

I Got My GSA Schedule How do I Flaunt It?

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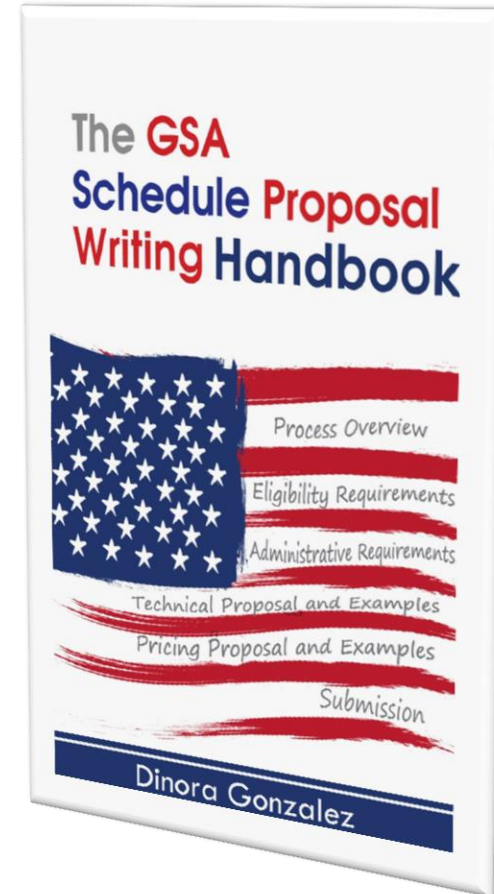
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About the Speaker

- ***Vietnam War Veteran: US Army***
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- ***Retired from GSA 2011***
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The GSA Schedule Proposal Writing Kit™



Protecting your Investment

- ✓ Know the Rules / What is expected of Me?
- ✓ Know the Players / Where can I get help?
- ✓ Use / Understand the e-Tools.

Topics of Discussion

- Do You Know the Terms and Conditions of Your GSA Schedule Contract?
- Understanding the Contract requirements.
- Using the e-tools.
- Preparing for the CAV Review (Contractors Assistance Visit).
- Implementing a Successful Compliance Program.
- Good Practices.
- Q&A.

Understanding the Terms and Conditions of Your GSA Schedule Contract

Understand the T&C of Your Contract

The Final Proposal Revision Letter establishes the following terms of your contract:

- The Basis of Award and your Most Favored Customer
- The price/discount relationship ratio between your Schedule pricing and your MFC that must be maintained throughout the term of your contract,
- FOB Shipping Terms (Origin or Destination)
- The specific EPA Clause that applies to your contract
- Government discounts (base, quantity, volume, prompt payment, etc.), and
- Delivery terms
- Industrial Funding Fee (IFF) Remittance Terms

Understanding the Contract Requirements of Your GSA Schedule Contract

Understanding Contract Requirements

- Your Price List: Clause I-FSS-600
- How Do I Know if a Sale is a MAS?
- Reporting Requirements:
 - GSA MAS Sales.
 - Electronic Payment of the Industrial Funding Fee (IFF).
- Scope of Your GSA Contract.
- Economic Price Adjustment Clause
- The Trade Agreements Act (TAA)
- Sales Clause.
- Electronic Subcontracting Reporting System.

Price List: Clause I-FSS-600

- The Contract Price List must be approved by PCO prior to SIP upload.
- It is your initial “face” to the customer.
- Must include the terms and conditions that were identified, reviewed and negotiated.
- Within 30 days of your contract award, send two copies to your GSA Procurement Contracting Officer (PCO).

How Do I Know If a Sale is a MAS Sale?

- Product or service is on your GSA contract.
- GSA contract number is stated on the purchase order or task order.
- Ordering information and terms are the same as your GSA contract.
- Customer made contact with you through GSA Advantage!® or e-Buy.
- Customer pays with the government wide commercial purchase card.

Reporting GSA MAS Sales

Ensure Pricing is Appropriate

- The prices that were negotiated should be the prices you charge your GSA customers.
- Charging GSA customers the correct pricing is paramount to the GSA Schedule's fair and reasonable pricing methodology.

Reporting GSA MAS Sales . . .cont

- Sales reports must be submitted, and fees must be remitted, quarterly.
- Quarterly sales reports and IFF remittances are due by January 30, April 30, July 30 and October 30 of each year.
- All GSA MAS contracts require sales to be reported via <https://72a.gsa.gov> .

Industrial Funding Fee (IFF)

- The IFF is a fee paid by customers to cover GSA's cost of operating the Federal Supply Schedules program.
- The fee is a percentage of reported sales under Schedules contracts.
- The contractor remits the IFF due to GSA in the quarterly reporting.

- Tracking Sales

It is important to track your GSA Contract sales because the Industrial Funding Fee you collect and remit to GSA on a quarterly basis is determined by these sales.

Reporting Requirements

Report	Due	Report To
GSA Sales (72a)	Quarterly: 30 th Day of Apr/Jul/Oct/Jan	GSA Vendor Support Center (VSC) https://72a.gsa.gov
Subcontracting (Summary)	Annually: Oct 30 th	electronic Subcontracting Reporting System (eSRS) http://www.esrs.gov
Subcontracting (Individual)	Biannually: Apr 30 th & Oct 30 th	electronic Subcontracting Reporting System (eSRS) http://www.esrs.gov
Affirmative Action (EEO-1)	Annually: Sep 30 th	EEOC http://www.eeoc.gov/eeo1survey
VETS 100	Annually: Sep 30 th	Department of Labor https://vets100.vets.dol.gov

Scope of Work Agreement

- Accepting work that is out of scope with your Schedule's terms and agreement indicates a major flaw in a company's quality control system.

Economic Price Adjustment

Based on Commercial Price List:

552.216-70 Economic Price Adjustment – FSS Multiple
Award Schedule Contracts (Sep 1999)
(Alternate I – Sep 1999)

Based on changes in Commercial Price List

Based on Market Price:

I-FSS-969 Economic Price Adjustment – FSS Multiple
Award Schedule (Jan 2002)

Negotiate fixed escalation rate

Based on market indicator

Price Reduction Clause

A price reduction is required if your firm...

- Revises commercial pricing documentation to reduce prices;
- Grants more favorable discounts or terms & conditions than those contained in your standard pricing documentation; or
- Grants special discounts to the tracking customer and the change disturbs the tracking ratio

552.238-75(c), Price Reductions (May 2004)(Alt I - May 2003)

Exceptions to the PRC

- Sales to other federal agencies;
- Sales to state or local government entities purchasing under the schedule contract and the entity is the agreed upon BOA customer;
- Sales to commercial customers under firm, fixed-price definite quantity contracts with specified delivery in excess of the maximum order threshold;
- Sales that are the result of an error in quotation or billing.

Price Reduction Clause...cont

Before Award:

Commercial Price	\$100/unit
ABC Company (MFC) Price	\$ 80/unit

**PRC Triggered
Pricing:**

Negotiated Price:

GSA Price	\$70/unit
ABC Company (BOA)	\$80/unit

**BOA: \$60
GSA: \$52.50
(\$60 / 0.875)**

Discount Ratio 0.875

(\$70 GSA Price divided by \$80 BOA price)

Trade Agreements Act (19 USC & 2501-2581)

- GSA Schedule Contracts are subject to the Trade Agreements Act (TAA), meaning all products listed on the GSA Schedule Contract be manufactured or "substantially transformed" in a "designated country".
- The designated countries are composed of:
 - World Trade Organization Government Procurement Agreement Countries.
 - Free Trade Agreement Countries.
 - Least Developed Countries.
 - Caribbean Basin Countries.

Sales Clause: I-FSS-639

- GSA has the right to drop you as a contractor if you are not meeting the contract minimum of \$25,000 in annual sales.
- If you are not meeting the sales criteria, the IOA may ask to review your marketing plan to the government. You will need to put together a one-page document on what you are doing to uncover business with the federal government.

Subcontracting Plans and the Electronic Subcontracting Reporting System

- You must report progress towards meeting the subcontracting goals in your plan via the Electronic Subcontracting Reporting System (eSRS) at www.esrs.gov.
- To file electronically:
 - Go to the Vendor Support Center at <https://vsc.gsa.gov> and click on “Contract Administration.” Select “Electronic Subcontracting Reporting System” from the dropdown box.
- Subcontracting reporting timeliness and good faith efforts are now documented in your past performance via Contractor Performance Assessment Reporting System (CPARS) at www.cpars.gov

Using the e-Tools

Vendor Support Center

The Vendor Support Center (VSC) is your main portal and source of information for all major topics involving the GSA MAS contracts. The VSC's website can be found at <https://vsc.gsa.gov>.

- A VSC representative can be reached by calling (877) 495-4849 or (703) 605-9992, or contacted via email at vendor.support@gsa.gov.

Learn to use the e-Tools

- Vendor Support Center <https://vsc.gsa.gov>
 - Sales Reporting (Form 72A)
 - Industrial Operations Analyst (IOA)
 - Administrative Contracting Officer (ACO)
- GSAELIBRARY: www.gsaelibrary.gsa.gov
- GSAAdvantage!: www.gsaadvantage.gsa.gov
- e-Buy: <https://www.ebuy.gsa.gov>

The Contractor Assistance Visit (CAV)

YES, It's an Audit!!

Purpose of Review

- ✓ To ensure that an adequate sales tracking system is in place.
- ✓ To review supporting documentation.
- ✓ To ensure that the system can accurately report all 72A Sales Data and submission of the Industrial Funding Fee (IFF) check to GSA.

Common Issues

- GSA Pricing Compliance.
- Asking for a Price Increase.
- Selling to Eligible Entities.
- Lack of understanding terms and conditions.
- Trade Agreement Act.
- Human Resources Requirements

Documents to Have on Hand

- The original MAS contract, including the Final Proposal Revision
- All approved modifications and price lists.
- Any Blanket Purchase Agreements (BPAs) awarded against your MAS contract.
- Letters-of-supply and country-of-origin information.
- Listing of all GSA-authorized dealers.
- Documented sales tracking system Standard Operating Procedures (SOP).
- GSA and non-GSA quotes/proposals, invoices and statements of work.

Who Should be Present During This Visit?

- Only the designated 72A Contact need be present during the visit.
 - Additional personnel should be present if deemed necessary to demonstrate the sales tracking system adequacy.
- May be asked to demonstrate how sales are entered into your system and how the company is tracking GSA sales and sending in the IFF checks.

What Will be Evaluated?

- Sales tracking system.
- Your knowledge of the e-Tools.
- Files Maintenance.
 - Trade Agreements Act compliance.
 - Basis of Award customer discount monitoring.
 - Environmental compliance.
- A sample of orders from your sales data (Both GSA and non-GSA orders).

What Will be Evaluated. . .cont

- The accuracy of information on your GSA e-Library Page.
Your Contracting Officer and Potential Buyers will use the information listed on your GSA e-Library page to contact you.

What Will be Evaluated? . . .cont

- Each GSA order will be reviewed to check for the following things:
- The correct GSA-approved pricing was extended to all GSA customers.
- All of the items provided under the MAS contract correspond to an approved SIN.
- All deliverables were provided within the contractually negotiated terms.

What Kinds of Questions will the IOA Ask?

- The questions will be geared toward evaluating the reliability of your tracking system.
- It is important that you are able to communicate your method of tracking 72A sales data and your company's records maintenance system to substantiate the reported data.

Frequency of Visits

- If your system is determined to be acceptable, you will not be visited again for at least one year.
- If your system has problems, they will conduct appropriate follow-up visits to verify that you have made corrections.

Implementing a Successful Compliance Program

Establishing System Controls

- Establish a system for tracking items that impact compliance (GSA Sales, BOA, Scope of Work, Trade Agreement, etc.)
 - Track applicable contracts.
 - Track resource qualifications and assignments.
 - Assign correct labor categories/rates for reporting purposes.
 - Monitor for compliance with the PRC.
 - Ensure designated task matches SIN /SOW.
 - Monitor for correct pricing.
 - Automate the IFF reporting process.

Establishing System Controls...cont

- System should prevent your sales staff from offering pricing lower than your approved GSA pricing.
- Consider having an internal warning system built into your quoting system.

Example of wording to use:

WARNING: *You are not authorized to offer a discount equal to or greater than the company's GSA approved pricing. For further questions, contact your manager.*

Establish a Feed-back Mechanism

- Set internal controls (i.e. “secret” shopper”) for ensuring the effectiveness of the compliance program.
- Conduct a Pre-Audit once a year.
- Ask your IOA for suggestions / recommendations.

Educate / Train Staff

- Educate Your Personnel About Your GSA MAS Contract
- At a minimum they:
 - need to know you have a GSA contract in place.
 - can identify an eligible government customer.
 - can provide accurate information to the customer with regard to your MAS contract.
 - can assist the customer in completing the sale appropriately.

Keeping your Contract Current

- Review your price list (products/services offered, pricing, terms and conditions) periodically.
- Submit modification requests for changes, additions, deletions, price increases, etc...
- Accept mass modifications on a timely basis.

File Management

Keep:

- all of your contract documentation on hand and readily accessible.
- files up to date and organized – preferably in ascending order.

Files should contain (at a minimum):

- the original contract, its terms and conditions.
- all modifications.
- the price lists (including those previously approved).
- all correspondence with GSA.
- Sales reports (72a confirmation).

Good Practices

Good Practices

Be familiar with your ACO; and IOA (Industrial Operations Analyst)

- ✓ Update SAM / ORCA Profile annually.
- ✓ Keep your Digital Certificate current.
- ✓ Within 30 days of Award: Upload Approved Price List. To GSA *Advantage!*
- ✓ Register for 72a Reporting.
- ✓ Register and Utilize e-Buy to search out opportunities.

Good Practices...cont

- ✓ Review GSA Advantage Page to ensure pricing is current.
- ✓ Ensure files contain only pertinent information.
- ✓ Establish a Systems Control System (Automated).
- ✓ Keep all system & registration passwords i.e., SAM, e-Buy, e-Offer, D&B, and NAICS Codes easily accessible.

Contract Modifications

- Submit modification requests to make changes.
- Accept Mass Modifications in a timely manner.

That's all folks!
It's been a pleasure serving you. . .

Contact Information



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QUESTIONS?



Wrap Up

- Please fill out our course feedback form
- Swap business cards
- Check our website: www.targetgov.com
- Become a preferred customer. No cost. Many benefits.
- Come take another class!