Annex G.

United States: Guidance on framework agreements

Context

The US General Services Administration (GSA) provides centralised procurement for the federal government. With a budget of USD 23.9 billion, financed at 99% from services provided to federal agencies, GSA employed 11 495 full-time staff as of June 2014. GSA is composed of four main services:

- **Federal Acquisition Service (FAS)**, which provides multiple contracting vehicles, fleet management, travel and transportation management, and government-wide purchase card services to all Federal agencies and other entities of the US Government.

- **Public Building Service (PBS)**, the landlord for the civilian Federal Government. It acquires space on behalf of the Federal Government through new construction and leasing, and acts as a caretaker for Federal properties across the country.

- **Office of Government-wide Policy (OGP)**, the policy-making authority covering the areas of personal and real property, travel and transportation, information technology, regulatory information and use of Federal advisory committees.

- **Office of Citizen Services & Innovative Technologies (OCSIT)**, the nation’s focal point for data, information and services offered by the Federal Government to citizens.

FAS is responsible for implementing and managing the Multiple Award Schedules (MAS) in accordance with the Federal Acquisition Regulation (FAR). The MAS programme provides eligible ordering activities, with a simplified process for obtaining supplies and services. Schedule contracts are multiple award, indefinite delivery and indefinite quantity (IDIQ) contracts, which are awarded to responsible companies that offer commercial supplies or services at prices determined to be fair and reasonable at the GSA/base contract level. Contracts are awarded as IDIQ five-year contracts with three five-year options. GSA/FAS awards and administers these IDIQ contracts, but allows qualified users to access them as their own. Products and services are ordered directly from schedule contractors.

The MAS programme provides purchasing entities with more than 40 million commercial supplies (products) and services at volume discount pricing through 39 open and standing solicitations (including 9 managed by the Department of Veteran Affairs for medical supplies and services).
Objectives

The overarching objective of the MAS programme is to foster cost savings for US Federal contracting authorities, while ensuring compliance with procurement regulations. To this end, the MAS programme provides the following features:

- Up-to-date, FAR-compliant acquisition vehicles that help minimise risks.
- Competitive market-based pricing that leverages the buying power of the federal government, with the ability to negotiate further discounts at the order level.
- Acquisition experts available to help customers make the most of MAS.
- On-site and online training for help in using and maximising the benefits of using MAS.

Assistance and support provided by FAS directly contribute to achieving the main objective of this programme: cost savings based on volume discounts pricing and reducing red tape costs by not requiring the Federal Agency to create a stand-alone contract vehicle.

Implementation

FAS has developed comprehensive guidance in various formats that go beyond the mere operational use of the MAS programme. A revisited dedicated MAS portal was implemented in early 2011 and provides a one-stop shop for resources and assistance with using the schedules.

The portal offers a central location for contracting authorities to access all of the resources and tools available online. Improved features include video and audio training, a searchable MAS Desk Reference Guide, and access to the MAS blog and discussion forums in Interact, the FAS social media platform and online community. Regularly updated training programmes based on the core competencies of the GS-1102 Contracting Series help contracting authorities easily navigate the schedules and learn how to implement FAR compliant ordering processes.

This series of training materials target different audiences, from federal entities, state and local governments, to vendors and students. Some training activities also offer the possibility to earn continuous learning points (CLPs) that may count towards contracting certification and continuing education, which are required for continued certification. Participants learn how to effectively use the schedules programme to meet their requirements, use tools to enhance competition, achieve small business utilisation, or procure sustainable acquisitions.

The MAS portal also incorporates enhanced tools and resources for suppliers, including a revamped Vendor Support Center. The Vendor Support Center provides an entry point for both GSA schedule and government-wide acquisition contract holders to access resources designed to help them work with FAS and federal, state, and local contracting authorities.

The guides notably include sections on:

- The different objectives of the MAS programme.
- The lists of supplies and services that can be procured through MAS.
• Whether the use of MAS is the best procurement route.
• Acquisition strategies using MAS.
• Acquisition flexibilities in using MAS, such as the grouping of needs under Blanket Purchase Agreements (BPAs), and possibilities for contracting authorities to request Contractor Team Arrangements (CTAs) that enable two or more vendors to present a team approach to providing solutions, which is different from a prime contractor/subcontractor relationship.

In addition to training materials, contracting authorities and the general public have access to detailed information about the performance of MAS when entering the dedicated platform. This information provides buyers with insights into how a specific MAS is distributed across suppliers, the socio-economic distribution of suppliers, and the performance of MAS as an economic catalyst against geographical areas.

Impact and monitoring

The FAS Office of Acquisition Management, Training Division was officially established towards the end of 2015. Previously, the Office of Acquisition Management had operated a robust training programme under the auspices of the Office’s Policy Division. The creation of the separate division has resulted in a significant increase in the number of in person training activities conducted during the first quarter of 2016, which has equalled the total number of training activities (21) conducted in 2015. The Division is currently working on expanding its online and on demand offerings, with the expectation that similar increases in the number of participants will be realised in these mediums. In addition, during the Spring of 2016, the Division inaugurated the first National Trainer cohort. These individuals will receive training on the existing curriculum, as well as specialised training to address adult learning methodologies and course/curriculum development. National Trainers will, on a collateral basis, be assigned to conduct acquisition training throughout the United States, with a focus on the geographic regions within which they reside.

Challenges and risks

As a division that is developing programmes new to GSA and FAS, it is still working to develop baselines for future resource needs. The Division believes that as the programme and capacity to offer training increases, so too will the need for additional resources. However, it has intentionally chosen to pursue a path that maximises existing talent within FAS on a collateral basis. One major risk is that it could result in an increase in capacity that is disproportionate to the resources required.

Key lessons learned

The MAS programme has the potential to drive various efficiencies in terms of processing costs, simplification of the procurement process and savings, however, it is also a complex system considering the wide array of products and services available and the number of suppliers enrolled.

The move away from standardised goods and services, and the integration of more complex offerings, generates additional challenges. Audits carried out by the GSA Office of Inspector General suggest that most of the irregularities found in the processing of
orders related to less standardised purchases, notably to the procurement of complex services.

Providing detailed guidance on how procurement tools such as MAS could yield various benefits for the contracting authorities is a major step towards procurement efficiency. Not only has it helped end-users to navigate the MAS programme, it has also offered FAS the opportunity to convey key messages to a public procurement audience, and instil a culture of effectiveness and efficiency in using the MAS programme.
Please cite this chapter as:


DOI: https://doi.org/10.1787/9789264275188-15-en

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to rights@oecd.org. Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at info@copyright.com or the Centre français d'exploitation du droit de copie (CFC) at contact@cfcopies.com.