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Domain Expertise

GSA readies single sign-on platform

The General Services Administration is moving ahead with its **Login.gov** project that creates a single sign-on platform for access to federal government services.

The "shared authentication platform" gives individuals personal accounts for accessing government services from participating agencies and gives those agencies the option of using the authentication platform as a shared service, rather than building or contracting for their own sign-on technology.

GSA published a **revised systems of records** notice for the Login.gov system on Jan. 19. The agency is accepting comments on the plan through Feb. 21 before the notice takes effect and the system can go live.

Run by GSA's 18F innovation group, Login.gov represents the culmination of efforts across federal agencies throughout the Obama administration.

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Federal Marketplace Matters

Last Minute Executive Order on Security Clearances

On January 17th, President Barack Obama signed an executive order which amends the governance structure and processes for issuing federal security clearances, and suitability and fitness status for employment. According to the order, the Office of Personnel Management (OPM) will be in charge of setting standards for determining whether a person is suitable for federal employment, but agency heads retain the discretion to set criteria for contractors.

The order outlines more of OPM's responsibilities in this process:

- Open competitive examinations that fairly test a candidate's "relative capacity and fitness" to be in the competitive service.
- Standards for citizenship, age, education, training, experience, physical and mental fitness and other requirements.
- Suitability standards "based on character and conduct for appointment to a position in the competitive service,"
- Minimum standards of fitness.

Executive Order

GSA to rebrand Special Item Number for identity, data breach protection

The General Services Administration has decided to streamline the way it provides identity protection services, rebranding a special item number (SIN) to focus on mitigation and data breach detection on the Professional Services Schedule.

In a Jan. 19 request for information, GSA's Office of Professional Services and Human Capital Categories announced its intention to change SIN 520-20's focus from that of its current role of Comprehensive Protection Solutions — which provides customized products for credit monitoring services, risk assessment and mitigation services, independent risk analysis and data breach analysis — to one that focuses on identity protection and data breach response.

This redefined SIN will require industry to have the ability to provide an integrated total solution of services that include identity monitoring, identity theft insurance, safeguarding and restoration services, breach mitigation and forensic services," the RFI said. "If this SIN is awarded, firms will then have the ability to offer all or part of the services listed."

GSA is looking for industry comment on the impact of rebranding 520-20 and modifying the language of SIN 520-16, which provides Business Information Services and 520-17, which provides Risk Mitigation Services.

Under the new SIN, companies seeking to provide any identity protection services will first have to meet the requirements of 520-20.

The rebranded SIN will include a firm-fixed-price per impacted individual, per month for all services covered under 520-20 — barring any changes at the task order level.

GSA would also encourage contractors to provide line-item pricing for individual services that could be ordered independently under the SIN in the event of a breach.

Industry stakeholders have until 5 p.m. on Feb. 21 to offer input on the proposed changes to 520-20, its pricing structure and the effect on current contracts.

Source

Federal Marketplace Matters

US Pushes Cybersecurity Acquisition Tools as Contracts Flow

Vendors of cybersecurity offerings are finding that the U.S. government is serious about improving the protection of federal IT assets. A steady stream of data protection contracts has been flowing to providers, including some notable high-value transactions during the last half of 2016.

One example is a **Department of Homeland Security** contract, with a potential value of US$395 million, for various cybersecurity protection services designed to prevent, detect, contain and eradicate cyberthreats. While DHS went through the process of selecting a vendor last year, a final award is pending due to a legal challenge. Still, the magnitude of the DHS project indicates the significant level of potential federal investments in cybersecurity.

Federal contracting is never easy, of course, and the providers who have received cybersecurity contracts have had to meet all the requirements of doing business with the government. While those requirements remain in force, federal agencies, especially the General Services Administration, are trying to improve the processing of cyberprotection acquisitions through expansions or enhancements to various federal procurement vehicles.

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Acquisition gateway expands in 2016

One of the General Services Administration's keystones for its category management strategy, the acquisition gateway, has expanded its IT resources and access in the past year, according to its manager.

The GSA's acquisition gateway has seen 10,000 users since its launch two years ago, according to Mary Davie, assistant commissioner for Office of Information Technology Category in GSA's Federal Acquisition Service. It features six IT "hallways" that house information such as prices-paid data, best practices, decision support tools and templates for the common use of agency contracting officers, she said.

When the acquisition gateway launched in October 2014, the IT hardware and IT software categories were two of the three hallways. Currently, 19 hallways are aligned with 10 common federal government nondefense spend categories, Davie wrote in a **Jan. 11 blog** post.

The IT category, she said, now has six of the 19 hallways, including the old IT hardware and IT software hallways, as well as IT security, IT outsourcing, IT consulting, and telecommunications.

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GSA adds two acquisition execs for IT services

Mary Davie Assistant Commissioner of The Office of Information Technology Category last week announced the selection of Keith Nakasone as deputy assistant commissioner for acquisition and Jose Arrieta as director of the Office of IT Schedule Contract Operations.

Nakasone will oversee all acquisition vehicles — including Enterprise Infrastructure Solutions (EIS), Governmentwide Acquisition Contracts (GWACs) and others — while managing ITC's strategy and acquisition workforce training.

Arrieta will oversee ITC's $15 billion IT Schedule 70 program, which includes contract vehicles for cybersecurity and health IT procurement.

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GAO reports billions in savings linked to oversight efforts

In its end of the year **summary**, the Government Accountability Office reported billions of dollars in federal financial benefits and progress in addressing its management challenges.

GAO, the investigative arm of Congress, touted its return on investment in its report. For fiscal year 2016, GAO documented $63.4 billion in financial benefits from its work. This amounts to "a return of about $112 for every dollar invested in us," the watchdog agency said. GAO's FY2016 budget was $555.3 million.

The three greatest areas of savings were the reduction of improper payments in the Medicare Advantage Program, procurement cost reduction by the Department of Veterans Affairs and improving cost estimates for the Department of Defense's Bulk Fuel Operation and Maintenance budget.

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LPTA Contracts for Services

The General Services Administration may have just put the first nail in the coffin that eventually will bury the widespread use of lowest-price, technically acceptable (LPTA) contracts for services.

The Government Accountability Office's decision to deny four protests of GSA's Alliant 2 contracts for IT services could end up being a landmark ruling that is that first nail.

The weight of this GAO's ruling isn't lost on GSA either.

"This decision changes the paradigm of how the government has traditionally conducted price/cost analysis. It provides the precedent for innovation across the government during the source selection process," said John Cavadias, the senior contracting officer for GSA's Alliant 2 GWAC Procurement Contracting Office. "This could also result in a significant time savings (shorter procurement lead times), as it already has with programs in GSA."

Eric Crusius, an attorney with Miles & Stockbridge, said GAO's decision also now gives agencies the latitude to design a source selection process that they believe is most advantageous.

"Even though it is not provided for explicitly in the Federal Acquisition Regulations, GAO has given agencies permission to downplay price as an evaluation factor only ensuring the proposed pricing is fair and reasonable," Crusius said. "Because GSA went with a 'highest technically rated with fair and reasonable price' evaluation scheme, the prices the government pays could be higher and awards could favor incumbents with experience. This is a pendulum swing in the other direction from the **much-maligned LPTA** source selection scheme."

These also were the last four protests stopping Alliant 2 from heading into the home stretch. The 10-year, $50 billion unrestricted and $15 billion small business versions of the multiple-award governmentwide acquisition vehicle can now **move closer** to award of up to 60 vendors.

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Federal Marketplace Matters

Obama codifies PIF program on last morning in office

On the last morning of his presidency, Barack Obama signed a bill that enshrines the Presidential Innovation Fellows program into law, putting a stamp on his legacy of supporting innovation in government technology.

The PIF program, founded in 2012 and managed by the General Services Administration, is one of Obama's hallmark tech initiatives, and in many ways it is the progenitor of the innovation group 18F and the U.S. Digital Service. Its purpose is to attract tech entrepreneurs from the private sector for year-long stints in government to tackle IT challenges.

Since its launch, the program has brought in more than 110 fellows who have partnered with 33 agencies technology projects such as the Cancer Moonshot initiative and Code.gov.

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Educational

Awareness Training

The Department of Homeland Security has issued a proposed rule that would add language to the Homeland Security Acquisition Regulation that would standardize information technology security awareness training and DHS Rules of Behavior requirements for contractor and subcontractor employees who access DHS information systems and information resources or contractor-owned and/or operated information systems and information resources capable of collecting, processing, storing or transmitting controlled unclassified information (CUI). DHS is proposing to include IT security awareness training and RoB requirements in the HSAR and make the training and RoB more easily accessible by hosting them on a public website. This approach ensures all applicable DHS contractors and subcontractors are subject to the same IT security awareness training and RoB requirements while removing the need for government intervention to provide access to the IT security awareness training and RoB. Comments on the proposed rule are due by March 20, 2017.

Source

State of Federal IT by the Numbers

43 — The percentage of the more than 4,300 IT projects in 780 major IT investments costing $81.5 billion across the government listed on the Federal IT Dashboard as of September 2016 that were listed as over budget or behind schedule.

80,000 — The number of federal employees who hold the employment classification of "Information Technology Management." "With the number of retirement-eligible federal employees increasing every day, new talent must be hired into the government in order to handle constantly evolving tools and technologies," the report stated.

80 — The percentage of key performance indicators (KPIs) that do not appear more than once in agency PortfolioStat reviews. The report stated that this disconnection "has likely impacted the ability of agencies and OMB to benchmark progress in certain policy areas."

And More

Upcoming Events

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 6, 2017 the Professional Services Industry Day in Tacoma, Washington.   *See more information*

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

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Compliance

ITVAR Nonmanufacturer Subject To 150-Employee Size Standard, Court Says –

An offeror submitting a proposal under a solicitation designated with the Information Technology Value Added Resellers exception to NAICS code 541519 must qualify as a small business under a 150-employee size standard–even if the offeror is a nonmanufacturer.

In a recent decision, the U.S. Court of Federal Claims held that an ITVAR nonmanufacturer cannot qualify as small based solely on the ordinary 500-employee size standard under the nonmanufacturer rule, but instead must also qualify as small under the much smaller size standard associated with the ITVAR NAICS code exception.

By way of background, NAICS code 541519 (Other Computer Related Services) ordinarily carries an associated $27.5 million size standard. However, the SBA's regulations and **size standards table** state that an ITVAR procurement is an exception to the typical size standard.   An ITVAR acquisition is one for a "total solution to information technology" including "multi-vendor hardware and software, along with significant value added services." When a Contracting Officer classifies a solicitation with the ITVAR exception, a 150-employee size standard applies.

ITVAR acquisitions, like others under NAICS code 541419, were long deemed to be service contracts; the nonmanufacturer rule did not apply. But in a recent change to **13 C.F.R. 121.406,** the SBA specified that the nonmanufacturer rule applies to the supply component of an ITVAR contract.

When is a nonmanufacturer small? The SBA's rules are not entirely clear. **13 C.F.R. 121.402(b)(2)** states that a company that "furnishes a product it did not itself manufacture or produce . . . is categorized as a nonmanufacturer and deemed small if it has 500 or fewer employees" and meets the other requirements of the nonmanufacturer rule. But 13 C.F.R. 121.402(a) also states that an offeror "must not exceed the size standard for the NAICS code specified in the solicitation."

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