Keeping Your GSA MAS Contract Compliant

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Date: June 6-8, 2017
• GSA Personnel
• Contract Compliance
  • Scope of Contract Compliance
  • Trade Agreements Act (TAA)
  • Sales Reporting and Industrial Funding Fee Remittance
  • Basis of Award
  • Pricing
  • Prompt Payment Discounts
  • Minimum Sales Requirement
  • Qualified Labor
  • Administrative Concerns
  • Other Compliance Concerns
• Contract Assessments
GSA Personnel

- **Procurement Contracting Officer (PCO)**
  - Awards your contract
  - Approves bilateral modifications
  - PCO contact information can be found on GSA eLibrary: http://gsaelibrary.gsa.gov
  - Ultimate authority over your GSA MAS contract

- **Administrative Contracting Officer (ACO)**
  - Delegated functions by the PCO
  - ACO contact information can be found at https://vsc.gsa.gov/tools/aco_ioa.cfm
GSA Personnel (Cont.)

• Industrial Operations Analyst (IOA)
  • Conducts contractor compliance assessments
  • Monitors sales reporting, sales adjustments, and Industrial Funding Fee remittance
  • Provides general guidance and business development support
  • IOA contact information can be found at the Vendor Support Center
GSA Personnel (Cont.)

- Industrial Operations Analyst (IOA) Realignment

  - In February 2017, all IOAs were realigned to FAS Acquisition Centers in support of GSA’s Category Management Initiative

  - IOAs are now aligned to support specific GSA Acquisition Centers with assigned contract workloads spread across the country
Virtual Assessments

- Mutually agreed upon by IOA and contractor
- Conducted over the Internet, web conferencing, email, and/or telephone
- Topics and documents required are the same as in-person meetings
- Benefits include potential cost savings to Government and contractor
Compliance Overview

- **GSA and Ordering Agencies:**
  - Abide by the Federal Acquisition Regulation (FAR) and agency regulations
  - Ordering agencies must abide by MAS contract terms & conditions
  - GSA PCO has ultimate authority over the MAS contract

- **Contractors:**
  - Must be in compliance with MAS contract terms & conditions and purchase/task order terms & conditions
  - Remember, the GSA Schedule terms & conditions take precedence over the order terms & conditions
Scope and Contract Compliance

- Contract items must be within the scope of the Schedule and approved Special Item Numbers (SINs)

- Only products or services awarded on your GSA Schedule pricelist can be sold per your contract

- “Open Market” (non-contract) items must be identified

- Expand the scope of your offerings through:
  - Modifications
  - Additional GSA Schedule contracts
  - Contractor Teaming Arrangements (CTAs)
Trade Agreements Act (TAA)

- Applies to “all” GSA MAS Contracts
- TAA compliant countries may be found under FAR 25.003
- Service Contractors are TAA compliant if they are headquartered in compliant countries
- Notify your CO if noncompliance is determined
Sales Reporting and Industrial Funding Fee (IFF) Remittance

• Sales reports must be submitted and IFF remitted within 30 days after the end of the quarter, by:
  • January 30\textsuperscript{th}, April 30\textsuperscript{th}, July 30\textsuperscript{th}, and October 30\textsuperscript{th}

• $0 must be reported if you have no sales for the quarter

• 72A Reporting System

• Do not report open market items and travel costs

• The IFF of 0.75\% is included in your awarded pricing
Sales Reporting and Industrial Funding Fee (IFF) Remittance

• IFF is inclusive to your Pricelist

• Your Customers are assessed the IFF by using the GSA MAS Contract Program

• The GSA MAS Program is funded by IFF
Sales Reporting & Transactional Data Reporting

- Mod A509 - Issued JAN 2017 for PSS Contractors

- TDR Sales reports must be submitted “monthly” at the TDR Reporting Portal

- IFF may be remitted monthly or within 30 days after the end of the quarter

- Do not report open market items and travel costs

- Sales adjustments submitted by the contractor
Sales Tracking System

- Identifies, tracks, and reports GSA sales accurately and completely
- Reports all transactions within the proper period
- Retrieves data easily
- Separates Schedule sales from other Federal sales and commercial sales
Indicators of a Schedule Sale

• The GSA contract number is stated on the task order

• If no contract vehicle is stated on the task order "and":
  • Same terms and conditions as your GSA contract
  • Through GSA Advantage!® or eBuy
  • Paid with the government purchase card for contract products or services awarded on your contract
  • The pricing at or below contract price
Reportable Sale Flowchart

Is it a sale under the GSA Multiple Award Schedule Contract?

Start Here

Yes

Is the product or service being sold included on the current approved pricelist?

Yes

Is there evidence of another contracting vehicle in place?

Examples of other contract vehicles include:
- FAR part 12 - Other Agency Commercial Acquisitions
- FAR part 13 - Simplified Acquisitions
- FAR part 14 - Sealed Bid
- FAR part 15 - Negotiated Bid
- The buyer informs the contractor that the procurement is not a GSA M.A.S. contract sale

Note: a Government purchase card is not considered a contracting vehicle

No

Not a GSA M.A.S. Contract Sale

- Must be included in quarterly report
- Contract terms and conditions (price, prompt payment, delivery etc) apply

Not a GSA MAS Contract Sale
Basis of Award

• Discount relationship which predicates your GSA pricing
  • Found on the Standard Form 1449, Final Proposal Revision Letter, or subsequent modifications (Standard Form 30)

• Must be maintained to comply with the Price Reductions Clause (GSAM 552.238-75)
  • Adverse changes are referred to as “price reductions”
  • Price reductions should be reported to the PCO within 15 calendar days

• Note: The BoA and the Price Reduction Clause is greatly reduced for TDR contractors
Pricing

• Must charge at or below your GSA Schedule price
  • Spot discounts are allowed and will not result in a price reduction

• Price increases (Economic Price Adjustments) must be approved by your PCO
  • Automatic escalations
    • Incorporated into the original contract (SF 1449) or subsequent modifications (SF 30)
  • One-time increases
    • Incorporated via a modification (SF 30)
  • Refer to clauses 552.216-70 and I-FSS-969
Prompt Payment Discounts

- Awarded prompt payment discount terms must be displayed on all MAS invoices
- Electronic invoicing such as WAWF, OB-10 & IPP
- Do not apply to government purchase card payments
- Terms can be included in all MAS quotations
Minimum Sales Requirement

- Contract Sales Criteria Clause, I-FSS-639

- Requirement:
  - $25,000 in contract sales over the first 24 months
  - $25,000 for each 12 month period thereafter

- GSA may cancel the contract if it does not meet the minimum sales requirement
Labor Qualifications

- Labor qualification review is part of your assessment conducted by the IOA

- Professional Services contracts awarded with labor categories
  - Advertising & Integrated Marketing Solutions (AIMS)
  - Environmental Services
  - Financial & Business Solutions
  - Mission Oriented Business Integrated Services (MOBIS)
Point of Contact Information Updates

• GSA Contract
  • Headquarters Address
  • Point of Contact name, phone number, email address, & office address
  • Must be updated via contract modifications using eMod

• GSA eLibrary/GSA Advantage Company Information
  • Verify the contact information listed is accurate
  • Telephone number, email, and web address can be updated using SIP
  • Company name and address changes must process through SAM.gov
  • Note: eBuy contact info can be updated under your “profile” on eBuy

• Multiple Other Websites/Sources
  • Handy guide for additional places to verify information
Administrative Concerns

- Pricelist Maintenance
- Digital Certificates
- Authorized Negotiators
  - Including Backup Negotiator(s)
- Mass Modifications
- Novation and Change of Name Agreements
- Bankruptcy
- SAM.gov
Other Compliance Concerns

- Environmental attributes
- Subcontracting plans
- Delivery
- eCommerce
- GSA eLibrary/Advantage Pricelist
eMod Process

• Contractor Initiated Modification
  • Price List Change(s)
  • Company Information Change
  • Legal Changes
• Completed at GSA’s eMod Website
• Requires a Digital Certificate
• Schedule 70 Specific Modification Instructions
  • GSA’s IT Schedule 70 Modification Guidance Package
  • Price List Modification Template
Mass Modifications

- Generally a GSA initiated modification to all Schedule 70 Contractors
- Emailed to Contract Administrator
- Completed at GSA’s Mass Modification Website
Contractor Assessments

• Objectives

• Assess the level of compliance with GSA Schedule Contract Terms & Conditions

• Address questions or concerns

• Evaluate processes and procedures

• Performed for most GSA Schedules
Assessment Frequency

Annual Assessments vs End-of-Term Assessments

• Annually for contractors meeting established MAS reported sales thresholds
  ▪ Focus on Sales Tracking, Pricing, TAA, Prompt Payment Discounts and Labor Qualifications
  ▪ End of term for contractors in the 4th contract year meeting established MAS reported sales thresholds
  ▪ Covers all compliance topics in this presentation
Assessment Participants

- Your Company
  - GSA Contract Administrator
  - Other relevant personnel responsible for contractual functions (e.g. sales, marketing, accounting, order tracking, IFF remittance)

- GSA
  - Industrial Operations Analyst (IOA)
Assessment Preparation

- Initial phone call or email from IOA, followed by pre-visit confirmation email detailing requirements

- Familiarize yourself with the requirements addressed in pre-visit email

- Contact IOA with any questions
Assessment Intent Notice

- Provided by your IOA prior to the Assessment
- Purpose is to eliminate any confusion between IOA Assessments and IG Audits
- Should be reviewed, signed and returned to your IOA
Recommended Documentation

• GSA contract, including:
  • Standard Form 1449 (SF 1449)
  • Incorporated documents (e.g. Final Proposal Revision (FPR) letter, Commercial Sales Practices)
• Approved modifications (Standard Form 30)
• Current approved pricelist and all previously approved versions
Recommended Documentation (Cont.)

- Sales data supporting your reported sales for the quarters being reviewed
  - IOAs have access to the reported sales figures but not the supporting records

- Examples of supporting records for reported sales:
  - Accounting reports
  - Spreadsheets
  - Ledgers
  - Invoices
  - Quotes and/or cost proposals
Recommended Documentation (Cont.)

• Purchase/Task Orders
  • Customers do not provide GSA copies of orders they place against GSA Schedule contracts

• Related Documentation:
  • Statement of Work (SOW)
  • Quotations
  • Invoices
• Trade Agreements Act (TAA)
  • Contractors supplying tangible products should be able to provide country of origin information and/or letters of supply

• Environmental Attributes
  • Documentation supporting the use of environmental icons on GSA Advantage!® (excluding Energy Star and EPEAT)
Examples of Problems Identified During an Assessment

- Under-reported/over-reported sales
- Out-of scope orders
- TAA non-compliant products/services
- Price overcharges
- Non-Compliant labor qualifications
- Outdated or missing GSA Advantage! ®
- Pricelist missing from GSA eLibrary ®
- Inaccurate contact information
- Missing records/documentation
- Prompt Payment Discount overcharges
- Volume/Quantity discount overcharges
Educational Resources & References

- GSA’s Vendor Support Center
- The Steps to Success: Contractor Reference Guide
- GSA Interact
- Multiple Award Schedules (MAS) Desk Reference
- Who Can Order Through GSA Schedules?
- ACO/IOA Locator
- Procurement Technical Assistance Centers (PTACs)
- GSA’s Social Networking Resources,
- and Many Others…
Questions?

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