

GSA AND FEDERAL CONTRACTS

GSA Schedule contracts are often viewed by vendors as the keys to the kingdom when it comes to obtaining Federal government work. While this notion is not exactly accurate, there is some validity in the idea that those with GSA Schedule Contracts find it just a bit easier to obtain government work than those that do not. Are GSA Schedules right for your company? Maybe...but before you can answer that question, you need to know what they are.

HOW DID GSA BEGIN?

In 1947 a commission was led by former President Hoover to make recommendations for reorganizing the federal government's operations. Out of this, the Office of the General Services was born. This office combined several smaller administrative organizations into an independent agency in 1949 through the passage of the Federal Property and Administrative Services Act. The first major undertaking of this new agency was a complete renovation of the White House.

The GSA has grown in responsibility ever since. As stated on their website, GSA's mission is to "Deliver value and savings in real estate, acquisition, technology, and other mission-essential services across government." A lot can fit in these categories, as is evidenced by the number of supplies and services are available for purchase on various schedules.

GSA AND THE FAR

Federal Acquisition Regulation (FAR) governs the procurement of goods and services within the Federal government. This regulation is what procurement officials use as their guide to purchasing goods and services necessary for mission accomplishment. There is an overarching set of rules for the entire Federal government, and then there are supplements to the FAR for each specific agency (i.e., Defense Federal Acquisition Regulations Supplement, or DFARS



applies to the DoD). When researching the FAR, the entire regulation is located at www.acquisition.gov.

The FAR also provides guidance and instruction to procurement officials specifically geared to Federal Supply Schedule (FSS) purchasing. The FSS is often used synonymously with GSA Schedules. For execution purposes, this is a safe equivocation. Information regarding the government's use of schedules can be found at FAR 8.4. Agency supplements and policies impact how and when agencies use GSA Schedules.

WHAT IS A GSA SCHEDULE

A GSA Schedule is a contract for commercial items or services between the Federal government and a contractor whereby the terms and conditions are set on a general level. The idea is that the underlying ordering instrument is agreed to in advance, administered centrally by procurement personnel at the GSA, and is made publicly available to be used across the federal government.

Once the GSA Schedule is awarded, government agencies will be able to award task/delivery orders against the Schedule when a requirement becomes known. Agencies will use the instructions in FAR 8.4, along with their applicable FAR supplement and appropriate policies. These task/delivery orders must align with the items and services included within the Schedule contract.

GSA Schedules contain pricing consistent with that which is advertised to commercial clients. The idea here is that the government is wanting the same or similar prices everyone else pays. However, be mindful that when procurement officials are shopping the various schedules, they have available to them, they will often be looking for a discount on those prices. The discount expectation should be considered when working with GSA to put the base contract in place.



GSA provides excellent resources for navigating the process of getting on Schedule. To begin, visit their website at this <u>LINK</u>. It may appear daunting to work through the roadmap. There is a lot of help available from professionals who have been through the process and know how to quickly and efficiently navigate the process.

GSA Schedules are tools for a more efficient procurement process for the government's procurement officials to utilize at the root level. They are designed to facilitate a streamlined acquisition of goods and services.

GSA, SINS AND NAICS CODES

The government loves its codes. All things procurement have a code or multiple codes. The GSA uses codes to classify and bucket contracts. The buckets are what are called Special Item Number (SIN). The SINs fall under one of 12 large categories. For example, there are categories for Office Management, Facilities, Information Technology, etc. The complete list and links to the SINs that fall under each large category can be found HERE. GSA Schedules awarded to vendors will identify the applicable SIN within the contract documents.

North American Industry Classification System (NAICS) is simply a coding system that allows vendors and the government to codify products and services sold and procured. NAICS codes also serve as a basis for the SBA to communicate standard for determining whether a business is considered a "small business." The small business size standard is outside the scope of this discussion; however, this topic must be understood so a business can ensure it is competing for set-asides for which they qualify. The applicable NAICS codes will also be included in the awarded GSA Schedule.



GSA SCHEDULES AS A MARKETING STRATEGY

The journey is far from over once a vendor successfully navigates the process to obtain a GSA Schedule. Getting a GSA Schedule contract is not a panacea for winning government contracts. Remember, GSA Schedules are for the efficiency of government procurement. Put another way, GSA Schedules are a conduit for government buyers to reach sellers. There are other ways government buyers can buy, but depending on what's being purchased, it is unlikely those alternative processes are more efficient.

Therefore, vendors must understand obtaining a schedule contract is just the beginning. Marketing the Schedule to government buyers, competing for requests for quotes when they are issued on GSA's e-Buy platform, and looking for other strategic ways to insert the schedule contract information into the government marketplace is critical. A new schedule holder must show \$25K in revenue against the Schedule contract within the first two years of the award. Then, every year after that, there must be at least \$25K in revenue. If there is not sufficient revenue, the GSA administrators can discontinue the Schedule and render it no longer valid for future task/delivery orders.

Because GSA Schedule contracting can streamline government procurement, letting government customers know there is a vehicle for them to procure goods and services will be of keen interest. Add your schedule number to all marketing material aimed at government customers. Make sure they are aware of it when you speak with them at meetings or conferences. Never leave them wondering how they can contract with you as a vendor. Give them the "Easy Button."



IS A GSA SCHEDULE RIGHT FOR MY BUSINESS?

There is no definitive answer to this question. However, if you sell a commercially available good and service and are looking to sell in the Federal government marketplace, having a GSA Schedule can be a valuable tool.

Navigating the process of obtaining a GSA Schedule can be lengthy and bureaucratic. However, GSA has a vast amount of resources available for vendors to work through the process on their own. Procurement Technical Assistance Centers (PTACs) are another great *free* resource. PTACs can answer questions and provide guidance, to a degree. If, after you've gone through those resources and still stuck, or just not making acceptable progress, there are plenty of consulting firms with highly qualified staff that can do quick work of navigating the process. Fees and offerings differ from one firm to the next, so it is best to find one you feel comfortable with and move out on the work to be done.