



U.S. General Services Administration

Federal Acquisition Service

A blurred background image of the American flag, showing the stars and stripes in shades of blue, red, and white.

GSA Schedule vs. Open Market



This course is sponsored by the
GSA Federal Acquisition Service

in association with the Federal Acquisition Institute



Learning Objectives

Upon completion of this course, you should be able to:

- ❑ Describe the MAS program
- ❑ Describe FAR Subpart 8.4, Part 13 and Part 15 procedures and the role of each in acquisition strategy and planning
- ❑ Recognize the similarities and differences among FAR Subpart 8.4, Part 13 and Part 15 procedures
- ❑ Identify the advantages and restrictions associated with using FAR Subpart 8.4, Part 13 and Part 15





Introduction to the MAS Program



GSA Schedules Consolidation and Modernization

- GSA consolidated 24 Schedules into one (1) Schedule.
- There will be no major impact on customers as a result of the consolidation
- Customers will experience a more streamlined and simplified buying experience under the new Schedule.
- The new Schedule will align with governmentwide categories and will make it easier for customers to acquire the products, services, and solutions they need to meet their mission requirements.
- NAICS based SINs simplify the scope determination process.



GSA Schedule Consolidation and Modernization

- Contract number does not change
- Period of Performance does not change
- No SINs have been completely cancelled
 - SINs were consolidated from 881 to 317 NAICS based SINs
 - Contractor must have SIN awarded by GSA CO in order to offer
- 12 Large Categories and 83 Subcategories

To learn more visit www.gsa.gov/mastransformation
or email maspmo@gsa.gov



What is a Multiple Award Schedule?

- ❑ Governmentwide contract vehicle for **commercial** products, services, and solutions
- ❑ Also known as “Federal Supply Schedule (FSS),” “GSA Schedule” or “MAS”
- ❑ Standing solicitation posted on [beta.SAM.gov](https://beta.sam.gov)
- ❑ Awarded using FAR Part 12 procedures



MAS Contract Characteristics

- ❑ Multiple Award IDIQ (5 year award, three 5 year options)
- ❑ Fixed Price EPA
- ❑ Fair and reasonable pricing
 - Price reductions may be applied at the order level
- ❑ Performance requirements established at the order level

The Federal Acquisition Regulation (FAR)

FAR	Provides	Applicability
Subpart 8.4	Ordering procedures for GSA Schedules	Federal Government Ordering Activities
Part 12	Acquisition of Commercial Items	GSA awards Schedule contracts under Part 12
Subpart 6.102(d)(3)	Defines orders placed against Schedules as a competitive procedure	All



FAR Parts Not Applicable to Schedule Orders

FAR	Title	Applicable
Part 13	Simplified Acquisition Procedures	NO
Part 14	Sealed Bidding	NO
Part 15	Contracting by Negotiation	NO
Part 19	Small Business Programs	NO (except Bundling)
Part 36	Construction and A&E	NO



FAR Parts Applicable to Schedules Orders

FAR	Title	Applicable
Part 7	Acquisition Planning	YES
Part 10	Market Research	YES
Subpart 17.5	Interagency Acquisitions	YES
Subpart 33.1	Protests	YES
Subpart 37.6	Performance Based Acquisition	YES
Part 39	Acquisition of Information Technology	YES



*Overview of FAR Parts 8.4, 13,
and 15*

**What do FAR Subpart 8.4, FAR Part 13,
and FAR Part 15 cover?**



An Overview of the Parts

FAR Subpart 8.4, Part 13, and Part 15 provide alternative means for getting your requirements on contract:

FAR Subpart 8.4	FAR Part 13	FAR Part 15
Federal Supply Schedule	Simplified Acquisition Procedures	Contracting by Negotiation
Procedures for placing orders against Multiple Award Schedules awarded by GSA and the VA	Procedures for open market acquisitions not exceeding the Simplified Acquisition Threshold (\$250,000) (\$7M for commercial items – see 13.5)	Procedures for open market acquisitions exceeding the Simplified Acquisition Threshold



What is FAR Subpart 8.4?

FAR Subpart 8.4 addresses ordering from GSA Multiple Award Schedule (MAS), specifically:

- Placing delivery orders and task orders
- Ordering procedures for supplies and services not requiring Statement of Work (SOW)
- Ordering procedures for services requiring SOW
- Blanket Purchase Agreements (BPAs) for repetitive buys
 - Establishing BPAs
 - Ordering under BPAs



Fair Opportunity

- ❑ Fair Opportunity is a basic element of FAR Subpart 8.4
 - Required when the value of a procurement exceeds the SAT

- ❑ FAR Opportunity requires:
 - RFQ posted on eBuy to afford all schedule contractors under the appropriate Special Item Number an opportunity to submit a quote
 - OR**
 - Provide RFQ to as many Schedule contractors as practicable to reasonably ensure at least three quotes will be received



What is FAR Part 13?

- ❑ Simplified acquisition procedures used for acquisitions below the SAT
- ❑ Solicitation may be an oral or written RFQ
- ❑ Results in issuance of a Purchase Order, Purchase Card transaction, or a Blanket Purchase Agreement (BPA)
- ❑ Procedures are simple and straightforward and award is most often made on basis of lowest price; however, other factors may be utilized including technical capability and past performance
- ❑ Keeps contract terms and conditions to a minimum
- ❑ Items and services to be acquired are “open market,” i.e., not available from required sources of supply as outlined in FAR 8.002
- ❑ All such open-market acquisitions between the micro purchase level and the SAT are reserved for small businesses

What is FAR Part 15?

- ❑ Negotiated procurements
 - Solicitation is a Request for Proposal (RFP)
 - Results in stand-alone contracts, either single or multiple awards
 - Used when sealed bidding is not suitable
- ❑ Contains rules for source selection, including cost/technical tradeoffs
- ❑ Pricing rules and procedures





Which method should I use?

FAR Subpart 8.4

FAR Part 13

FAR Part 15

Requirement is for commercial products and services being solicited through the MAS Program

Requirement is open-market under the SAT

Requirement is open market over the SAT

Sufficient numbers and quality of sources

Acquisition of specialized goods and/or services, such as construction, R&D, and agency unique training

When the requirement cannot be filled from MAS offerings (or other pre-established contracts)

Terms and conditions and allowable order types meet agency needs

Reserved for small business set-asides

When a cost-type or incentive contract is necessary



FAR Subpart 8.4 and FAR Part 13

How does FAR Subpart 8.4 compare to FAR Parts 13 and 15?



Acquisition Planning - FAR Part 7

- ❑ Acquisition planning is required regardless of chosen strategy
 - Planning required for all acquisitions, but under Part 13, formal planning requirements are limited to economic purchase quantities (FAR Part 7.202)
 - Written planning and coordination required based on dollar amount, contract type and complexity, and competition strategy (follow agency procedures)
- ❑ Market research will drive planning decisions
 - Acquisition plans capture this information
- ❑ Performance-based preference for services

Procedure	Subpart 8.4	Part 13	Part 15
May compete on LPTA or trade-off			
Pre-competed Schedules with fair and reasonable pricing			
“Fair Opportunity” required; Limited Source Justification (LSJ) otherwise, if over the SAT		Competition may be limited if urgent, exclusive license agreement, brand name, or industrial mobilization. CO must prepare a memo for the file. (See FAR Part 6)	Full and open competition; Justification for Other than Full and Open Competition (JOFOC) or (J&A) (See FAR Part 6)
Commercial item products and services	Yes. Commercial only.	Yes. In addition, Construction projects in excess of \$2000 require a written solicitation	Yes, as well as all other non-commercial supplies and services

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
Prepare a solicitation	Request for Quote (RFQ) (No minimum notice requirements – eBuy requires 48 hr min)	RFQ when over \$25,000 - beta.SAM.gov notice required	Request for Proposal (RFP) with all required T&Cs (30 day notice)
May require consideration of factors other than price/costs – identify factors		May utilize factors other than price, but typically is “low price technically acceptable”	
Prepare source selection plan	May be used, but not required	May be used	
Establish evaluation criteria			
Best value determination			
Solicit sources	If over SAT, solicit sufficient sources to anticipate at least 3 responses or use eBuy; no synopsis in beta.SAM.gov	CO must promote competition and attempt to solicit at least 3 sources when over the micro purchase threshold	Synopsisize in beta.SAM.gov and provide to all interested firms; over \$25K IAW FAR Part 5

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
Evaluate consistent with solicitation			
Small Business set-asides	Discretionary	Reserved for small business under the SAT	Available – “rule-of-two”
Technical evaluation	May utilize LPTA or tradeoff for more complex purchases	May utilize LPTA or tradeoff for more complex purchases	May utilize LPTA or tradeoff for more complex purchases
Evaluation and source selection documentation			
Ensure vendor’s quote complies with all special terms and conditions of RFQ	Yes, but may not conflict with Schedule contract terms and conditions		
Treat all offerors fairly			
Debriefings available upon request	No – may provide brief explanation		

Procedure	FAR Subpart 8.4	FAR Part 13	FAR Part 15
Monitoring of performance - commercial items (usually simple inspection & acceptance)			
Monitoring of performance – complex services even though commercial	Yes, appoint Contracting Officer’s Representative (COR) especially for higher dollar value and long duration	Usually not required due to the limited dollar value under SAT and short duration	Appoint COR; may require use of monitoring tools/techniques including PM, EVM, etc.
Delivery and invoicing in accordance with contractual agreement			
Application of the Prompt Payment Act			
Order close-out			

FAR Subpart 8.4 (above the SAT)

FAR Part 15

**Issue a Request for Quotation (RFQ) –
give contractors appropriate time to respond**

**Issue a Request for Proposal (RFP) –
offerors have 30 days (or more) to submit a
proposal**

**May seek clarifications and have
communications with Schedule contractors**

**Discussions allowed;
may establish competitive range**

Evaluate in accordance with RFQ

Evaluate in accordance with RFP

Request a price reduction off Schedule price

Negotiate cost or price

**FAR Part 19 does not apply;
discretionary set-asides allowed**

**“Rule of two” requires a set-aside per
FAR Subpart 19.502-2(b)**

**Agencies may consider socioeconomic
status as an evaluation factor**

**All small business programs
options are available for use**

No subcontracting plan required

**Small business subcontracting plan is
required for large business if over \$700K**



Key Points on Evaluation and Award

FAR Subpart 8.4	FAR Part 15
Contractor Team Arrangements allowed (Not under FAR Subpart 9.6)	Joint Ventures allowed
Simplified evaluation – Evaluation Team	Formal SSEB
Award a task or delivery order	Award one or more stand-alone contracts
Terms and conditions of the Schedule contract apply	Terms and conditions must be included in the contract
Brief Explanation	Debriefs



Advantages of the MAS Program



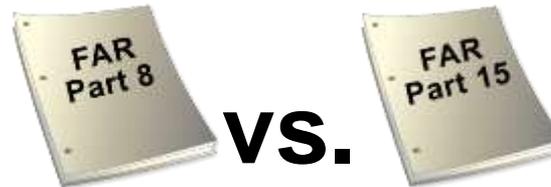
Advantages of FAR Subpart 8.4

- ❑ Saves time
 - Full and open competition has already been obtained
 - Small business set-asides are permissible
 - Publication on beta.SAM.gov website is not required
 - Reasonable prices have already been negotiated
 - Terms and conditions are already in place
- ❑ Awards to Small/SDBs count toward socioeconomic program goals
- ❑ Flexible purchase options: orders and BPAs
- ❑ Contractor teaming agreements allow for complete solutions

FAR Subpart 8.4 Simplifies the Acquisition Process

Schedule Orders are:

- ✓ Faster
- ✓ Easier
- ✓ More Economical



In contrast to FAR Part 15, Schedule orders do not require:

- Formal evaluation (SSEB not required)
- Cost analysis (commercial pricing at the Schedule level)
- Extensive documentation (less formal process)
- Debrief (may provide brief explanation)
- Competitive range determination

GSA Schedules Conform with Competitive Contracting

Schedule users shall not:

- ∅ Seek further competition outside of the MAS program
- ∅ Synopsize the requirement

FAR 8.404(a)



Ordering Procedures for Products

FAR 8.405-1

EXCEEDS SAT

- The ordering activity contracting officer shall provide an RFQ that includes a description of the supplies to be delivered or the services to be performed and the basis upon which the selection will be made
- Develop the RFQ and post to GSA eBuy or provide the RFQ to as many schedule contractors as practicable to reasonably ensure that quotes will be received from at least three
(Document file if receive less than three quotes)
- Limited Sources Justification, if applicable
- Shall seek a price reduction (FAR 8.405-4)
- Best value determination
- May not place orders orally

MICRO-SAT

- Ordering activities shall place orders with the schedule contractor that can provide the supply or service that represents the best value
- Survey ≥ 3 contractors (GSA Advantage, Catalogs, Pricelists)
- Limited Sources Justification, if applicable
- Determine if a price reduction should be sought
- Best value determination

BELOW MICRO

- Ordering activities may place orders with any Federal Supply Schedule contractor that can meet the agency's needs
- Although not required to solicit from a specific number of schedule contractors, ordering activities should attempt to distribute orders among contractors

Ordering Procedures for Services Requiring an SOW

FAR 8.405-2

MICRO-SAT

- The ordering activity shall develop a statement of work, and shall provide the RFQ (including the statement of work and evaluation criteria) to at least three schedule contractors that offer services that will meet the agency's needs
- Specify the type of order (*i.e.*, firm-fixed-price, labor-hour) for the services identified in the statement of work
- Limited Sources Justification, if applicable
- Determine if a price reduction should be sought
- Best value determination

BELOW MICRO

- Ordering activities may place orders with any Federal Supply Schedule contractor that can meet the agency's needs
- Although not required to solicit from a specific number of schedule contractors, ordering activities should attempt to distribute orders among contractors

Ordering Procedures for Services Requiring an SOW (cont)

FAR 8.405-2

EXCEEDS SAT

- Each order shall be placed on a competitive basis - unless waived on the basis of a limited sources justification
- The ordering activity contracting officer shall provide an RFQ that includes a statement of work and the evaluation criteria
- Provide the RFQ to as many schedule contractors as practicable to reasonably ensure quotes from at least three contractors
- When fewer than three quotes are received from schedule contractors that can fulfill the requirements, the contracting officer shall prepare a written determination to explain that no additional contractors capable of fulfilling the requirements could be identified despite reasonable efforts to do so. The determination must clearly explain efforts made to obtain quotes from at least three schedule contractors
- Ensure all quotes received are fairly considered and award is made in accordance with the evaluation criteria
- The ordering activity shall provide the RFQ (including the statement of work and the evaluation criteria) to any Schedule contractor who requests it
- Shall seek price reduction (FAR 8.405-4)
- Best value determination
- Overall price reasonableness determination (consider mix of labor and level of effort)
- May not place orders orally



FAR Part 19: Small Business Programs

- ❑ Part 19 generally does not apply to schedules orders – (See 8.404(a))
 - FAR 8.405-5 provides policy for Schedules set-asides

- ❑ **19.502-4 Multiple-award contracts and small business set-asides.**
 - Contracting officers may, at their discretion—
 - (c) Set aside orders placed under multiple-award contracts for any of the small business concerns identified in FAR 19.000(a)(3)...
 - “For Federal Supply Schedules Program orders see FAR 8.405-5.”

- ❑ **19.507(e)** requires clauses for total and partial set-asides as well as limitations on subcontracting be added to orders under MAS.



FAR Subpart 8.405-5 – Small Business

- ❑ **8.405-5(a)(2)** – Follow the ordering procedures at:
 - 8.405-1 – Products and services without SOW
 - 8.405-2 – Services with an SOW
 - 8.405-3 – BPAs
 - The specific small business program eligibility requirements identified in Part 19 apply.



FAR Subpart 8.405-5 – Small Business

- ❑ 8.405-5(b) – Orders placed against schedule contracts may be credited toward the ordering activity’s small business goals.
 - For purposes of reporting, an ordering agency may only take credit if the awardee meets a size standard that corresponds to the work performed
 - Ordering activities should rely on the small business size representations made at the Schedule contract level

- ❑ Agencies do not need to make a separate size determination at the order level, however...
 - GAO has upheld agencies’ right to request a recertification at the order level (CMS Information Services Inc., B-290541, Aug. 7, 2002)



Limiting Sources (8.405-6)

Use of Limited Sources Justification

- Schedule orders may be awarded on a sole-source or brand-name basis as required by the ordering activity.
- Such orders must have an approved Limited Sources Justification (LSJ) and the OCO must post the required public notice within 14 days after placing the order.
- This posting requirement includes posting the approved LSJ at the government point of entry at beta.SAM.gov for a minimum of 30 days (see FAR 8.405-6(a)(2)).



Exceptions Allowing Limited Source Orders

- Essential to the Government's requirements
- No other product or service meets the need
- Logical follow-on work to an original Schedule order
- Urgent and compelling need overrides ordering procedures delays

Limited Sources Justification (LSJ) Requirements

Limited Source Order/BPA (8.405-6(a)) (Sole Source)

Threshold	LSJ Required	Posting Required
Exceeds SAT	Yes	Yes
Micro – SAT	Document Circumstances – not a full blown LSJ	No
Below Micro-Purchase	No	No

Posting requirements: Within 14 days after placing an order or establishing a BPA exceeding the simplified acquisition threshold that is supported by a limited-sources justification the ordering activity shall:

- ❑ Publish a notice in accordance with FAR Subpart 5.301 and
- ❑ Post the justification:
 - At beta.SAM.gov and
 - On the Web site of the ordering activity agency, which may provide access to the justification by linking to beta.SAM.gov and
 - For a minimum of 30 days.

Limited Sources Justification (LSJ) Requirements

Brand Name (8.405-6(b))

Threshold	LSJ Required	Posting Required
Exceeds SAT	Yes	Yes - eBuy
\$25k – SAT	Document Circumstances – not a full blown LSJ	Yes - eBuy
Micro - \$25k	Document Circumstances – not a full blown LSJ	No
Below Mirco-purchase	No	No

Posting requirements: The ordering activity shall post the following information along with the Request for Quotation (RFQ) to e-Buy:

- For proposed orders or BPAs with an estimated value exceeding \$25,000, but not exceeding the simplified acquisition threshold, contracting officer shall document the file.
- For proposed orders or BPAs with an estimated value exceeding the simplified acquisition threshold, Limited Sources Justification.

Limited Source Justification Approval Requirements

Exceeding \$75 Million
(\$100M NASA, DOD, USCG)

- Approval of Agency senior procurement executive

\$15 Million - \$75 Million
(\$100M NASA, DOD, USCG)

- Head of the ordering activity
- (or his designee above the grade of GS-15 or a military flag officer)

\$750,000 - \$15 Million

- Approval of OA competition advocate or head of the ordering activity
- (or his designee above the grade of GS-15 or a military flag officer)

Up to \$750,000

- Ordering activity (OA) contracting officer certification that justification is accurate and complete to best of their knowledge and belief.

Making and Documenting the Decision

Documentation – Orders without SOW (8.405-1)

Documentation	Completed
Schedule contractors considered	✓
Contractor chosen	✓
Description of supply or service purchased	✓
Amount paid	✓
Evidence of compliance with the ordering procedures when exceeding the SAT	✓
Basis for award decision	✓
Determination that interagency vehicle (Schedule) constitutes best approach (when exceeding \$550,000)	✓

Making and Documenting the Decision

Documentation – Orders with SOW (8.405-2)

Documentation	Completed
Schedule contracts considered; contractor chosen	✓
Description of supply or service purchased	✓
Amount paid	✓
The evaluation methodology used in selecting the contractor to receive award	✓
The rationale for any tradeoffs in making the selection	✓
Overall price reasonableness determination	✓
Rationale for using other than FFP or PBA	✓
Evidence of compliance with the ordering procedures when exceeding the SAT	✓

Establishing a BPA for Supplies – FAR 8.405-3(b)(1)

EXCEEDS SAT

- Develop RFQ, including the basis of award
- Post to GSA eBuy OR provide to as many Schedule contractors as is practicable to ensure at least three quotes
- Limited Sources Justification, if applicable
- Shall seek price reduction (FAR 8.405-4)
- Best value determination

BELOW SAT

- Survey ≥ 3 contractors
- Limited Sources Justification, if applicable
- Determine if a price reduction should be sought
- Best value determination

Establishing a BPA for Services – FAR 8.405-3(b)(2)

EXCEEDS SAT

- Prepare SOW / PWS and establish evaluation criteria
- Specify type of order preference (FFP, T&M, LH)
- Limited Sources Justification, if applicable
- Post to GSA eBuy OR provide to as many as is practicable to ensure at least three quotes
- Shall seek price reduction (FAR 8.405-4)
- Best value determination

BELOW SAT

- Prepare SOW / PWS and establish evaluation criteria
- Specify type of order preference (FFP, T&M, LH)
- Issue RFQ to ≥ 3 contractors
- Limited Sources Justification if applicable
- Best value determination

BPA Ordering Procedures – FAR 8.405-3

Procedures for Ordering from Multiple-Award Schedule BPAs (FAR 8.405-3(c))

EXCEEDS SAT

- Issue RFQ to all eligible BPA holders, or follow procedure for limiting sources
- Select best value quote
- Document best value determination and evidence of compliance with ordering procedures

MICRO-SAT

- Provide fair opportunity to all BPA holders or document reasons for restricting consideration
- Select best value quote

BELOW MICRO

- Place order with BPA contractor
- Distribute orders among BPA contractors

BPA Ordering Procedures – FAR 8.405-3

Additional Procedures for Hourly Rate Services - FAR 8.405-3(c)(3)

- Ordering activity shall develop a statement of work for each order
- Ordering activities should place these orders on a firm-fixed price basis
- For T&M and LH orders, the contracting officer shall follow the procedures at FAR 8.404(h) (Requires D&F)
- All orders under the BPA shall specify a price for the performance of the tasks identified in the statement of work
- Ordering activity is responsible for considering the level of effort and the mix of labor to determine overall price reasonableness



BPA Documentation Requirements

Minimum BPA Documentation Requirements – (8.405-3(a)(7))

Schedule contracts considered, noting the awardee	✓
Description of the supply or service purchased	✓
Price	✓
Limited Source Justification, if applicable (See 8.405-6)	✓
Justification for Single-Award BPA, if applicable	✓
Determination for a single-award BPA exceeding \$100 million, if applicable	✓
Documentation supporting the decision for multiple or single award BPAs	✓
Evidence of compliance with competitive procedures - see 8.405-3(b)	✓
<i>Basis for the award decision.</i> This should include the <u>evaluation methodology</u> used in selecting the contractor, the <u>rationale for any tradeoffs</u> in making the selection, and a <u>price reasonableness determination for services requiring a statement of work</u>	✓



eLibrary

- Schedules listings
- Descriptions
- Clauses
- Contractor details

www.gsaelibrary.gsa.gov

eLibrary - The official online source for complete GSA and VA Schedules information – a great market research tool.

GSA Advantage!



- Search
- Review
- Place Order
- View history

www.gsaadvantage.gsa.gov

GSA Advantage! - An online shopping service through which ordering activities may place orders against the Schedules using the Governmentwide Purchase Card.



- Post Requirements
- Issue RFI/RFQ
- Notification of Award

www.ebuy.gsa.gov

eBuy - An online RFQ system that allows ordering activities to post requirements, obtain quotes, and issue orders.

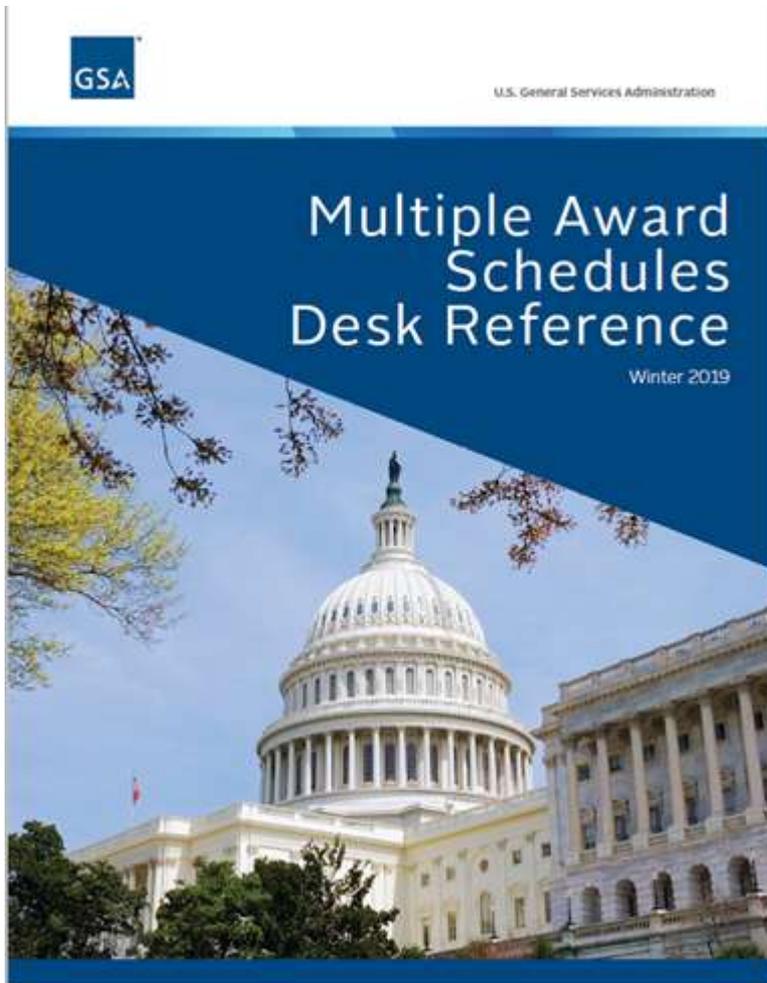


Common Acquisition Platform

- Solution comparisons
- “Hallways”
- Connections
- Other resources

<https://hallways.cap.gsa.gov>

CAP – Online access to everything available in a particular product/service category.



MAS Desk Reference

Available through CMLS

www.gsa.gov/cmls

Web Resources

- MAS Training Student Guides www.gsa.gov/mastrainingstudentguides
- Multiple Award Schedules www.gsa.gov/schedules
- eLibrary www.gsaelibrary.gsa.gov
- GSA *Advantage!* www.gsaadvantage.gov
- eBuy www.ebuy.gsa.gov
- MAS News www.gsa.gov/masnews
- Federal Acquisition Regulation (FAR) www.acquisition.gov/far





Webinars and Online Training

- Monthly Webinars sponsored by the MAS Program Office <http://www.gsa.gov/masnews>
- Continuous Learning Modules
 - Federal Acquisition Institute
 - Defense Acquisition University
 - <http://icatalog.dau.mil/> Search for continuous learning modules with FAC prefix



