Though, Matter:** CIOSP 3 Unrestricted Sales Flat At About \$2B

# TYPES OF ACQUISITION METHODS

- Cost Plus
  - Make Sure You Have a Compliant Cost Accounting System
- Firm, Fixed Price
- Time & Material Labor Hour
- Not all Contracts Have the Same Buying Options
  - Look Before You Choose
- While FFP is Preferred, Other Methods Are Widely Used

# WHEN CAN I GET ON THESE VEHICLES?

- Must Respond to RFP At Origination Or During an On-Ramp
  - Most Companies Track These Opportunities Several Years in Advance to be Prepared
  - OASIS+ Is Promising Frequent On-Ramps After Initial Awards Are Made
- Only the GSA Schedule Program Is Continually Open to New Offers
- Some IT Companies Will Allow You to Sell Through Their Vehicle
- Another Alternative is To Partner With a Company That Has One or More

# SOME KEY COMPLIANCE CONSIDERATIONS

- Make Sure You Understand What It Takes to Comply
  - There Are Requirements Even as A Subcontractor
  - These Requirements Are Increasing
    - Cyber
    - Sustainability
- Invest In Education and Infrastructure to Ensure You Can Implement the Necessary Practices & Processes
- Remember That Compliance IS Pennies on the Dollar
- Never Assume Your Customer Has All of the (Right) Answers

# SAMPLE COMPLIANCE ISSUES

- Trade Agreements Act
  - Governs All Sales on Most GWAC's
  - This is NOT the Same As the Buy American Act
  - “Substantial Transformation”, Not “Content” Is the Standard
- GSA/VA Schedule Price Reductions Clause
  - The Heart of Schedule Compliance
  - Homework: Know Your Basis of Award Customer!!
- Affirmative Action Plans, Veteran & Disability Hiring Requirements
- CAS Contracts: Approved Accounting Systems
- Examination of Records Clause

# NOT TO MENTION...

- DOD and DHS CMMC Requirements
- Small Business Subcontracting Plans
- Administrative Fee Collection & Remittance
- Cybersecurity Breach Notifications
- Section 889 A&B Telecomm Rules
  - Irony: DOD Has Admitted It Can't Comply
  - Contractors Still Have to, Though
- **This Is NOT A Complete List – Even for Subcontractors!**



# GWAC ORDERING RULES

# PRODUCT & NON-SOW SERVICE ORDERING METHODS

- These Procedures Apply Up To the Simplified Acquisition Threshold - \$250,000
- Examine At Least 3 Price Lists Or Conduct Market Research
- Make A Best Value Purchase Decision
- Purchase

# PURCHASING SOW SERVICES UP TO THE SAT

- Develop Statement of Work
- Solicit As Many Contractors As Reasonable to Obtain At Least 3 Bids in Return
- Evaluate Offers Received
- Make A Best Value Determination
- Purchase

# ALL PURCHASES OVER THE SAT

- Develop Statement of Work & RFQ For Services – Non Services, Develop RFQ
- Send Statement of Work To As Many Companies As Reasonable to Obtain 3 Offers OR Post on E-Buy System (For GSA Contracts)
- If Less Than 3 Received, Document File On Steps Taken To Ensure Competition, Wait Till The “Magic Third” Offer is Received, OR Offer Fair Opportunity to Bid to Call Contractors on the Selected IDIQ, Or It’s Relevant Part
- Evaluate Offers
- Make Best Value Determination
- Purchase

# SMALL BUSINESS IMPLICATIONS

- Agencies Learned Lesson The Hard Way When Trying To Unify Large and Small Contract Vehicles
  - CIOSP IV
  - OASIS+
    - GSA Separated OASIS+ Into Multiple Contracts
- Wider Use of Small Business Teams
  - More Small Business Contractors
  - More Contractors Overall on a Given GWAC
  - Challenge: How Do Agencies Score Experience of Each Team Member? Does Each Member Have To Bring Experience to the Table? If so, What Kind?
- Understand Small Business Subcontracting Requirements
  - Contract Specific vs. Company-wide
  - Can You Achieve the Goals?

# A QUICK WORD ON CTA'S

- Contractor Teaming Agreements (CTA's) Are Often Used By Small Businesses To Come Together and Bid on an IDIQ
- FAR 9.6 Governs These Types of Teaming Agreements
- Some Courts Believe That These Agreements Are Dubious In Nature
  - Make Your Language Specific!
- **NB:** GSA Schedule Teaming Agreements **ARE NOT!** Regulated By FAR 9.6.
  - See FAR 8.4

# PROTESTS AND GWAC CONTRACTS

- Will Protests Kill GWAC Contracting Overall?
- The Street Is Becoming Increasingly Littered With the Corpses of SB GWAC Contracts As A Result of Protests
  - GSA Alliant II SB - RIP
  - NIH CIOSP IV – Stabbed, Shot, and Bleeding
  - GSA Polaris – Tasered, Poisoned, Left to Drown
- The Government Is Wary About Creating Additional IDIQ's Over This Specific Issue
  - Protests tie-up Resources and Slow Down Progress
- Can Delay Contract Start
- Ironically, Task Orders, Except for Those on a GSA Schedule, Are Protest Resistant.

# TEN TIPS FOR DEVELOPING A SUCCESSFUL GWAC PRACTICE

- Develop and Execute a Focused Business Plan
- Don't Try to Be Everywhere in the Federal Space At Once
- Make Sure You Know How Your Customer Can Use the GWAC To Buy
- Have "Both Feet" In the Federal Market
- Recognize the Four Different Decision-makers: Customer, Customer's Supervisor, Contracting, and Finance
- Definitely Consider Partnering With Specialized & Experienced Companies
- Take Advantage of Free Info. Resources: Federal News Network, Defense News, Government Exec, etc.
- Use Associations for Networking, Information & Relationship Development
- Dedicate the Time and Resources Necessary
- Make Sure You Comply With Rules



# KEY FACTORS TO CONSIDER WHEN SELLING VIA A GWAC

- Never Make Your Customer Play “52 Contract Pick Up”
  - Have 1-3 Preferred Vehicles and Be Ready To Explain Why They Work For Your Customer
- Has Your Customer Used This Vehicle Before?
- Who Has Sold To Them Before?
- Know What Is In Scope and Out of Scope on Each Vehicle
- Know the Contract Access Fee
  - AND Whether the Managing Agency Has Negotiated a Lower Fee for A Specific Customer
- Follow E-Buy, Especially at FY End

# THE ROLE OF ASSISTED ACQUISITIONS IN GWAC CONTRACTING

- About 60% of GWAC/ MA IDIQ Buys Are Direct Between Customer and Contractor; 40% Are Done Via Assisted Acquisition Services
- Agencies Must Be Authorized By the GWAC Managing Agency to Buy Direct
  - This Requires Formal Training & Certification
- Contractors Definitely Need to Have Established Relationships With Assisted Service Organizations & Understand How They Work

# SO, HOW DO THEY WORK?

- All Are Fee-For-Service Organizations
- They Manage The Buy For Your Customer, Yet Contractors Will Bring Business to Them (No Assurance That You Get the Contract, Though)
- Major AAS Agencies Include: GSA, Interior Business Center, and NIH NITAAC. Many Have Specialties. All Have Time-Sensitive Deadlines at Year-End.

# TO SUM IT UP

- GWAC's Are A Popular Method of Acquisition, But Have Some Challenges
- Ease of Use and Protest Resistance Are Plusses
- Don't Assume Your Customer Knows How to Use The GWAC
- Be Committed to A Federal Market Approach
- Stay Compliant With GWAC Requirements
- Engage With Your Management AND the Agency GWAC PMO During Contract Creation
- Team With Experienced Partners
- Understand the Role of Assisted Acquisition Services
- Stay Focused, But...
- Maintain a Sense of Humor

# QUESTIONS/DISCUSSION/THANK YOU!

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