



U.S. General Services Administration

Department of Defense
Small Business Training Week 2018

Using Small Business Set Asides with GSA Multiple Award Schedules

Joey Phelps
General Services Administration
Federal Acquisition Service
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The Federal Acquisition Regulations

FAR Part 8 Required Sources of Supplies and Services

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What is the Last Source of Supply?

What Are GSA Schedules?

FAR SubPart 8.4 Federal Supply Schedules

GSA Mission and Priorities

GSA Mission: The mission of GSA is to deliver the best value in real estate, acquisition, and technology services to Government and the American people.

GSA Mission and Priorities

Priorities:

- Delivering Better Value and Savings
- Serving our Partners
- Expanding Opportunities for Small Businesses
- Making a More Sustainable Government
- Leading with Innovation

Expanding Opportunities for Small Businesses.

Delivering best value requires taking advantage of all resources.

GSA is a Leader in Small Business engagement

Working with businesses owned by:

Veteran, Women, Minority, and
Disadvantaged Entrepreneurs

Federal Acquisition Service

Federal Acquisition Service (FAS) provides contracting vehicles (including the Multiple Award Schedule program), fleet management, travel and transportation management, and government-wide purchase card services to Federal agencies

Federal Acquisition Service

The Federal Acquisition Service (FAS) within GSA manages the Multiple Award Schedule program. Schedules for medical services and supplies have been delegated to U.S. Department of Veterans Affairs (VA).

Multiple Award Schedules

Federal Supply Schedule (FSS) – governmentwide contract vehicle for **commercial** products, services, and solutions

- Also known as “GSA Schedules”
- GSA receives Schedule contract offers through standing solicitations posted on FedBizOpps
- GSA conducts negotiations; awards and administers Schedule contracts IAW FAR Part 12

Multiple Award Schedules Value Proposition

Realize cost savings

Up-to-date, FAR-compliant acquisition vehicles that help minimize 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 MAS

FAR Subpart 8.4—Federal Supply Schedules

Contracts awarded by GSA or the Department of Veterans Affairs (VA) for similar or comparable supplies, or services, established with more than one supplier, at varying prices.

Indefinite delivery contracts are awarded to provide supplies and services at stated prices for given periods of time.

The primary statutory authorities for the Multiple Award Schedules program are [41 U.S.C. 152\(3\)](#)

FAR Subpart 8.404

Use of Federal Supply Schedules

Parts 13, 14, 15, and 19 do not apply to orders or BPA's placed against Federal Supply Schedules contracts*.

Orders and BPAs placed against a Multiple Award Schedule, using the procedures in this subpart, are considered to be issued using full and open competition. Agencies placing orders under Federal Supply Schedule contracts using the procedures of 8.405 shall not seek competition outside of the Federal Supply Schedules or synopsise the requirement.

*see 8.405-5

Multiple Award Schedules

GSA takes on responsibility for protests issued against an agency awarding an Order or BPA using Multiple Award Schedules in accordance with FAR 8.4.

If an agency issues a Schedule order using FAR Part 15 terminology and procedures, protest review authorities, such as the Government Accountability Office (GAO) and the courts, will review the action consistent with FAR Part 15, rather than less complex FAR Subpart 8.4 procedures and may sustain a protest.

Multiple Award Schedules

Flexibility

The ability to tailor orders to get what you need by customizing terms and conditions at the order level

Alternatives such as Blanket Purchase Agreements (BPAs) and Contractor Team Arrangements (CTAs) that can replace the need for agency Indefinite Delivery/Indefinite Quantity (IDIQ) contracts

A vast selection of contractors offering expert solutions for services and products

May set aside orders for small business at Contracting Officer's discretion

Multiple Award Schedules

Small Business Jobs Act (SBJA) of 2010

Section 1331 of the legislation allows Contracting Officers, at their discretion, to set aside orders and BPAs to small business or subset of small business.

(changes to FAR part 8.405-5(a))

Effective November 2, 2011

MAS Supports Small Business Utilization Socioeconomic Preference (Non Set-Aside orders)

Consider at least one small business prior to placing an order (8.405-5(c))

Give preference to small business if you have at least two (2) quotes at the same delivered price from small business (8.405-5(d))

Encourages use of Contractor Team Arrangements (CTAs)

MAS Supports Small Business Utilization Socioeconomic Preference (Non Set-Aside orders)

No limitation on subcontracting

Ordering activity receives socioeconomic credit
(8.405-5(b))

Consider socioeconomic status as a primary
evaluation factor (8.405-5(c))

May choose small business subcontracting as an
evaluation factor

MAS Supports Small Business Utilization

If available, ordering activities should consider at least one:

Small business

Veteran-owned small business

Service disabled, veteran-owned small business

HUBZone small business

Women-owned small business

Small disadvantaged business

FAR Part 19: Small Business Programs

- Part 19 generally does not apply to Schedules orders
 - (See 8.404(a))
- FAR 8.405-5 provides policy for Schedules set-asides

FAR Part 19: Small Business Programs

19.502-4 Multiple-award contracts and small business set-asides.

Contracting officers may, at their discretion –

- (c) Set aside orders placed under multiple-award contracts for any of the small business concerns identified in FAR 19.000(a)(3)...
- For Federal Supply Schedules program orders, see FAR 8.405-5.

19.508(c) requires clauses for total and partial set-asides as well as limitations on subcontracting be added to orders under MAS.

FAR Subpart 8.405-5 – Small Business

8.405-5(a) – Preference programs of Part 19 are not mandatory.

8.405-5(a)(1) – Set-asides are **discretionary** for orders and BPAs against Multiple Award Schedules.

FAR Subpart 8.405-5 – Small Business

- **8.405-5(a)(2)** – Follow the ordering procedures at:
 - 8.405-1 – Products and services without SOW
 - 8.405-2 – Services with an SOW
 - 8.405-3 – BPAs

The specific small business program eligibility requirements identified in Part 19 apply.

FAR Subpart 8.405-5 – Small Business

- 8.405-5(b) – Orders placed against Schedule contracts may be credited toward the ordering activity's small business goals.

FAR Subpart 8.405-5 – Small Business

For purposes of reporting, an ordering agency may take credit only if the awardee meets a size standard that corresponds to the work performed

Ordering activities should rely on the small business size representations made at the Schedule contract level

Agencies do not need to make a separate size determination at the order level, however...

- GAO has upheld agencies' right to request a recertification at the order level (CMS Information Services Inc., B-290541, Aug. 7, 2002)

Nonmanufacturer (NMR) Rule

On a supply contract, a firm must perform at least 50% of the cost of manufacturing the supplies (not including the cost of materials).

The NMR provides that...

a firm that is not a manufacturer may qualify as a small business on a supply contract that has been set aside for small business if it supplies the product of a domestic small business manufacturer.

For additional information: www.sba.gov/content/non-manufacturer-waivers

Nonmanufacturer (NMR) Rule

As the Contracting Officer applying the Nonmanufacturer Rule to your acquisition strategy, there are some things to remember:

- The NMR does not apply to service contracts.

- The NAICS code and size standard will flow down from the Schedule contract

- SBA may grant waivers to the NMR in industries where there are no small business manufacturers

- Nonmanufacturer waivers are not granted for HUBZone procurements.

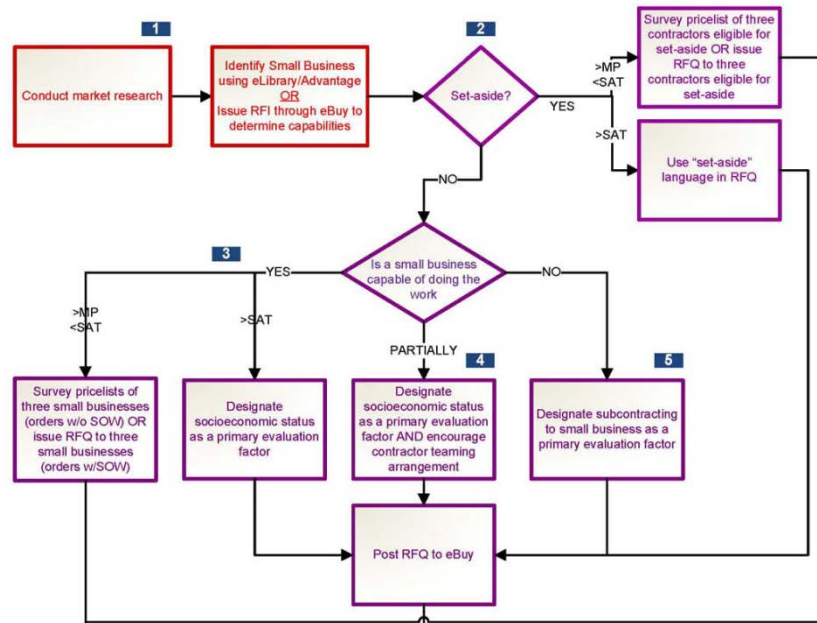
- Nonmanufacturer waivers cannot be granted after quotes on a solicitation have been received

RFQ Language

The Contracting Officer should include the following language in the RFQ:

This is a notice that this [insert either “order” or “Blanket Purchase Agreement”] is a total set-aside for [insert either “small business concerns” or specify a type of small business concern]. Only quotes submitted by [insert either “small business concerns” or specify a type of small business concern] will be accepted by the Government. Any quote that is submitted by a contractor that is not [insert either “a small business concern” or specify a type of small business concern] will not be considered for award.

Small Business Utilization in Schedule Ordering Process



References

Schedules website: www.gsa.gov/schedules

https://www.gsa.gov/cdnstatic/Final_MAS_Advanced_Student_Guide_2017_05_17.pdf

Questions?

Joey Phelps
Customer Service Director
GSA Federal Acquisition Service

Joey.Phelps@GSA.GOV

