

# Acquisition Advisory Panel

Interagency Contracting

June 14, 2005

# GovWorks

Intragovernmental Revolving Fund

Acquisition Management Center

Business-like Operation

Complies with Procurement Laws

Complies with Regulations

Improving Operations and Service

# Interagency Contracting

How a Franchise Fund can Help:

- Surge Capability
- Supplementing a Shrinking Workforce
- Experience for a Growing Demand
- Advisors on Acquisition Planning

# Interagency Contracting

What's Needed:

- Guidelines on Interagency Contracting
- Interagency “Sarbanes-Oxley” Reporting
- Balancing Quality, Customer Service,  
Training, and Cost

# Interagency Contracting

## Scorecard:

- Compliance
- Training, Education and Ethics
- Cost of Operations
- Service

# Interagency Contracting

Perform Acquisition Planning

Solicit and Evaluate Proposals

Execute Contract

Manage and Defend if Protested

Administer Contract, Appoint COTR

Manage and Resolve if Disputed

Review and Pay Contract Bills

Closeout Contract

# Interagency Contracting

Using FSS and GWAC Contracts

Buying Commercial and Non-  
Commercial Items and Services

Construction Services

Using Open Market

Using Performance-based Contracts

Using Best Practices

Meeting Socio-Economic Goals

# Interagency Contracting

Use Agency Technical Team to  
Perform Evaluations

Use Oral Presentations

Evaluate Past Performance

Evaluate Price or Cost Using IGCE

Perform Best Value Determinations

# Interagency Contracting

Training and Skill Improvements Needed:  
Proper Application of Performance-based  
Contracting

Preparing for and Negotiating Performance-  
based Contracts—Experience-Based

Administering Performance-based Contracts

Understanding Industry Practices and  
Educating Industry

Project Management for Contracting Officers

# Interagency Contracting

What would help the Contracting Officer:

Greater Awareness of GSA Schedules'

Scope and Contract Terms and Conditions

Better Scope Determination Process

Clear Procedures for Using the Schedules  
and Commercial Practices

# Interagency Contracting

Review of GovWorks  
Client and Vendor Base  
and  
Performance Metrics

# Interagency Contracting

## Clients Using GovWorks in FY 2005:

- DoD—60% ??
- Civilian Agencies—40% ?
- Interior Department—10% ??

## Businesses Receiving Contracts in FY 2005:

- Large—52% of \$ and 46% of Awards
- Small—48% of \$ and 54% of Awards

# Interagency Contracting

## Competition:

2003—92% of \$ and 85% of Awards

2004—85% of \$ and 80% of Awards

2005—84 of \$ and 82% of Awards

## GSA Schedules:

2003—2005 60% to 70% of Awards

# Interagency Contracting

## Contract Pricing:

- Fixed Price—50% of \$ and 74% of Awards
- T&M/Labor Hour—40% of \$ and 23% of Awards
- Cost—6% of \$ and 1% of Awards
- Other—4% of \$ and 3% of Awards  
(Indefinite Delivery)

# Interagency Contracting

GovWorks Authority and  
Reviews of the  
Interior Franchise Fund

# Franchise Fund

Government Management Reform Act

Interior Franchise Fund

OMB's 12 Business-like Operating Principles

# Interagency Contracting

Administrative Services

Voluntary Participation

Self-sustaining Activity

Dynamic Workforce

Adjustments

Performance Measures

# Interagency Contracting

Creating a Workforce That Is:

- Trained and Knowledgeable
- Skilled on a Variety Acquisitions
- Skilled Business Advisors
- Managing the Full Life Cycle of the Acquisition Process

# Interagency Contracting

Operations Closely Scrutinized by Auditors:

- Four GAO Reviews
- Two IG Reviews
- Improving Operations Using Reviews

Frequent Briefings For OMB, OFPP,  
Procurement Roundtable, and Congress

# Interagency Contracting

Written Agreement With Customer

Follow Bona Fide Need Rule

Manage Funds

Fee Covers Estimated Costs Of Providing  
Acquisition Management Services

# Interagency Contracting

## Reviews by GAO:

1. Contract Management of Governmentwide Fee Agencies—No Adverse Findings
2. Franchise Fund Review of Two Agencies—Implemented Recommendations
3. Armed Services Committee Review of Franchise Funds Supporting DoD—Draft Report Due Soon on Competition and Monitoring Contractor Performance
4. Intragovernmental Revolving Fund Activities—Just Starting One Year Review

# Interagency Contracting

Not Unique—58 Revolving Funds  
May Retain Funds Until Spent  
Overall Doing a Good Job  
Not Sheltered or Subsidized  
Good Accounting Team Support  
Consistent, Definable Processes  
Using Cost Data to Manage

# Interagency Contracting

## IG Review:

- FY 2005 Transactions
- Awards by Type of Action and Scope of GSA Schedule Used

## Review Results Pending:

- Document Reasons for Selecting GSA Schedule
- Document Scope Review