



The Administrator

December 12, 2014

Mr. Roger Waldron
President
The Coalition for Government Procurement
1990 M Street, NW
Washington, DC 20036

Dear Mr. Waldron:

Thank you for your email message dated October 7, 2014, outlining ways the U.S. General Services Administration (GSA) can lower the costs of Federal procurement without decreasing value.

It was a pleasure to meet with you and the other representatives and members of the Coalition for Government Procurement (Coalition) on September 25, 2014, to discuss GSA's important role in the Federal marketplace. As discussed, GSA's responses to the Coalition's "Quick Fixes" are enclosed.

I look forward to further discussions as we work together to improve the Multiple Award Schedules program. If you have any questions or concerns after reviewing the enclosed, please contact Ms. Donna Jenkins, Assistant Commissioner, Office of Acquisition Management, at (202) 641-5477.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dan Tangherlini".

Dan Tangherlini
Administrator

Enclosure

U.S. General Services Administration
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Washington, DC 20405
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ENCLOSURE:

GSA's Responses to the Coalition for Government Procurement's "Quick Fixes"

1. Automatic Approval of Administrative Changes

Response: GSA agrees with respect to simple administrative changes and has implemented an administrative modification function through "Rapid Action Modification" (RAM) that addresses simple changes to a Schedule contract (i.e., address, website, telephone, fax, or email changes). GSA posted this information on the front page of the eOffer/eMod website with a reminder to avoid bundling administrative changes with more complex ones.

GSA has implemented, through RAM, a functionality that deletes products and updates product descriptions automatically. In the future, all Schedules will use a formatted pricelist, which will further streamline these changes. To ensure there are no adverse consequences to pending orders, these changes will still require Contracting Officer (CO) approval. GSA agrees, however, that these changes should be processed quickly.

Adding a product to an existing Special Item Number (SIN) is not an administrative matter. These modification requests require CO analysis (e.g., to review the products proposed, to determine whether prices are fair and reasonable, to ensure Trade Agreement Act compliance, etc.). Likewise, a change to the authorized negotiator is not an administrative matter as it requires the submission of an Agent Authorization Letter, signed by an authorized principal with authority to bind the contractor. Therefore, the automatic approval of these types of modifications is not feasible.

2. Automatic Approval of Price Reductions

Response: GSA agrees that, in most cases, a CO should automatically approve price reductions. Currently, GSA is determining whether anything would prevent automation and how much time implementation would take. GSA will make a final determination as to whether it may be possible to proceed with automatic price reductions by December 17, 2014.

3. Reduce the Costs of Contract Duplication by Implementing "Other Direct Costs"

Response: The Office of Government-wide Policy and the Federal Acquisition Regulatory Council are discussing whether to open a Federal Acquisition Regulation (FAR) case to permit order-level materials on Schedule.

4. Delete Request for "Most Favored Federal Customer"

Response: GSA agrees with the Coalition's assessment of the "Most Favored Federal Customer" and its unintended consequences. GSA is working to remove this language from solicitations by December 31, 2014.

5. Insert Requirement For End User License Agreements (EULA) In Solicitation Documents; Delete 100% Legal Review

Response: GSA is working to address concerns with the EULA review process. GSA's Office of Government-wide Policy and the Federal Acquisition Regulatory Council are currently discussing whether to open a FAR case to address this issue.

6. Solicit Comments or Notify Contractors in Advance of Solicitation Changes

Response: GSA will use Interact to notify contractors of major solicitation changes. GSA previously used Interact to post proposed major changes, such as the new requirements for NDAA Sections 863 and 865 and the potential merging of Schedules 871 and 899.

Before a solicitation refresh, GSA will now post on Interact the first page of each mass modification, which includes a summary of any significant changes.

7. Make eBuy Transactions Visible to All Contractors on the Schedule

Response: GSA is in the process of making all eBuy Requests for Quotations (RFQ) visible to all schedule holders in eBuy. Only vendors who have been awarded the applicable Schedule and the SIN in the RFQ will be able to submit quotes.

8. Lower Maximum Order Threshold (MOT) to the Simplified Acquisition Threshold

Response: GSA acknowledges industry's concerns regarding the MOT as it relates to compliance costs and liability under the Price Reductions clause. GSA has several pricing initiatives underway that will include an opportunity for public comment regarding this clause in the coming months. GSA looks forward to further discussions with industry on these issues as GSA's pricing initiatives move forward.