

Overview

- Contract Administration
- Maintaining Compliance
- Mandatory Contractor Assistance Visits (CAVs)
- Preparing for GSA Office of Inspector General (OIG) Audits

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Objectives

- By the end of this workshop, participants will be able to:
 - Discuss considerations and steps for administering their contract and maintaining contract compliance

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General Compliance Requirements

- Ethics
- Whistleblower
- EEOC
- Affirmative Action
- Small Business Subcontracting
- Records Retention

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Personal Services

- Contractor must not provide services as though they were federal employees
- The government must not interfere in contractor's business
- Personal services allowed only through special legislation

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Security Issues in Service Contracting

- Contractor employees working under service contracts on federal property are subject to background investigations as a pre-condition of access to federal buildings and property
- In many cases, contractor employees must obtain an HSPD-12 badge
- Not passing the background check could cause potential delays and problems in performance
- Contractors should also check e-Verify system
 - Compares I-9 data to Social Security and DHS records

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IDIQ Compliance Requirements*

- Walsh Healey
- Service Contract Act
- Cost Accounting Standards
- Truth in Negotiations
- Davis Bacon
- The Brooks Act
- The Miller Act

* As applicable, depending on type of contract

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Architecture & Engineering Laws

- Design services are competed using a qualifications-based selection process under the Brooks Act (Public Law 92-582, as amended) and Federal Acquisition Regulation (FAR part 36.6)
- The Brooks Act requires that the government select architecture and engineering firms based upon their competency, qualifications, and experience rather than price

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PBS Only

Labor Laws

- FAR requires federal contractors to comply with numerous labor laws
- Among the most prominent:
 - Davis-Bacon Act (construction)
 - Equal Employment Opportunity
 - Affirmative Action
 - Service Contract Act (services)
 - Contract Work Hours Safety Standards Act




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MAS/ FSS

FSS/MAS Compliance Requirements

- Basis of Award
- Commercial Sales Practices
- Price Reduction Clause
- Trade Agreements Act
- Travel Per Diem
- Commercial Off the Shelf


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Contract modifications initiated by GSA

- Issued when there is uniform change across an entire schedule
- Referred to as mass modifications “mass mods”
- Can be accepted online through eMod
- Can be mandatory or voluntary
 - Schedule refresh (mandatory)
 - Disaster recovery (voluntary)

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Contract Modifications Initiated by Contractor

- Necessary to maintain an up-to-date contract
- Administrative revisions – POC, address, etc.
- Product and labor category additions/deletions
- Addition/deletion of special item numbers (SINs), products or services
- Economic price adjustments (EPAs)
- Contract novations

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eMod

- A web-based application to electronically prepare and submit contract modifications
- eMod requirements:
 - Digital certificate
 - DUNS number
 - GSA contract number
 - Digital certificate
 - Must be an authorized negotiator

<http://eoffer.gsa.gov/>

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eMod Process

- Authentication
 - Sign in through eOffer webpage
 - Application will check for digital authentication certificate
- Completing the modification request
 - Choose modification type
 - Complete required information
 - Add supporting documents (i.e., D&B report, pricelist)
- Submitting the modification request
- Negotiation
- Award contract
 - Notification via email of mod package
 - Sign-in to eMod to electronically sign documents
 - Notification via email that mod documents available for download

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Participation on GSA Advantage!

- Mandatory for both products and services
- Must be completed within 6 months of contract award



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Reporting Requirements

What	When	Where
GSA Sales (Reporting 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) www.esrs.gov
Subcontracting – Individual	Biannually – Apr 30 th and Oct 30 th	eSRS www.esrs.gov
Affirmative Action (EEO-1)	Annually – Sep 30 th	EEOC www.eeoc.gov/eeo1survey
VETS 100	Annually – Sep 30 th	Department of Labor www.dol.gov/vets

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Industrial Funding Fee (IFF)

- GSA sales (72a Reporting) must be reported quarterly and appropriate IFF must be remitted
- Contractors must complete 72a Reporting, even if no sales were made through the contract
- Reports and IFF must be submitted within 30 days of the end of the applicable reporting quarter based on the government fiscal year
- GSA does not define when an order becomes a sale
- Acceptable points include:
 - Receipt of order
 - Shipment or delivery
 - Issuance of an invoice
 - Payment



Maintaining Compliance

- Minimum sales requirements
 - \$25k during first two years
 - \$25k each following year
- Offerings within scope of contract



Employee Qualifications Compliance SERVICES ONLY

- Employees performing GSA Schedule work must meet qualifications set in labor category descriptions
 - Years of experience
 - Schooling
 - Certifications
- Qualifications may exceed those set in labor category descriptions


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Trade Agreements Act Compliance

- All products must be manufactured or “substantially transformed” in a TAA-designated country
- General rule of thumb for “substantial transformation”:
 - Pieces are transformed into essentially a new product
- Not substantially transformed:
 - Laptop manufactured in China, software then added in the U.S.
- Substantially transformed
 - Laptop components manufactured in China, laptop assembled in U.S.
- Foreign Corporations


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Pricing Policies and Basis of Award

- Pricing and discounting policies
 - Changes in commercial sales practices can significantly impact GSA contracts
 - Pricing and discounting policies should be established for both government and commercial sales teams
- Basis of award (BOA)
 - The customer or customer class that most resembles the purchasing habits of the federal government upon which GSA pricing was negotiated
 - Vendor's responsibility to track the BOA offer over the life of the contract
 - Change in pricing offered to BOA triggers the Price Reductions Clause which requires a change in GSA contract pricing

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Price Reductions Clause

- Price Reductions Clause triggered by:
 - Revision of commercial catalog, price list, or Schedule
 - Granting more favorable discounts or terms and conditions than those contained in the commercial catalog, price list, or Schedule
 - Granting special discounts to the customer (or category of customers) that formed the Basis of Award if the change disturbs the price/discount relationship of the government to the customer (or category of customers) that was the Basis of Award

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Records Retention Clause

- Keep the following for up to 3 years after the final payment of any order placed through your GSA contract
 - Original proposal
 - Responses to information requests and clarifications
 - Final proposal revision
 - Signed award documentation
 - Printouts of accepted mass modifications
- Documentation of contract modifications
- Task order RFPs and proposals
- Task order awards to include the statement of work
- Task order invoices
- Task order personnel qualifications (degrees and years of experience)
- All sales records – GSA and non-GSA based on the Basis of Award



Mandatory Contractor Assistance Visits (CAVs)


- AKA Administrative Compliance Visits or IOA Visits
- Conducted by Industrial Operations Analyst (IOA)
- Occur from twice during a five-year period to annually
- Ensures proper administration of GSA contracts and compliance with:
 - T's and C's of your contract
 - Scope of contract
 - TAA and employee qualifications



CAV Check Includes...

- Sample task orders and invoices
- System for tracking and reporting GSA Sales
- Usage of current, approved pricelist
- GSA *Advantage!* up-to-date
- Sales reported match IFF, IFF remitted on time
- Proactive in updating contract
- Dealers (if any) listed and current within pricelist
- Dealer sales (if any) collected and reported

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Preparing for a GSA OIG Audit

- OIG audits are rare and typically are conducted when a contractor has extremely high sales
- Mitigate audit risks by conducting regular internal reviews for:
 - GSA contract pricelist current
 - GSA *Advantage!* reflect current, approved pricelist
 - Sales tracking system
 - IFF
- Invoicing
- Records retention
- Registrations current
- Reporting requirements completed on time

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Preparing for a GSA OIG Audit


- Brief participants on audit process
- Discuss roles and responsibilities during the audit
- Review all required files in advance, the audit will most likely include:
 - Original contract
 - Commercial sales practices
 - Federal, state, and local sales data
- Sample task orders, invoices, and resumes
- Sales breakdown
- Financial statements and reconciliation of GSA sales data to audited statements
- Organization charts
- Policies and procedures for pricing practices, sales monitoring, ordering, billing, and IFF compliance
- Top customers and associated sales

ACTIVITY



Capstone Exercise: Roll Up Your Sleeves


Questions?



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Evaluation Survey


- The **Day 3** evaluation and **Overall** evaluation surveys have been placed in front of you
- Please take a few minutes to complete both the workshop evaluation and the overall workshop series evaluation (front and back)
- Once you have completed both, please place them in the envelope on your table



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Follow-Up Survey

- In approximately six months, after the completion of the Business Breakthrough workshop series, a participant from your company who attended the workshop series will be asked to complete a follow-up survey
- If you are the only participant who attended from your company, you will be asked to complete the follow-up survey



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