GSA MAS Contractor Team Arrangements and the GSA MAS Program

Eddie Mills
Deputy Director
GSA/FAS, Direct Client Support Division

April 26, 2017
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 purpose and benefits of the Multiple Awards Schedule (MAS) program
- Describe the role of a Contractor Team Arrangement (CTA) in the MAS program
- Describe processes in establishing and utilizing CTAs
What is MAS all about?

TOPIC 1: INTRODUCTION TO THE MAS PROGRAM
What Is a Multiple Award Schedule?

- Governmentwide contract vehicle for commercial products, services, and solutions

- Also known as “Federal Supply Schedule (FSS)” “GSA Schedules” or “MAS”

- Standing solicitations posted on FedBizOpps

- Awarded using FAR Part 12 procedures
MAS Contract Characteristics

- Multiple Award IDIQ (5 year base, 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


## Regulatory Foundation

### The Federal Acquisition Regulation (FAR)

<table>
<thead>
<tr>
<th>FAR</th>
<th>Provides</th>
<th>Applicability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subpart 8.4</td>
<td>Ordering procedures for GSA Schedules</td>
<td>Federal Government ordering activities</td>
</tr>
<tr>
<td>Part 12</td>
<td>Acquisition of Commercial Items</td>
<td>GSA awards Schedule contracts under Part 12</td>
</tr>
<tr>
<td>Subpart 6.102(d)(3)</td>
<td>Defines orders placed against Schedules as a competitive procedure</td>
<td>All</td>
</tr>
</tbody>
</table>
## FAR Parts Not Applicable to Schedules Orders

<table>
<thead>
<tr>
<th>FAR</th>
<th>Title</th>
<th>Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 13</td>
<td>Simplified Acquisition Procedures</td>
<td>NO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(except allows for MAS BPAs)</td>
</tr>
<tr>
<td>Part 14</td>
<td>Sealed Bidding</td>
<td>NO</td>
</tr>
<tr>
<td>Part 15</td>
<td>Contracting by Negotiation</td>
<td>NO</td>
</tr>
<tr>
<td>Part 19</td>
<td>Small Business Programs</td>
<td>NO</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(except Bundling)</td>
</tr>
<tr>
<td>Part 36</td>
<td>Construction and A&amp;E</td>
<td>NO</td>
</tr>
</tbody>
</table>
# FAR Parts Applicable to Schedules Orders

<table>
<thead>
<tr>
<th>FAR</th>
<th>Title</th>
<th>Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Part 7</td>
<td>Acquisition Planning</td>
<td>YES</td>
</tr>
<tr>
<td>Part 10</td>
<td>Market Research</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 17.5</td>
<td>Interagency Acquisitions</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 33.1</td>
<td>Protests</td>
<td>YES</td>
</tr>
<tr>
<td>Subpart 37.6</td>
<td>Performance Based Acquisition</td>
<td>YES</td>
</tr>
<tr>
<td>Part 39</td>
<td>Acquisition of Information Technology</td>
<td>YES</td>
</tr>
</tbody>
</table>
What can MAS do for your organization?

TOPIC 2: BENEFITS OF THE MAS PROGRAM
FAR Subpart 8.4 Simplifies the Acquisition Process

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

- Conducting a formal “negotiated procurement” (Source Selection Evaluation Board (SSEB))
- Issuing a “solicitation” for thirty days (or any other pre-determined time)
- Conducting a “competition” by seeking contractors outside the Schedules program
- Synopsizing the requirement on FedBizOpps, unless it’s a limited sources acquisition over the SAT
- Conducting “discussions”
- Conducting formal “debriefings” or “competitive range determinations”
- Using FAR Subpart 15.3 concepts and procedures
GSA Schedules Conform with Competitive Contracting

Schedule users shall **not**:

1. Seek further competition outside of the MAS program
2. Synopsize the requirement
   (unless Sole-Source greater than SAT **with an LSJ** – See 8.404(g))

**FAR Subpart 8.404(a)**
Ordering Procedures – FAR Subpart 8.405-1

When ordering supplies or fixed-price services w/out SOW

Exceeds SAT
- Develop RFQ
- Receive ≥ 3 quotes - use of eBuy meets fair notice
- Limited Sources Justification if applicable
- Seek price reduction
- May not place orders orally
- Best value determination

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

Below Micro
- Place order with contractor
- Distribute orders among contractors
Ordering Procedures – FAR Subpart 8.405-2

When ordering services requiring an SOW

Exceeds SAT
- Prepare SOW and establish evaluation criteria
- Receive ≥ 3 quotes – use of eBuy meets fair notice
- Limited Sources Justification if applicable
- Seek price reduction
- Best value determination
- Overall price reasonableness determination (consider mix of labor and level of effort)
- May not place orders orally

Micro – SAT
- Create SOW and evaluation criteria
- Issue RFQ to ≥ 3 contractors
- Limited Sources Justification if applicable
- Distribute orders among contractors
- Best value determination

Below Micro
- Place order with contractor
- Distribute orders among contractors
What can I buy?

TOPIC 3: TYPES OF SCHEDULES AND CHARACTERISTICS
MAS Schedule Facts
Did you know...

- GSA offers over 25 million supplies and services.
- 33 open and standing solicitations published on FedBizOpps (including 9 managed by VA)
- Over 16,000 Schedule contracts
  - 81% are small businesses.
  - Orders and BPAs may be set aside for small businesses.
- $40+ billion total annual spend (including VA)
What Services Are Available on Schedule?

- Environmental Services
- Professional Engineering Services
- Logistics Services
- Language Services
- Management and Consulting Services (including Training)
- Temporary Administrative and Professional Services
- Information Technology Services
- Advertising and Marketing Services
- Financial and Business Solutions
- Security Solutions
- Facilities Maintenance
- Disaster Relief

Note: For a comprehensive list of services, please visit GSA eLibrary. [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)
What Supplies Are Available on Schedule?

- Office Supplies and Equipment
- Tools and Hardware
- Building and Industrial Materials
- Furniture
- Scientific Equipment
- Information Technology Products
- Vehicles and Support Equipment
- Appliances and Food Services
- Law Enforcement, Fire, and Security Products

Note: For a comprehensive list of supplies, please visit GSA eLibrary. www.gsaelibrary.gsa.gov
What is a CTA?

TOPIC 4: CONTRACTOR TEAM ARRANGEMENT (CTA) BASICS
What is a Teaming Arrangement or Joint Venture per FAR 9.6

- A form of “teaming” under the FAR
- Business arrangement whereby the parties agree to develop, for a finite time, a new entity and create new assets by contributing equity

Key characteristics:
- A separate legal entity (generally a partnership or LLC)
- Includes “members” (Small and Large) with proportionate interests in the entity
What is a Teaming Arrangement or Joint Venture per FAR 9.6

- A form of “teaming” under the FAR

- Business arrangement whereby the parties agree to develop, for a finite time, a new entity and create new assets, consisting of equity

- Key characteristics:
  - A separate legal entity (generally, a partnership or LLC)
  - Includes “members” (Small and Large) with proportionate interests in the entity
What Is a MAS Contractor Team Arrangement (CTA)?

- A CTA is an arrangement between two or more MAS contractors

- Contractors join together to provide a total solution to meet an agency’s requirements

- Contractors complement each other

- Allows contractors to compete for orders for which they may not qualify independently
CTAs and the Multiple Award Schedules (MAS)

- Orders placed under a MAS CTA are subject to the terms and conditions of each team member's MAS contract
- All members of the team are parties to the contract – Not a Prime/Sub relationship
- Roles and responsibilities are defined by the team
- CTA documentation is crafted by the MAS contractors, not the Government
## Schedule CTA Benefits

<table>
<thead>
<tr>
<th>Benefits to the Ordering Activity</th>
<th>Benefits to the Contractors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Procures a total solution</td>
<td>Focuses on the supplies/services that best match their resources and strengths</td>
</tr>
<tr>
<td>Satisfies socioeconomic procurement goals</td>
<td>Levels the playing field for small businesses</td>
</tr>
<tr>
<td>Increases competition</td>
<td>Reduces risk</td>
</tr>
<tr>
<td></td>
<td>Can compete for Schedule orders for which they wouldn’t otherwise qualify</td>
</tr>
</tbody>
</table>

**It’s a Win-Win Situation!**
Common Elements of CTA Agreements: Legal Matters

- Legal Relationship
- Agreement Duration
- Confidential Information
- Agreement Terms
- Delivery Responsibility
- List of Open Market Items

Contractor Team Arrangement (CTA)
Common Elements of CTA Agreements: Team Matters

- Identification of Parties
- Specific Team Activities
- Team Lead Responsibilities
- Team Member Responsibilities
- Independent Contractors
- Team member Replacement
- Performance Evaluation

Contractor Team Arrangement (CTA)
Common Elements of CTA Agreements: Financial Matters

- Reporting of Sales & IFF
- Invoicing and Payment
- Liabilities
- Warranties
- Ordering Procedures
- Pricing and Costs

Contractor Team Arrangement (CTA)
MAS Teaming and Subcontracting

Team Lead

Team Member 1

Sub

Team Member 2

Sub

Sub (has Schedule)
## Key Differences between CTA and Subcontractor Arrangements

<table>
<thead>
<tr>
<th>Key Questions</th>
<th>CTA</th>
<th>Prime/Sub Arrangement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Who must hold the Schedule contract?</td>
<td>Each member</td>
<td>Only prime contractor</td>
</tr>
<tr>
<td>Who is considered a party to the task order? (Privity)</td>
<td>Each member</td>
<td>Only prime contractor</td>
</tr>
<tr>
<td>Who has ultimate responsibility for contract duties?</td>
<td>Each member</td>
<td>Only prime contractor</td>
</tr>
<tr>
<td>What rates can be charged?</td>
<td>Up to the MAS rate for member providing the services</td>
<td>Up to the MAS rate for the prime contractor</td>
</tr>
<tr>
<td>What solutions can be provided?</td>
<td>Total solutions, using contractors from different Schedules</td>
<td>Services/supplies identified on the prime contractor’s MAS contract</td>
</tr>
</tbody>
</table>
What is the process for establishing a CTA?

TOPIC 5: ESTABLISHING AND UTILIZING A CTA
Teaming With Other GSA Schedule Contractors

To establish a CTA, contractors should review the list of GSA Schedule contractors to find a match; see the GSA e-Library to find approved contractors.
Establishing the CTA

- CTAs may be established in advance of any known requirement or after requirements are defined.

- The GSA Schedule contractors create the CTA document; the Government does not aid in development or provide samples.

- The CTA documentation should be submitted with quotation.

- The document should contain the elements identified by GSA; i.e. identify all team members, MAS contract numbers, tasks to be performed, pricing, etc.
Communication

- CTAs should outline points of contact for each team member (contractor)

- Since Government has privity with all team members, ordering activity may communicate directly with CTA team members

- Communication may be through team lead if desired
Ordering Activity’s Responsibilities

Agencies should review CTAs to:

- Gain an understanding of how the arrangement will work
- Identify any areas of responsibility that may require clarification
- Identify deficiencies in the CTA in order to enhance probability of successful performance
- Verify proposed unit prices or hourly rates against MAS contracts
- Ensure the CTA does not conflict with underlying terms and conditions of the team members’ MAS contracts
- Verify that the CTA meets any and all conditions specified in the RFQ
- Identify the team member who is realizing the preponderance of revenue for FPDS reporting purposes
- Identify the perspective revenue from each team member and properly report which has the preponderance of the work/dollars
CTAs and Reporting

- Team lead generally receives task/delivery orders
  - FPDS-NG reporting – report total order value to contractor performing largest portion of work

- The CTA document should designate who is responsible for invoicing and payment

- Each team member reports its MAS contract sales to GSA and remits the appropriate IFF
Administration of CTA Orders

Ordering activity administrative actions taken for all MAS orders apply to CTA orders; the ordering activity should:

- Perform inspection and acceptance
- Apply remedies for nonperformance, including termination for cause
- Terminate (if appropriate) for the Government’s convenience
- Issue final decisions on disputes arising from performance of the order; dispute cannot relate to MAS contract terms and conditions
Dealing with Problems/Issues

- Each team member is responsible per the terms and conditions set within their Schedule contract

- The CTA document should identify which team member is responsible at each phase

- The Government has remedies for non-performance IAW FAR 8.406-3 and 8.406-4
  - Inspection and acceptance clause remedies
  - Termination for cause
Summary

You should now be able to:

- Describe the purpose and benefits of the Multiple Awards Schedule (MAS) program
- Describe the role of a Contractor Team Arrangement (CTA) in the MAS program
- Describe processes in establishing and utilizing CTAs
Web Resources

- Blanket Purchase Agreements: http://www.gsa.gov/portal/content/199353
- Sample BPA Format: http://www.gsa.gov/graphics/fas/BPA_Sample_Format.doc
- Establishment of BPAs: http://www.gsa.gov/portal/content/199393
- Ordering from BPAs: http://www.gsa.gov/portal/content/200429
- Price Reductions: http://www.gsa.gov/portal/content/200397
- Documentation: http://www.gsa.gov/portal/content/200545
- BPA Frequently Asked Questions: http://www.gsa.gov/portal/content/200549
Additional Web Resources

- MAS Training Student Guides  
  [www.gsa.gov/mastrainingstudentguides](http://www.gsa.gov/mastrainingstudentguides)
- MAS Desk Reference  
  [www.gsa.gov/masdeskreference](http://www.gsa.gov/masdeskreference)
- Multiple Award Schedules  
  [www.gsa.gov/schedules](http://www.gsa.gov/schedules)
- eLibrary  
  [www.gsaelibrary.gsa.gov](http://www.gsaelibrary.gsa.gov)
- GSA Advantage!  
  [www.gsaadvantage.gov](http://www.gsaadvantage.gov)
- eBuy  
  [www.ebuy.gsa.gov](http://www.ebuy.gsa.gov)
- MAS News  
  [www.gsa.gov/masnews](http://www.gsa.gov/masnews)
- Federal Acquisition Regulation (FAR)  
  [www.acquisition.gov/far](http://www.acquisition.gov/far)
Webinars and Online Training

- Monthly Webinars sponsored by the MAS Program Office  [http://www.gsa.gov/masnews](http://www.gsa.gov/masnews)
- Training Videos -  [http://www.gsa.gov/portal/content/210517](http://www.gsa.gov/portal/content/210517)
- Continuous Learning Modules
  - Federal Acquisition Institute
  - Defense Acquisition University
    - [http://icatalog.dau.mil/](http://icatalog.dau.mil/)  Search for continuous learning modules with FAC prefix
MAS Desk Reference

Online at www.gsa.gov/masdeskreference

Hard copy available through CMLS
www.gsa.gov/cmls