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The Gormley Group 1990 M Street, NW Suite 480 Washington, DC 20036 www.gormgroup.com info@gormgroup.com



Domain Expertise

GSA unveils the ultimate design guide

Since the General Services Administration launched Challenge.gov in 2010, the agency has recorded 742 innovation challenges hosted by federal agencies, offices and departments. Now, Challenge.gov is releasing a Challenges and Prizes Toolkit that offers federal agencies — and city and state leaders — the ultimate guide for hosting competitions of their own.

Published by the White House and GSA, the guide delivers a walkthrough of the types of challenges and the tactics to host them. The toolkit is meant to standardize best practices learned from the many challenges held in recent years, according to DigitalGov, a GSA innovation and collaboration outfit

The guide contains a taxonomy of challenge types, categories that competition designers might refer to after they've identified a challenge's targeted outcomes.

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Federal Marketplace Matters

Will Trump Bring Back Outsourcing and A-76?

President-elect Donald Trump's recent choice for budget director had been in Congress only six months in 2011 when he waded into the perennially divisive debate over what tasks on the government agenda can be performed by outside contractors.

"I have been approached by several small businesses that have had their work 'insourced'," said Rep. Mick Mulvaney, R-S.C., swept into office during the Tea Party wave of 2010. "Government agencies are cancelling contracts with private-sector businesses, taking the work in-house, and often even hiring away the private businesses' employees. By doing that, the Obama administration is growing government, hurting small business and costing taxpayers money."

Mulvaney avowed then that a key way to reduce the "skyrocketing" national debt would be "outsourcing nongovernmental functions to the private sector."

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3 changes to federal acquisition agencies, industry should know about

While there may be a lot of concern about "midnight regulations" coming from the White House over the last month of President Barack Obama's term, there is no concern about the steady updates of acquisition regulations.

The Federal Acquisition Regulatory Council and the 2017 National Defense Authorization Act are providing a constant stream of changes federal agencies and industry alike need to know about.

Here are three recent changes the federal community needs to know about:

One definition for veterans

Congress finally brought the hammer down on the Small Business Administration and the Veterans Affairs Department about the confusing and differing definitions of a service disabled veteran-owned small business.

Prompt payment rule

Six years after the passage of the Small Business Jobs Act of 2010, the FAR Council finalized a rule requiring prime contractors to notify agencies in writing if they pay a reduced price to a small business subcontractor or if payment is more than 90 days overdue.

The FAR Council's rule takes effect on Jan. 19.

New training requirements

It's a little hard to believe it took more than five years to finalize a FAR policy requiring industry to provide employees who handle sensitive or personal data with privacy training. But it did, as the FAR Council finalized a <u>rule</u> on Dec. 20 doing just that. It issued the <u>proposed rule</u> in July 2011.

The council <u>reported</u> in January 2013 it expected to finalize this rule by April of the same year.

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2017 NDAA Creates Pilot Program for Subcontractors to Receive Past Performance Ratings -

The 2017 National Defense Authorization
Act gives certain small subcontractors a new tool to request past performance ratings from the government,

If the pilot program works as intended, it may ultimately improve those subcontractors' competitiveness for prime contract bids, for which a documented history of past performance is often critical.

For small contractors looking to break into the federal marketplace, a lack of past performance ratings can be a major problem. Without government past performance ratings, it can be difficult to prevail in a "best value" competition. FAR 15.305 provides that the government can consider past projects performed for non-governmental entities, and the same FAR section states than an offeror without a record of relevant past performance should receive a "neutral" rating. But ask most contractors, and they'll tell you that their perception—for better or for worse—is that an offeror without government past performance references can be at a significant competitive disadvantage.

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President's signature reinstates GAO protest authority

President Obama has signed into law HR 5995, which reinstates the Government Accountability Office's jurisdiction over protests of civilian task orders.

The GAO jurisdiction had expired at the end of fiscal 2016. The new law makes the GAO authority permanent.

During the two and half months since the authority expired, companies could not protest most civilian task orders. There was a little bit of a gray area involving whether there could be a protest of a task order if a defense buyer was using a civilian contract.

Several protests were filed involving this scenario, but GAO eventually ruled that it didn't have jurisdiction and dismissed those protests.

The law, known as the "GAO Civilian Task and Delivery Order Protest Authority Act of 2016," is not retroactive to Sept. 30 and has no provisions for task orders awarded since Sept. 30 to be protested now.

With the president's signature, civilian task order contracts are on the same footing as defense contracts. GAO now has permanent protest jurisdiction over both.

<u>Source</u>



GAO: Bid Protest Cases Rose 6% in Fiscal Year 2016

A Government Accountability Office <u>report</u> shows that the total number of protests filed with the agency to challenge federal contract awards reached 2,789 in fiscal year 2016, a figure that represents a 6 percent increase over the 2,639 recorded in the previous fiscal year.

GAO said in a letter to congressional committees published Thursday that contractors filed 2,621 bid protests, 88 reconsideration requests and 80 cost claims in FY 2016.

<u>Source</u>

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Air Force Seeks Potential Voice **Comm System Sources**

The U.S. Air Force has begun to search for potential sources of a voice communication system for the military branch's test center at Edwards AF Base in California. The service branch seeks to replace Edwards AFB's Federated Edwards Digital Switch with a voice over internet protocol system, according to a FedBizOpps notice posted Wednesday.

A selected contractor will acquire, test, integrate and install a replacement voice communication technology that will aid real-time flight test operations.

The Air Force also wants a partner that can maximize the use of commercial off-theshelf equipment; minimize development engineering; and deliver a system for integration into the 412th Range Squadron's Next Generation Data Acquisition and Transport System IP architecture. The contractor would also streamline system architecture; deliver a system that could accommodate commonality between partnered test ranges; and provide a mission voice system that will meet flight test communication needs through the next 20 years. Responses can be submitted until January 27, 2017.

GAO: Contractor (Not Agency) Responsible for Alleged **Technical Glitch**

Bid protests concerning proposal interpretation present an uphill battle for federal contractors. Both the Government Accountability Office and the Court of Federal Claims take the expansive view that the contractor is responsible for the content of its proposal — and that it is not the agency's role to play detective or dig through a proposal to piece together responsive information.

For example, a few months ago, we looked a case where the protester's proposal was rejected for failing to include certain required technical details. The protester, however, argued that the details were included – just not in the section of the proposal specified by the RFP. The GAO rejected the argument, finding that it is unreasonable to expect the agency to hunt for important details.

Today, we're looking at a similar case, but with an important twist. An RFP from the Department of Homeland Security directed offerors to submit sample past performance projects detailing their technical capabilities in a number of areas. In response, one offeror mistakenly submitted a duplicate project, resulting in a failure to submit a relevant project in each area required by the RFP. The agency assigned a material deficiency to the proposal and it was not selected for the award.

As part of its protest, the contractor argued that at least some of the blame for the duplicate submission lies with the agency's website. However, absent proof of a technical glitch on the part of the agency, the GAO rejected the argument.

In denying the protest, the GAO included some telling commentary that should serve as a warning for contractors submitting proposals electronically. For example, GAO noted that the agency specifically warned contractors that heavy website traffic close to the due date for proposals could cause server lag time - so contractors should not wait until the last minute the submit. GAO also anecdotally noted that the protestor was the only contractor – out of over 150 offerors – to encounter an alleged website problem that materially affected a proposal.

Source

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With Sequestration Looming, GAO Suggests How Agencies Can Do More With Less

Federal auditors are offering some pointers on how agencies can better handle severe budget cuts, examining where some offices succeeded and failed during the forced reductions during sequestration.

The Labor Department's Employment and Training Administration, the Homeland Security Department's Federal Law Enforcement Training Center and the Environmental Protection Agency all experienced budget cuts of at least 9 percent between fiscal years 2010 and 2015, according to the Government Accountability Office. The impact of the 2011 Budget Control Act -- which in 2013 led to a sequester -- was heightened by incessant continuing resolutions and near constant shutdown threats, GAO said, and in some cases, by a significant increase in the agencies' workloads. The auditors found three main strategies that helped, or would have helped, the agencies better handle and adjust to the spending decreases.

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Educational

What is the government buying?

The federal government purchases nearly \$500 billion in goods and services each year, and policymakers and administrators are looking for ways to improve procurement to generate value for taxpayers. By establishing more effective sourcing strategies, agencies can save money and utilize their budgets to further fund desperately needed maintenance and modernization projects.

To create this lasting efficacy in public sector acquisition, the federal government must first understand *what* it is buying. Truly understanding *what* the government buys is the foundation for all important purchasing decisions: what to buy in the future, how to buy it and whether to buy it at all.

The federal government maintains a database of every contract action above the micro-purchase threshold (\$3,500), which totals more than 4 million line items every year. Despite this expansive data set, the government does not capture meaningful visibility into what agencies are actually buying.

This database contains a procurement classification field, called the Product Service Code (PSC). Unfortunately, PSCs are often inadequate to understand what is purchased. The federal government must find ways to use PSCs more effectively today, and, in the long term, must rethink the classification schema to get the most out of procurement data.

Product and Service Code (PSC) Classification

In the 1970s, the federal government developed the PSC classification, recognizing the importance of understanding and tracking the billions of dollars spent on goods and services each year. Reported within a centralized database called the Federal Procurement Data System (FPDS), PSCs categorize purchases using a series of more than 5,500 four-digit codes.

About every five years, the federal government revisits these codes, but the codes have not undergone a full restructuring since their introduction. This lack of a full overhaul has resulted in inadequacies, limiting the government's visibility into public procurement and masking insights that could save billions of dollars.

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Upcoming Events

FedRAMP Business Cases are due December 30th! For more information

Watch out for GSA Events in 2017:

MARCH 7-8, 2017 IFMIPS (51V, 03FAC) Industry Day Event May 2017 the GSA Federal Acquisition Training Symposium penciled in for in Huntsville, Alabama, and

June 2017 the Professional Services Industry Day in Tacoma, Washington.



April 13 2017 B2G Conference & Expo Joint Base Langley / Eustice More Info



CONTACT

The Gormley Group 1990 M Street, NW Suite 480 Washington, DC 20036 www.gormgroup.com info@gormgroup.com

Compliance

ThunderCat Agrees to Civil Settlement for Bid-**Rigging and Kickback Schemes**

Alexandria, Va. – ThunderCat Technology, LLC, located in Reston, has agreed to pay \$1 million to settle civil False Claims Act, Anti-Kickback Act, and Procurement Integrity Act claims relating to bid rigging and kickback schemes in connection with six government procurements.

The settlement resolves civil claims against ThunderCat relating to the criminal pleas entered by ThunderCat principal, co-owner, and general manager, Edwin Keith McMeans, and ThunderCat sales representative, Anthony Bilby. From September 2008 to February 2012, ThunderCat solicited or submitted inflated third party bids or "loser bids" during competitions for five government contracts and/or purchase orders awarded by the Department of Homeland Security (DHS) on behalf of the U.S. Customs and Border Protection (CBP) and U.S. Citizenship and Immigration Services and one government contract awarded by the General Services Administration (GSA). In connection with one CBP contract, ThunderCat agreed to pay CPB employees 10 percent of ThunderCat's profits on the contract in exchange for procurement sensitive independent government cost estimates prior to ThunderCat's submission of its proposal.

The resolutions obtained in this matter were the result of a coordinated effort between the Civil and Criminal Divisions of the U.S. Attorney's Office for the Eastern District of Virginia, and the Offices of Inspector General for DHS and GSA.

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